

SEVENTH CONFERENCE OF AFRICAN MINISTERS IN CHARGE OF INTEGRATION (COMAI VII)

Concept Note

14-18 July 2014

**Royal Swazi Sun Convention Center,
Ezulwini,**

Kingdom of Swaziland

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I. INTRODUCTION

1. The theme identified for COMAI VII is '**infrastructure for integration of Africa**'. The rationale behind the selection of the years' thematic focus is to ignite debate and action orientated recommendations to address some of the most debilitating challenges constraining the effective acceleration and realization of Africa's economic integration agenda. While the potential for regional integration is recognized as a means of fostering common and broad based development, sharing of opportunities, managing of risks, reducing poverty as well as production and wealth creation, more decisive action is needed to turn such potential into tangible gains for African citizens and African economies. Gaps remain between promise and performance, with critical bottlenecks and a major one is the lack of adequate physical infrastructure.
2. In this context, the 18th AU Assembly adopted the Programme for Infrastructure Development in Africa (PIDA) to tackle these infrastructure challenges in the continent and to ensure a better continental integration. Indeed, PIDA's overall strategic objective aims at accelerating the regional integration of the continent and facilitating the creation of African Economic Community as set out in the Abuja Treaty. By improving access to integrated regional and continental infrastructure networks, PIDA will allow countries to meet forecast demand for infrastructure services and boost their competitiveness by:
 - Increasing efficiencies;
 - Accelerating growth;
 - Facilitating integration in the world economy;
 - Improving living standards;
 - Unleashing intra-African trade.
3. The essential benefits of a regionally integrated approach to infrastructure development are to make possible the formation of large competitive markets in place of small, isolated and inefficient ones-and to lower costs across production sectors. Despite robust GDP gains by many countries in recent years, Africa's staggering infrastructure inefficiencies have been choking integration efforts, stunting growth and sapping national resources, public and private.
4. The PIDA programme is going through its priority Action Plan to bridge the infrastructure gap of Africa by putting in place an integrated African Continent where the infrastructure and its services enable the free movement of goods and passengers by providing efficient, safe, secure, reliable and seamless networks options and reducing costs to support environmentally and economically sustainable regional development.
5. This Concept Note aims to elaborate on these key constraints with a view to inspiring lasting solutions to the challenges faced. Regional economic integration has been regarded as a rational response by the continent to address and

overcome the challenges imposed by globalization with regard to competitiveness, production and supply capacities, trade, investment, finance, technology transfer, knowledge development and innovation as well as skilled human resource capacity. It has also been considered as one of the best means for the continent to stem the adverse effects of Africa's balkanization in the aftermath of colonialism. It is also viewed with positive potentialities to compensate for the disadvantages of being landlocked and the fragmentation that limits market size and denies economies of scale to many countries. Further, by pooling capacities and resources, it has the potential to enhance the abilities of the continent to better respond to vulnerabilities and shocks. African integration has therefore, remained over the decades a major development strategy for the continent and key to overcoming economic fragmentation, promote economic diversification, build cross-border linkages among productive entities, enhance welfare gains, reduce poverty and raise living standards.

6. As a result of the forgoing, many governments have concluded a number of regional integration agreements, with varying degrees of overlap. While the African Economic Community (AEC), as set out in the Abuja Treaty, constitutes the ultimate goal and target of the integration agenda of the AU and its eight officially recognized REC and while many of the regional integration agreements and the Abuja Treaty itself are characterized by ambitious targets, progress has been patchy and varies, not only across the eight RECs, but also the Member States who constitute the primary enablers of integration. The Abuja Treaty itself is characterized by six (6) stages divided between two levels (region and continental) and is at stage three (3) of the process (establishment of Free Trade Areas (FTAs) and Customs Unions at the regional level by 2017).
7. Yet despite COMESA, ECCAS, SADC and ECOWAS all having reached FTA status, the level of implementation and consolidation varies. Moreover, while all have Customs Union programmes in place for the realization of this objective before 2017, these have suffered from numerous sets backs, delays and a recasting of the launch date. The only REC to stand out as having launched and consolidated its Customs Union and launched a Common Market is EAC, in January 1, 2005 and June 2010, respectively. While the only REC to have in place an operational and functioning self-financing system is ECOWAS, in the form of its Community Levy.
8. It should be underscored, that some tangible progress has been made by African countries towards regional integration, through greater promotion of trade related infrastructure such as customs single windows (one stop border posts), the utilization of computerized customs networks across Member States as a means of integrating, modernizing, digitizing and accelerating customs clearance procedures and to coordinate the collation and exchange of customs information particularly import and export data between national customs administrations. The development of transport infrastructure and power interconnection projects, tariff reductions (which have fallen from 16.7 per cent to 7.1 per cent from 2000-2009) and growing levels of intra-regional trade within some Communities.

9. Free movement is also promoted by some of the Communities, with regional passports and other travel and insurance documents in place, such as the ECOWAS and EAC Passport and the yellow and brown card schemes in operation in COMESA and ECOWAS, respectively. Some RECs are also working towards the harmonization of investment policies and are monitoring compliance with monetary convergence programme criteria. Further, efforts to bring a degree of order, simplification and coherence to the Africa's integration arrangement and address overlap have recently culminated in the EAC-COMESA-SADC Tripartite Arrangement, whose apparent success has sparked calls by AU Heads of State for its emulation amongst other RECs.
10. Yet despite the noble progress, African integration remains largely fragmented, beset with problems of inadequate human and financial resources at all levels (not only for implementation but research and analysis as well as monitoring and evaluation of impact), poor coordination and information exchange at the various institutional levels (which can decelerate the pace of trans positioning and domestication at the national level), poor implementation of decisions, political reticence on some issues, over emphasis on national priorities rather than regional considerations, persistent cross border trade challenges such as NTBs and low level of infrastructure and energy development. Further, security concerns and misconceptions by national governments and citizens alike continue to hinder the wide spread application of free movement decisions. Moreover, the process suffers from a general lack of sufficient citizen involvement and an enabling environment for all actors in society (parliaments, private sector, civil society, research institutions) to participate and make a meaningful contribution in policy formulation and decision-making processes. An inclusive approach to integration and economic growth must ensure the mobilization and utilization of all available resources within a region for economic and social development.
11. As the benefits of integration begin to be felt in certain sectors, the expectations of Africans is increasing, keen to see tangible benefits in the form of employment, rising incomes and better infrastructure. For Africa to keep pace with these reasonable expectations, governments and regional and continental institutions alike must step up to the mantle by hastening the pace, depth and delivery of integration agreements, while engaging in continuous dialogue with the African citizenry who in themselves breath practical reality into the functionality of integration, constitute the main drivers of the process and on whom its impact will be felt the most – whether negative or positive.

II. OBJECTIVES OF THE CONFERENCE

12. The theme of the COMAI VII is “***infrastructure for integration of Africa***”. The objectives of the Conference are to:
- Assess the progress made in implementing the Abuja Treaty by the Regional Economic Communities;

- Evaluate the implementation status of the COMAI VI recommendations; and
- Agree on recommendations of the current Conference.

13. In this regard, the following topics will be discussed:

- The 2014 report on the status of integration in Africa;
- The Study report of the African integration Fund;
- The African Regional Integration Index;
- The report on implementation of the COMAI VI recommendations;
- The Common African Position on Post 2015 Development Agenda;
- The Africa Agenda 2063.

III. EXPECTED OUTCOMES

14. The expected outcomes of the meeting are the following:

- Concrete recommendations on the theme of the Conference;
- The way forward regarding the African Regional Integration Fund;
- Adoption of the Regional Integration Index as Africa's M&E framework of Assessing the progress in the integration Agenda;
- Ministerial Declaration highlighting among other the strategies and actions to speed up infrastructure development to support the effective regional integration.

IV. PARTICIPANTS

15. Participants to the meeting will include the following:

- Ministers and Experts from all African Member States;
- representatives from all the eight RECs;
- AUC, UNECA, NPCA and AfDB;
- UNDP, IDEP, World Bank, IMF, EU, UNCTAD;
- Representatives of African Private sector and Civil Society.

V. DATE AND VENUE

16. The dates for the meeting are 14-18 July 2014 at the **Royal Swazi Sun Convention Center**, Ezulwini, in the Kingdom of Swaziland.

VI. FORMAT OF THE MEETING

17. Experts Meeting (3 days) 14-16 July 2014

- The experts meeting will discuss on the Agenda items and adopt the experts' report;

18. Ministerial Meeting (two days) 17-18 July 2014

- The meeting will consider the experts' report and adopt a Ministerial declaration.

VII. CONTACT PERSONS

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