

# LIEN! LINK!

AU CŒUR DU PARTENARIAT AFRIQUE-UNION EUROPÉENNE

INSIDE THE AFRICA - EUROPEAN UNION PARTNERSHIP



Dernière fête de la délégation de l'UE auprès de l'UA: Mariage réussi entre Traditions et Cohésion



Lettre d'information de la Délégation de l'Union Européenne auprès de l'Union Africaine



Photo: Richard James ARGIRIOU (EU to AU)

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## DEAR READER, CHER LECTEUR,

Welcome to LINK!, in this edition we go to the core business of both the EU and the AU: regional integration. Hence it is not surprising that integration is a fundamental pillar of our joint partnership. Commissioner Maxwell Mkwelalamba highlights the progress made since the establishment of the Organisation of African Unity in 1963 and the launch of NEPAD and the African Union in 2001 and 2002 respectively. Numerous continental policies have been adopted and are in the process of being implemented in several sectors. These include the African Peace and Security Architecture (APSA), the Comprehensive African Agriculture Development Programme, (CAADP), the Programme on Infrastructure Development in Africa (PIDA) and the AU's Minimum Integration Programme. All receive support from the EU. On EPA, the Economic Partnership Agreements, we both agree that they are a major tool to drive regional integration but we both also agree that progress has been too slow and that we both need to make more effort.

In addition to the AU, we have invited two other African key players to give their views. Abdoullie Jannah has focussed the work of his UN Economic Commission for Africa who also work on the promotion of regional integration. Every year, its

flagship publication "Assessing Regional Integration in Africa", better known by its acronym ARIA, offers a candid overview of where Africa's integration process stands. A LINK! on regional integration without a contribution from the RECs would not be complete. Ambassador Mwapachu, Secretary General of the East African Community, presents one of the major achievements in regional integration in recent years: the COMESA, EAC, SADC Tripartite Agreement.

L'UE, elle-même l'exemple par excellence d'un processus d'intégration régionale, soutient l'Afrique dans ses efforts d'intégration. Nous présentons les différents instruments financiers désignés dans le cadre de Cotonou et celui du nouveau partenariat UE-Afrique. Mais plus encore que ce soutien concret, aussi important soit-il, je crois fortement que l'échange de nos expériences d'intégration respectives est essentiel. Les logiques d'intégration en Afrique et en Europe ne sont pas les mêmes. L'Afrique procède d'emblée avec tous les Etats africains à bord et a surtout développé sa coopération continentale dans des domaines politiques et de stabilité. La dynamique de l'intégration économique se développe surtout au niveau des RECs. L'UE par contre s'est développée étape par étape, commençant par les dossiers économiques et graduellement approfondissant sa coopération politique dont l'entrée en vigueur du dernier Traité de Lisbonne est le dernier exemple. Elle a procédé aussi d'abord avec un noyau dur de six pays, s'élargissant en différentes vagues pour atteindre maintenant 27 membres; et ce n'est pas encore fini.

Si donc les expériences d'intégration sont différentes, le point de départ est le même: comment, dans un monde globalisé, assurer le bien-être pour ses peuples et mieux défendre ses intérêts. Comment travailler ensemble entre pays et obtenir que le résultat final soit meilleur à la fois pour le groupe et pour chaque membre individuellement? Les états-membres de l'UE sont arrivés à la conclusion que la réponse est de partager leur souveraineté dans un nombre croissant de domaines. L'Afrique ne doit pas copier le modèle européen, mais je suis convaincu qu'elle peut y trouver inspiration.

*Koen Vervaeke*

*Chef de la Délégation de l'Union Européenne  
auprès de l'Union Africaine*

## INTERVIEW of the month

*"The impact of the crisis on Africa has provided Africa an opportunity to accelerate her regional and continental integration endeavors."*

### Interview with **H.E Dr. Maxwell M. MKWEZALAMBA, AU Commissioner for Economic Affairs.**

#### **What are the progresses made towards Regional Integration in the recent past by the African Union?**

Several initiatives and decisions have been taken at the regional and continental levels aimed at accelerating the pace of regional integration since the establishment of the Organization of African Unity (OAU) in 1963. These include the adoption of the Abuja Treaty establishing the African Economic Community (Abuja Treaty) in 1991 and its subsequent going into force in 1994, the Sirte Declaration of September 9, 1999, and the adoption of the New Partnership for Africa's Development (NEPAD) and the launch of the African Union in 2001 and 2002, respectively. Recently, African Leaders have discussed the need to accelerate not only economic but also political integration and have agreed to transform the African Union Commission into the African Union Authority. Further, the Heads of State and Government have adopted a Minimum Integration Programme as a framework for accelerating regional and continental integration.



H.E Dr. Maxwell M. MKWEZALAMBA,  
AU Commissioner for Political Affairs  
Photo:AU

Following the adoption and implementation of the foregoing initiatives, some progress in regional and continental has been made. In terms of implementing the Abuja Treaty, for example, the first stage involving the strengthening of the existing Regional Economic Communities (RECs) and the creation of new ones where they do not exist has been achieved. There has also been progress regarding the second stage involving coordination and harmonization of activities and in particular the gradual elimination of tariff and non-tariff barriers. This has resulted in some RECs attaining the third stage of the Abuja Treaty characterized by the creation of free trade areas and customs unions. Such RECs include Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Economic Community of West African States (ECOWAS), Economic Community of Central African States (ECCAS), and the Southern African Development Community (SADC). These RECs are expected to attain Free Trade Area and Customs Union status by 2010, against the target date of 2017. The EAC has gone further than this. In 2009, it adopted a Treaty establishing the East African common market, which is expected to go into force in June 2010. Furthermore, three RECs, namely, COMESA, EAC and SADC have agreed to establish a single Free Trade Area.

At the continental level, there have been attempts to coordinate and harmonize policies and programmes. In addition, several continental policy

and development frameworks have been developed and adopted by the African Union Assembly of Heads of State and Government. These include the African Peace and Security Architecture (APSA), the Comprehensive African Agriculture Development Programme (CAADP), the Programme on Infrastructure Development in Africa (PIDA), Micro-Finance Policy Framework and Action Plan, the African Union Health Strategy, the African Charter on Statistics, and the Minimum Integration Programme (MIP). The MIP is composed of a set of activities, projects and programmes in a few priority areas intended to accelerate regional and continental integration in Africa. It is a mechanism for convergence between and among the RECs as well as a monitoring and assessment tool to be implemented by the RECs and the African Union (AU) Member States, in collaboration with Africa's various partners.

Furthermore, the African Union Commission has made significant strides in working towards the establishment of the three pan-African financial institutions, namely, the African Central Bank, the African Monetary Fund, and the African Investment Bank. As for the African Investment Bank, its legal instruments have been adopted by AU Heads of State and Government and are currently being signed and ratified by the AU Member States. Implementation studies on the other two institutions are underway.

Promoting regional and continental integration in Africa has faced a number of challenges. These include lack of adequate financial and human resources; multiple and overlapping membership of the RECs; existence of tariff and non tariff barriers; inadequate physical infrastructure; absence of coordination mechanisms at the national level and inability to mainstream integration in national development plans; and failure to apply protocols and implement decisions with respect to integration. These challenges, of course, are currently being addressed. For instance, the African Union Commission is looking at identifying alternative sources of financing the African Union in order to ensure availability of adequate financial resources for the

implementation of its integration agenda. To address the problem of multiple and overlapping membership of the RECs, the African Union Commission has been working with the RECs and the Member States in harmonizing and coordinating their activities, projects and programmes. In addition, the implementation of the MIP is expected to make a significant contribution in this regard. On the other hand, the transformation of the African Union Commission into the African Union Authority is expected, among other things, to ensure improved implementation of Africa's regional and continental integration agenda.

#### What is the role of the African Union in promoting regional and continental integration?

The African Union has taken a number of decisions aimed at promoting regional and continental integration. It has also adopted policy and development frameworks aimed at accelerating regional and continental integration. These policy and development frameworks have benefited from the contributions of sectoral expert and ministerial meetings and conferences. The African Union has also been working closely with the RECs, its building blocs, in harmonizing and coordinating their activities, projects and programmes. It has also been working on the mobilization of resources to facilitate the implementation of Africa's regional and continental integration agenda. The African Union has, in addition, developed and promoted African common positions on a number of issues, many of which seek to advance Africa's integration and development. Examples include African common positions on Economic Partnership Agreements (EPAs), the Millennium Development Goals, and Climate Change. Further, the African Union has been monitoring the implementation of Africa's regional and continental integration agenda. Once each year, African Union Heads of State and Government consider a Report on the Status of Integration in Africa.

#### How does the AU coordinate with the Initiatives Undertaken at the Level of the RECs?

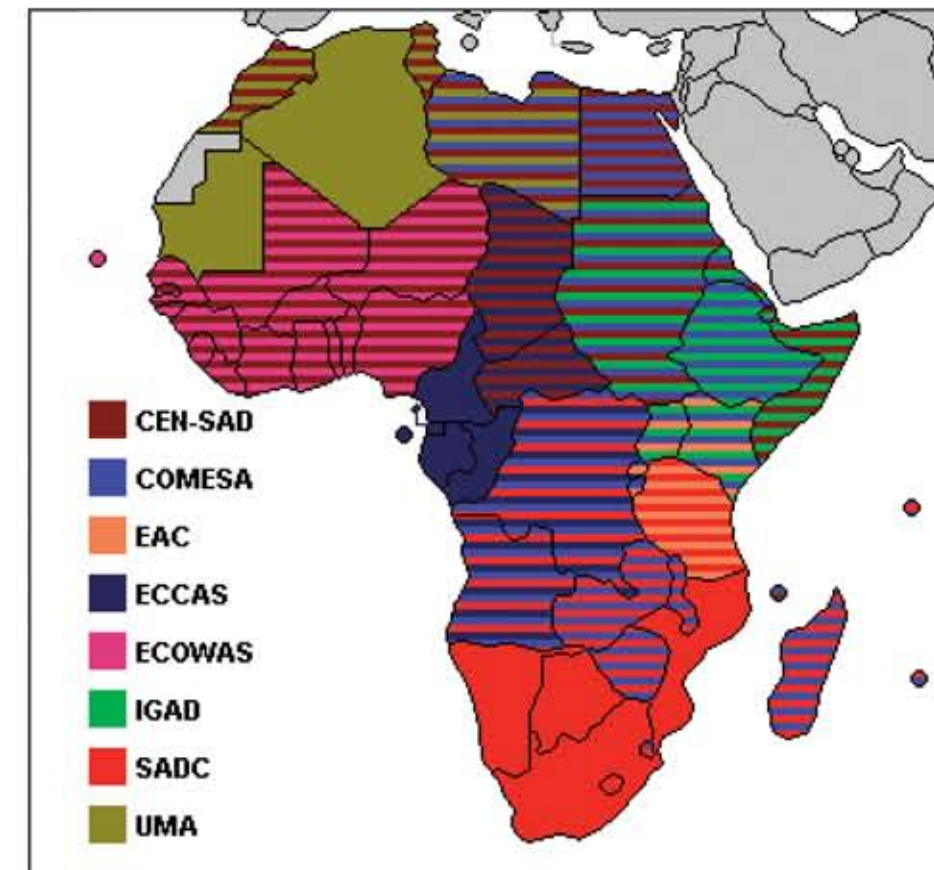
In January 2008, the Chief Executives of the African Union Commission and the RECs signed a Protocol on the Relations between the African Union and the RECs. The Protocol, among other things, provides for the organization of AU-RECs Coordination Meetings twice a year and effective participation of the AUC and the RECs in meetings of each other.

In implementing the Protocol, the AUC has been organizing the AU-RECs Coordination Meetings. These meetings have provided a forum for sharing best practices on integration as well as assessing progress in regional and continental integration and making recommendations to the AU Heads of State and Government through the African Union Conference of Ministers in charge of Integration. Following the decision of the AU-RECs Coordination Meeting held in Libreville, Gabon, in January 2010, the MIP will provide the agenda for

all future AU-RECs Coordination Meetings. In addition, the AUC and the RECs have been actively participating in each others meetings organized at the level of Experts, Ministers and Heads of State and Government.

#### What is the impact of this integration on African Peoples?

Africa has made substantial progress in up-lifting her peoples out of poverty. Before the on-set of the global financial and economic crisis, Africa on average achieved high economic growth rates and the proportion of those living below the poverty line was declining. The impact of the crisis on Africa has provided Africa an opportunity to accelerate her regional and continental integration endeavors. Reducing poverty and attaining the MDGs by the target date of 2015 requires, among other things, that there be increased opportunities for intra-Africa trade and hence the need to promote regional and continental integration.



Map of the REC Pillars of the African Economic Community  
Source: Wikipedia

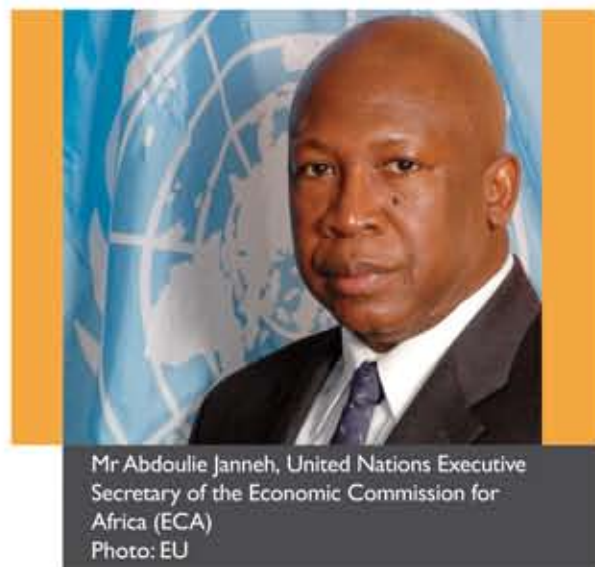
## DOSSIER INTEGRATION RÉGIONALE

1. Three questions to Mr Abdoulie Janneh, UNECA
2. Box Aria IV - Promoting Intra regional Trade
3. The EU and regional integration in Africa
4. Quelques grandes dates de l'intégration européenne
5. ITW Secretary General of the East African Community (EAC)

### THREE QUESTIONS TO...

#### Abdoulie JANNEH, United Nations Executive Secretary of the Economic Commission for Africa (ECA)

**What are the activities of ECA on the continent to promote regional integration, either from Addis or from your regional offices?**



Mr Abdoulie Janneh, United Nations Executive Secretary of the Economic Commission for Africa (ECA)  
Photo: EU

As you may already know, we revisited the strategic orientation of ECA in 2006 and the promotion of the regional integration in support of the African Union vision and priorities came out

very strongly as one of the pillars of our new strategic orientation. So, I would like to thank you for giving me the opportunity to talk about the work the Commission is doing in this critical area.

One key area in which ECA is promoting the objective of regional integration is through its flagship publication "Assessing Regional Integration in Africa," known by its acronym ARIA. The 4<sup>th</sup> edition of this important publication was launched on 24 May 2010 in Abidjan, on the margins of the African Development Bank's Annual meetings and its theme was "Enhancing Intra-African trade". ARIA is unique and provides policy makers and other stakeholders with valuable insights on various aspects of the regional integration agenda in Africa. For instance, the second edition published in 2006 focused on the need to harmonize and rationalize the multiplicity of RECs. This report contributed to the eventual decision by African Heads of State and Government to place a moratorium on the recognition of new RECs by the African Union and to limit them to the eight RECs currently recognized.

We are also providing a technical support to RECs in various sectors that are of great importance to the regional integration process, including transport and communications. ECA is very active in the Sub-Saharan African Transport Programme, and has long been a major actor in promoting coordination of air transport in Africa, which resulted notably in the Yamoussoukro Decision on Air Transport Liberalization in Africa.

ECA's work in the area of regional integration is complemented by its our five Subregional Offices (SROs) in Kigali, Lusaka, Niamey, Rabat and Yaounde. The SROs have established Multi-Year Programmes with their respective RECs through which they are providing a variety of knowledge products, technical assistance and advisory services to accompany the efforts of the RECs across the spectrum of integration activities including institutional strengthening.

One last thing I would like to mention is the collaboration with the African Union Commission in developing a template to guide RECs and member States in the negotiations relating to Economic Partnership Agreements and the Aid-for-Trade agenda. As you can see regional integration is really at the core of our work.

#### **What do you see as the greatest challenge or obstacle to advance Regional integration in Africa?**

There have been some successes on regional integration including trade liberalization and trade facilitation, free movement of people and infrastructure linkages. Such progress has also been recorded in peace and security.

However, there is still much more to be done to promote greater internal trade, macro-economic stability, production, and physical connectivity. Progress is also somewhat hampered by a low level of implementation of treaty obligations, inability to prevent and resolve conflicts decisively, and a lack of resources to support integration, which is a long-term, capital-intensive venture. One key element in tackling these challenges is finance. It is generally recognized that inadequate financing is one of the main barriers to Africa's integration.

Financial resources to support the regional economic communities come mainly from assessed contributions, but external assistance has been the prime source of financing their operations. Actual paid contributions are limited, and external support, in some cases, is no longer as forthcoming and sufficient to meet the needs of the regional economic communities. The African Union and the RECs therefore need to have a comprehensive financial base. For instance, the EU-financed budget runs in the billions of dollars, with a significant share used to level the playing field by supporting

the economies of weaker countries under the Structural Fund. Similarly, the AU and RECs need sound and dependable financial resources to enable them fulfill their enormous mandates.

I am confident that this constraint can be eased. A good example relates to the steps taken by the African Union to establish the African Investment Bank, which will complement the African Development Bank in mobilizing needed resources to support Africa's development and integration. The AU is also exploring the possibility of putting in place an African Regional Integration Fund as well as alternative sources of funding beyond Member States' assessed contributions, to finance integration institutions and programs.

Revitalized regional integration offers the most credible strategy for tackling Africa's development challenges, internal and external. Indeed, coherent and collective efforts, with dynamic political commitment to integration can help overcome the daunting challenges.

#### **How do you see the role of the African Union?**

The AU is the custodian and vanguard of Africa's regional integration, and is already doing a lot to drive the process in areas including peace and security; political and economic governance; and capacity building. Heads of State and Government have collectively taken far-reaching and bold initiatives to promote peace and security on the continent especially through the articulation and establishment of a continental peace and security architecture. The AU has also elaborated a Minimum Integration Programme which sets out a clear road map of what needs to be done to accelerate the process of integration in the continent.

On a more general note, the African Union, through its NEPAD programme as well as the African Peer Review Mechanism (APRM) continues to be an effective tool in promoting good political and economic governance on the continent. More than 29 countries have joined the African Peer Review Mechanism (APRM) which is a very strong indication of Africa's collective desire to address issues of political and economic governance in a concerted manner.

### Do you see a specific role for the European Union to contribute to the process of regional integration in Africa?

The integration process in the European Union has a long history. Although this process is deeply rooted in the European cultural and political identity, there are lessons to learn, bearing in mind our own realities.

So, it's crucial to strengthen our partnerships with EU to boost our own efforts in advancing our regional integration agenda. We are all aware that the EU is already involved in the implementation of Africa-EU Partnerships, including that on Trade and Regional Integration. I call upon the EU to continue its laudable programme of support to the AU and member States in the implementation of these partnerships.

This will also help to address some of the limitations which I mentioned earlier including that

of inadequate financing. Until this constraint is eased by improved economic conditions or well-functioning financial arrangements within RECs, effective implementation of regional integration will require additional resources from partners including the EU.

I think it would help a lot if the EU could assist in the implementation of some of the key programmes being undertaken by the AU/UNECA/AfDB aimed at promoting regional integration. These include: the Minimum Integration Programmes (MIP) which have been agreed between the AU and the RECs; the Programme for Infrastructure Development in Africa (PIDA); and Comprehensive Africa Agriculture Development Programme (CAADP). The EU should also strive to ensure that the development component is taken into account in the negotiation of Economic Partnership Agreements.



## ARIA IV— PROMOTING INTRA-REGIONAL TRADE

Assessing Regional Integration in Africa (ARIA) is a major publication of the UNECA produced in collaboration with the AU and AfDB. The publication should be perceived as a tool for monitoring progress of regional integration in Africa with a view of providing policy advice to the member states as well as the RECs. The 2010 publication, ARIA IV, focuses on "Enhancing Intra-Africa Trade" and reveals that Africa has made significant progress in accelerating intra-African trade among its regions. ARIA IV undertakes a comprehensive empirical analysis of the reasons why intra-African trade has remained consistently low over the past decades and come up with concrete proposals that could be implemented by member States, Regional Economic Communities, private sector operators and other stakeholders in Africa's development, in order to address the many different facets of the intra-African trade conundrum.

The report observes that regional integration continues to occupy the agendas of many African leaders, indicating that there is significant political will to move regional integration efforts forward. It also reveals that the Member States and African institutions are undertaking a number of initiatives aimed at accelerating regional integration agenda, which is in line with the Abuja Treaty. These initiatives clearly demonstrate Africa's desire to move towards continental unity. In addition, the report reveals that a number of RECs have taken actions aimed at promoting regional integration. These include: creation of free trade areas and customs unions; introduction of community passports to ease movement of goods and persons; establishment of macroeconomic convergence targets; harmonizing their business laws; and strengthening of infrastructure and Information and Communication Technology (ICT) development on the continent.

Despite these efforts and achievements, the report indicates that Africa is not fully reaping the benefits of regional integration, particularly in trade, because of numerous challenges which continue to impinge on effective implementation of regional integration activities. These include: poor infrastructure networks; physical barriers; conflict and civil war in some parts of the Continent; poor governance; and lack of implementation of decisions made at political level, among others.

## THE EU AND REGIONAL INTEGRATION IN AFRICA

### THE EU AND REGIONAL INTEGRATION IN AFRICA

The EU, itself the result of a fascinating integration experience, has put support to African integration central in its relations with the continent. The EU and its ACP partners have jointly acknowledged the political and economic benefits of regional integration, which is set as one of the general objectives of the 2000 Cotonou Partnership Agreement. Within the African context, the launch of the New Partnership for Africa's Development (NEPAD) in 2001 and the birth of the African Union (AU) in 2002 clearly confirm that regional integration is seen as an essential vehicle to achieve sustainable development and poverty eradication. The EU has supported NEPAD since its conception and values many of its principles and objectives. Our shared vision on regional integration is additionally enshrined in the 2007 Joint Africa-EU Strategy (JAES), which seeks to use the enormous potential of our partnership to jointly find answers to the common challenges of today's globalized world. "Regional Integration, Trade and Infrastructure Development" figure as one of the eight Africa-EU Strategic Partnerships within the 2008-2010 Action Plan.

### EU Support to Regional Integration in Africa – Policy Framework

In light of the above, the European Commission put forward a Communication on "Regional Integration for Development in ACP Countries", which was endorsed by the European Council in November 2008. The Communication adopts a comprehensive notion of regional integration that is reflected in the five priority areas identified for EU support, namely:

- *Building regional integrated markets* through the effective implementation of existing regional trade-in-goods commitments and the integration of the services sector, investment and regulatory standards;
- *Facilitating business development* by improving the regulatory environment, strengthening productive capacities, and mobilising capital;

- *Connecting regional infrastructure networks* with an emphasis on completing the "missing links" between national road, energy and telecommunications networks;
- *Strengthening regional institutions*, particularly with a view to promoting regional governance and cooperation for peace and security and to improving national institutional capacities to implement regional policies;
- *Developing regional policies for sustainable development*, especially with regards to food security, the common management of natural resources and social cohesion.

Continuous progress in these five areas is expected to foster political stability and economic prosperity within Africa as well as enhance the capacity of African regions to tackle shared challenges and to deliver cross-border public goods. The Communication further stresses that EU support to regional integration shall follow the principle of ownership laid down in the Cotonou Agreement. The EU thus respects the choices and decisions made by its African partners on the objectives, pace and methods of their integration processes. Ownership, therefore, is about African countries defining and implementing their own regional integration agendas.

### EU Support to Regional Integration in Africa – Instruments

The Commission Communication identifies three main instruments of EU support to regional integration in Africa: political dialogue, trade policy and financial assistance.

### Exchanging integration experiences

EU Member States and the European Commission have political dialogue on different levels. From the six-monthly ministerial dialogue to daily contacts in Addis and Brussels. On 8 June 2010, European Commission President Barroso and eight other European Commissioners visited the African Union Commission in Addis Ababa. Among the

main issues discussed was the question of integration. The process of African integration may be different from the European integration process, but there are important experiences to share, and the EU is uniquely positioned to engage on the continental and regional level in Africa.

#### Promoting regional trade

As agreed in Cotonou (Article 37), one of the main trade tools to support regional integration is the Economic Partnership Agreement (EPA). Within Africa, EPAs are being negotiated with five African regions: West Africa, Central Africa, Eastern and Southern Africa, the East African Community, and the Southern African Development Community. These agreements are thus intended to consolidate existing regional integration initiatives within Africa and to help facilitate the gradual integration of African countries into the global economy. In particular, EPAs are aimed at fostering the effective implementation of existing regional commitments on trade in goods, at expanding regional trade in services and at promoting investment within African regions and with the EU. EPAs also seek to encourage African regions to forge common positions and to develop regional rules on trade-related matters. Despite these shared objectives, negotiations are not progressing as both sides would have wished. At the last AUC/EC Commissions meeting in Addis (8 June), both Commissions stressed the need for the EPAs under negotiation to be supportive of regional and continental integration.

#### Financial support

Regarding financial assistance, the 10th European Development Fund (EDF) constitutes the primary instrument of EU support to regional integration in Africa, complemented by the Development Cooperation Instrument for South Africa and the European Neighbourhood and Partnership Instrument for a number of North African countries. Funding (initially) allocated to trade and regional integration has been considerably increased under the 10th EDF, to be channeled through both regional (approx. €457m) and national indicative programmes (approx. €400m) on the basis of the objectives jointly agreed in the Regional and Country Strategy Papers. In addition, as part of its "Aid for Trade Strategy", the EU has provided over €1 bn for trade facilitation projects

in developing countries between 2006 and 2008, and pledged to increase such support by 2010.

#### Need for better infrastructure

Infrastructure is an area where the "costs of non-integration" are particularly felt in Africa in the field of transport, energy, water and ICT networks. The lack of efficient infrastructure networks at regional and continental levels generates for example excessively long transport time and high transport costs causing major hurdles for trade, investment and economic development. As an illustrative example, a study presented at the NEPAD Transport Summit of November 2009 finds that the average waiting time at key ports in Africa (Dar es Salaam and Mombasa) is 23-26 days compared to 3-5 days at other major world ports, while average transport costs are 2-3 times higher in Africa than in other parts of the world, including Brazil and China. In response to this challenge, and in line with the EU-Africa Infrastructure Partnership launched in 2007, the EU is devoting a substantial amount of resources to infrastructure development within Africa and between Africa and Europe. By addressing the missing links and increasing country and regional interconnectivity, trade will expand, economies will grow and job opportunities will increase, thus boosting Africa's efforts to reach its Millennium Development Goals. A major part of the financing for the partnership comes from the 10th EDF and is complemented by the EU-Africa Infrastructure Trust Fund, an innovative tool combining grant resources from the EU with the lending capacity of the European financing institutions (including the European Investment Bank) in partnership with the African Development Bank. Approximately €4.5 billion in grants is expected to be allocated for infrastructure development in Africa over the period 2008-2013.

#### Conclusion

Regional integration is an essential driver for political stability, sustainable development and poverty eradication, and is thus an overarching goal guiding the European Union's action in trade policy, financial assistance and political dialogue. The EU is, and will continue to be, a strong supporter of regional integration in Africa, on the basis of the partnership approach enshrined in the Cotonou Agreement and the Joint EU-Africa Strategy.

## LES GRANDES DATES DE L'INTÉGRATION RÉGIONALE EUROPÉENNE

### Approfondir l'intégration européenne.

L'UE est l'organisation régionale au monde qui a poussé le plus loin son processus d'intégration. Un long chemin a été parcouru depuis que la l'Allemagne, Belgique, la France, le Luxembourg et les Pays-Bas ont signé le traité qui a fondé en 1951 la Communauté Européenne du Charbon et de l'Acier. Non seulement le nombre d'États-membres est-il passé de 6 à 27, mais encore ces pays ont-ils délégué plus de compétences à des agences supranationales telles que la Commission Européenne. Tandis que les traités européens initiaux entendaient établir un marché commun afin de promouvoir le commerce intérieur et les opportunités d'investissement, les évolutions récentes vont à la fois dans le sens d'une plus grande coordination des politiques étrangères et d'un développement du marché commun.



**1950:** Union douanière dans les secteurs du charbon et de l'acier entre 6 pays: Allemagne, France, Italie, Luxembourg, Belgique, Pays-Bas.

**1957:** Traité de Rome : marché commun de la CEE Europe des 6 = Allemagne, France, Italie, Luxembourg, Belgique, Pays-Bas, (Marché commun de la CEE).

**1968:** Suppression complète des droits de douane à l'intérieur de la CEE.

**1973:** Europe des neuf : adhésion de la Grande-Bretagne, de l'Irlande et du Danemark.

**1981:** Europe des 10 : adhésion de la Grèce.

**1986:** Signature de l'acte unique qui prévoit la mise en place du grand marché.

**1986:** Europe des 12 : adhésion de l'Espagne et du Portugal.

**1992:** Signature du traité de Maastricht qui prévoit la création de l'Union Economique et Monétaire (UEM)

**1993:** Le grand marché européen (suppression des entraves à la libre circulation des hommes et des capitaux).

**1995:** Europe des 15 : adhésion de la Suède, de l'Autriche et de la Finlande

**1999:** Entrée en vigueur de l'UEM : application de la monnaie unique pour 11 participants (= Europe des 15- Suède, GB, Danemark et Grèce).

**2004:** Europe des 25, adhésion de la Pologne, la Hongrie, la République Tchèque, l'Estonie, la Slovaquie, Chypre, la Slovaquie, la Lituanie, la Lettonie et Malte.

**2007:** Deux autres pays d'Europe orientale, la Bulgarie et la Roumanie, ont rejoint l'UE, portant le nombre d'États membres à 27. La Croatie, l'ancienne République yougoslave de Macédoine et la Turquie sont également candidates.

**2009:** Entrée en vigueur le 1er décembre du traité de Lisbonne.

## THE COMESA, EAC, SADC, TRIPARTITE AGREEMENT



Ambassador Juma V. Mwapachu, Secretary General of the East African Community

Over the last five years, COMESA, EAC and SADC have cooperated in the coordination and harmonization of programmes through a Tripartite Task Force (TTF) made up of the Chief Executives, supported by their officials, of the Secretariats of the three Regional Economic Communities. In the context of this cooperation framework, some progress has been made in the review of the rules of origin, simplification of customs procedures and documentation, rationalization of COMESA and SADC transit bond guarantee schemes, development of customs training and capacity building programmes, harmonisation of standards, coordination of competition policies and institutional frameworks, identification, monitoring the removal of non-tariff barriers (NTBs) and cooperation and development of infrastructure, with the North-South Corridor as a pilot project in this area.

The three Secretariats, as the Tripartite Task Force, have been cooperating under a loose framework in the harmonisation and rationalisation of programs and instruments. With an agreement establishing a comprehensive legal and formal Tripartite framework, implementation of the Tripartite programs is expected to be formalised

and streamlined into the integration and national processes of the Member States.

A major step was taken to formalize this cooperation, when the Tripartite Task Force in conjunction with Member States, proposed a meeting of Heads of State and Government of the three RECs to provide guidance on how to advance cooperation and coordination of programmes under the Tripartite arrangement. Consequently the first Tripartite Summit was held in Kampala, Uganda on 22nd October 2008.

After reviewing progress on the implementation of Tripartite programs in trade, customs and economic liberalization and infrastructure development, the Kampala Tripartite Summit of 22 October 2008 reached agreement on the key areas of cooperation by the three RECs. More specifically, the Tripartite Summit called for:

- (a) A program of harmonization of trade regimes of the three RECs
- (b) Free movement of business persons within the three RECs
- (c) Joint implementation of regional infrastructure projects and programmes, and
- (d) Legal and institutional arrangements for regional cooperation.

The Tripartite Summit directed the Chairpersons of the respective REC Councils of Ministers to:

- (a) Consider, approve and sign the Memorandum of Understanding on inter-regional cooperation and integration
- (b) Ensure that the RECs develop joint programs that enhance cooperation and deepen coordination in industrial and competition policies, financial and payment systems, and development of capital markets and commodity exchanges, and
- (c) Ensure that the Secretariats participate, coordinate and harmonize positions on EPAs negotiations and other multilateral negotiations, including WTO.

The Tripartite Summit further:

- (a) Agreed on the establishment of an FTA with the ultimate goal of establishing a Customs Union that involves the Tripartite Member States
- (b) Directed that a study be undertaken by the three RECs, incorporating the following elements, among other issues:
  - i) Development of a roadmap for the establishment of the FTA that would take into account the principle of variable geometry
  - ii) Formulation of a legal and institutional framework to underpin the FTA, and
  - iii) proposals on measures to facilitate the movement of business persons across the RECs.

The tripartite task force engaged a consultant who assisted to develop the Tripartite draft instruments including draft FTA agreement, report and 14 annexes. The documents are with Partner States of the concerned 26 countries for consultation and coming up with changes or agreements. Some of the benefits and costs of Tripartite FTA are summarized below.

### Enlargement of Regional Markets and Increased Investment

Most of the countries in the eastern and southern African region have economies that are too small and fragmented to allow for the exploitation of economies of scale. The establishment of the Tripartite FTA by increasing the size of the market promotes competition that would lower production costs within the region.

The Tripartite FTA will increase the size of the region as an investment area. Investors will prefer large markets for their goods therefore a large consolidated and seamless market is important for investment decisions. This is especially the case where steps are taken to develop the FTA into a common investment area supported by converging policies on competition, taxation, company laws, investment codes and movement of business persons.

Similarly as investments rise, competitive forces and technical progress will be further stimulated and that will lead to exploitation of economies of scale and higher productivity. In this context regional policies must be credible to attract portfolio investments to complement direct investments that are induced by market enlargement.

### Other Gains

#### Consumer Welfare

Over time the removal of tariff and non-tariff barriers to trade between the participating states will lead to trade creation within the Tripartite region. As regional markets open up, the resultant lower border prices and reduced transaction costs will increase demand for products from the region at the expense of those from third parties. Furthermore, lower prices and enhanced availability of a greater variety of products from the wider market will improve welfare gains for the consumers.

#### Collective Bargaining (“voice”) Power

One of the consequences of integration by African countries has been to improve their collective voice in the international arena including multilateral trade negotiations as well as bilateral arrangements such as the Economic Partnership Agreements (EPAs).

#### Access to natural resources and sea

The membership of the three RECs is 26 countries that make up about 50% of African countries and close to 60% of Africa’s population and GDP. The region straddles the Mediterranean Sea, Indian Ocean and Pacific Ocean, thus the proposed FTA provides the possibilities of extensive cooperation and improved access to the sea by the landlocked countries. The infrastructure programs that will be implemented as a part of the Tripartite FTA, will bring closer the member states by reducing transport costs but also opening some potential markets which are more difficult to reach.

#### Improved Trade Facilitation and Custom Procedures

Customs procedures have been associated with delays in clearance of goods across the borders

with studies indicating that these procedures contribute up to 25% of the delays. These delays are not only caused by customs procedures, but also by factors related to multiple agencies operating at the border points and inefficient systems. The study found that the RECs have ongoing modernization programmes to simplify the customs procedures for the purpose of encouraging compliance and trade facilitation. Nonetheless, cumbersome customs procedures continue to be major impediments to trade in the region. There is in addition a multiplicity of instruments and mechanisms developed by the different RECs such as the COMESA and SADC Regional Customs Transit Bond Guarantee Schemes. These have been developed differently, and because of multiple memberships of some States, can confuse the authorities and private operators. Such schemes can under a Tripartite FTA be developed jointly together with programmes in customs reforms, modernization and capacity building. The Tripartite FTA cooperation in trade facilitation will also save costs, introduce best practices and harmonize procedures and methods for the benefit of the region as a whole.

#### **Benefits from Freer Movement of Business Persons**

In pursuance of provisions of the decisions by the October 2008 Tripartite Summit, the free movement of business persons will be part of the FTA Agreement. This coupled with the envisaged inclusion of trade in services liberalisation under the FTA should immensely contribute to opening up the region to untapped business opportunities.

#### **Addressing Multiple Memberships**

Most empirical studies have highlighted the problem of overlapping membership by countries in regional trade agreements which are

counterproductive. The challenge of this phenomenon has been more profound in Eastern and Southern Africa. The establishment of a Tripartite FTA can be an important initiative to overcome this problem and is in line with the continent's pronounced policy to achieve more rationalization of regional integration initiatives. A UNECA study identified the potential gains of rationalization of the RECs. These include: efficient allocation of resources; increased trade between member countries and countries outside the region; gain in economies of scale; strong negotiating position; welfare gains, improved productivity; higher wages; policy credibility; more efficient provision of public goods; and fewer regional conflicts. As the challenges of globalisation become more pronounced, regional integration holds potential towards economic diversification and increased competitiveness of the region's constituent economies.

#### **Trade in Services**

Most assessments of the potential gains from market integration in Africa, focusing mainly on trade in goods, have highlighted the low proportion of intra-African trade to total trade as a constraining factor. However, a recent UNCTAD Economic Development in Africa Report (2009), as already indicated, attempts to explore the increasing importance of intra-African trade in goods, trade in services, investments and migration, suggesting important unexploited trade and investment opportunities. The Tripartite FTA has Articles dealing with liberalization of services which will augment benefits to the region.

## **Integration of Sanitary and Phyto-Sanitary (SPS) frameworks in Africa**

Agriculture is a dominant economic sector and SPS is central to trade and regional integration in Africa. However, in each African country today, there are still highly fragmented SPS rules, leading to varying controls, inspections and enforcement of compliance. This results in costly checks at national borders, burdensome official certification and significant barriers to trade of food products.

In this context, the European Commission (Directorate General for Health & Consumers)

and related guideline on the harmonisation of food hygiene inspections and authorisation of food establishments. Second, it aims to accompany the African regional and national authorities in the application of the referential to enhance an increased mutual recognition between competent authorities of the same region through the promotion of a common certification scheme and frameworks compatible with international (Codex) standards. This will have positive knock-on effects on intra-regional trade.



Seated 4th & 5th from left, Malawi Minister of Industry & Trade Hon. Eunice Kazembe and Malawi Deputy Minister of Agriculture & Food Security Hon. Margaret Roka Mauwa were among BTSF Africa regional workshop regrouping representatives of East Southern African (ESA) countries, 14-18 June 2010 Lilongwe, Malawi

and the AU Commission (Department for Rural Economy & Agriculture), in collaboration with Regional Economic Communities, are jointly coordinating under the Trade and Regional Integration partnership of the Joint Africa-EU Strategy, the implementation of several capacity building activities, worth €10 million, to harmonise frameworks in the sanitary and phyto-sanitary (SPS) fields across Africa.

The overall objective is to promote common principles and methodology for veterinary and official control, reducing undue customs formalities and internal border checks within Africa. Coordinated by the EU Delegation to the AU under the programme "**Better Training for Safer Food (BTSF) Africa**", one of the activities concerns the organisation of regional workshops. It aims, first, to prepare a **referential**

To prepare the referential, ten regional workshops have been held in 2009-2010, regrouping the public and private sectors of all the countries of each region concerned. In 2009, five regional workshops were held on 6-10 July in Accra (Western Africa region), 21-25 September in Brazzaville (Central Africa region), 18-22 October in Cairo (Northern Africa

region), 23-27 November in Johannesburg (Eastern Africa and Southern Africa regions) and 7-11 December in Lusaka (East-Southern Africa region). Five more workshops were held in 2010 on 22-26 February in Douala (Central Africa region), 15-19 March in Casablanca (Northern Africa region), 19-23 April in Kampala (Eastern Africa and Southern Africa regions), 24-28 May in Bamako (Western Africa region) and 14-18 June in Lilongwe (East-Southern Africa region).

Two more stocktaking events are foreseen by end 2010: capacity building seminar for officials of the AUC, RECs and specialised bodies (Cape Town, 11-15 October) and a high-level conference (Brussels, 17-18 November). An UEMOA Expert meeting is planned (18-20 October tbc) to prepare for the adoption of the referential by its member countries.

## DERNIERES NOUVELLES du Partenariat

### THREE FINANCING AGREEMENTS FOR SUPPORT OF THE LIVESTOCK SECTOR

The European Union (EU) and the African Union- Interafrican Bureau for Animal Resources (AU-IBAR) have signed financial agreements totalling Euros 28.8 million to support three new projects. The signing ceremony took place on 13 May 2010 at the Imperial Resort Beach Hotel in Entebbe, Uganda where the 8th AU Conference of Ministers responsible for Animal Resources was being held.

#### Three projects impacting Africa

The first project aims at strengthening climate change adaptation strategies through improved management at the livestock, wildlife, and environment interface in four Trans-boundary hot spots - (WAP Parks in Benin, Burkina Faso and Niger, Karamajong Cluster in Uganda, Kenya and Sudan, Lake Chad in Nigeria, Cameroon and Chad and Fouta Djallon in Senegal, Mali and Guinea Conakry).



Left: Head of the Delegation of the European Union to Uganda, Mr Vincent DEVISSCHER  
Right: AU Commissioner Rhoda Peace TUMUSIIME  
Photo EU

The second project will increase the resilience of Somali Livestock keepers through the provision of animal health care services and vaccination of small ruminants as well as development and management of livestock marketing infrastructure.

The third project aims at reducing the impact of neglected animal diseases through an increased access and use of quality vaccines. It will tackle vaccine production, marketing strategies and quality control by independent

laboratories on the continent as well as a few vaccination campaigns strategically selected.

#### A "significant intervention"

"I would like to register the appreciation of African Union for this significant intervention coming at a time when global food security is attracting an all time high attention and Africa in particular is in need of every help to attain the Millennium Development Goals (MDGs), particularly Numbers 1 and 8", AU

These projects are financed from the Development Cooperation Instrument of the Budget of the EU, more specifically from the Food Security envelope and the Food Facility set in response to soaring food prices. The projects benefiting from these funds include Livestock for Livelihoods (Euros 4.8m), the Livestock Emergency Intervention to Mitigate Food Crisis in Somalia (Euros 4m) and Vaccines for the Control of Neglected Animal Diseases in Africa (Euros 20m).

Commissioner for Rural Economy and Agriculture Her Excellency Mrs. Rhoda Peace Tumusiime said. On his part, the EU Head of delegation, Mr. Vincent de Visscher stressed the fact that this funding not only illustrates the importance of the livestock sector for improved well-being, but also the continuous strengthening of the privileged relationship between the African Union and the European Union.

The AU-IBAR has been receiving financial assistance from the EU to fund several other projects that include the Somali Ecosystem Rinderpest Eradication and Control Unit, Support Programme to Integrated National Action Plans for Avian and Human Influenza, Participation of African Nations in Sanitary and Phyto-sanitary Standards-setting Organisations and Somali Livestock Certification Project.

### ENHANCED MONITORING OF THE ENVIRONMENT TO MITIGATE LAND DEGRADATION AND IMPROVE NATURAL HABITAT CONSERVATION

#### 1,846,000 EUR granted to IGAD Climate Prediction and Applications centre

A grant of almost 1,846,000 EUR has been awarded by the African Union, with the endorsement of the European Union, to the IGAD Climate Prediction and Applications Centre (ICPAC) in the framework of the Africa Monitoring of Environment for Sustainable

Development (AMESD) Programme, for the implementation of the thematic action on land degradation mitigation and natural habitat conservation in the IGAD region. The grant agreement was signed by the beneficiary on 11th of May in Addis Ababa. The duration of the action

is 36 months. With this, all 5 AMESD thematic actions on water resource management, marine and coastal management, crop and rangeland management, drought monitoring, land degradation, desertification mitigation, and natural habitat conservation can commence the implementation.



African Union: Mohamed Khalil Timamy, IGAD: Debalkew Berhe, ICPAC: Laban Ogallo, AMESD technical team: Etienne Kaisin  
EU Del: Joan NADAL SASTRE

## RETREAT ON RECIPE FOR EFFECTIVE MANAGEMENT OF RESOURCES

From 14 to 16 May 2010, the AU organised a retreat in Nazareth, Ethiopia, which brought together representatives from the AU Deputy Chairperson's office, the Peace and Security Directorate, the Directorate for Programming, Budgeting, Finance and Accounting, the Administration and HR Directorate, the Directorate for Internal Audit and AU Liaison Offices (LOs) in

great opportunity for AUC and Liaison Offices to have open and frank discussions on how to improve financial and administrative management and internal control. The organisation of the retreat was strongly welcomed by all participants as the first occasion that brought representatives of all LOs together to discuss such management issues.



Participants of the Retreat on Recipe for Effective Management of Resources 14-16 May 2010, Nazareth Ethiopia  
Photo: EU to AU

Post-Conflict Countries, in order to discuss and brainstorm on the subject "Recipe for Effective Management of Resources". The EU Delegation to the AU was invited to participate and deliver a presentation on "Partners' expectations regarding Effective Management of Resources".

All 10 AU Liaison Offices were represented by their Finance/Admin and/or Political Officers, 7 of the 10 Special Envoys were present. The retreat provided a

The conclusions of the discussions will be consolidated in an action plan which will be the basis for future measures to strengthen financial and administrative management of the AU Liaison Offices.

## PERSONALIA



Graeme William PRESTON



Graeme William PRESTON, Conseiller Principal pour le Transport et l'Energie a commencé ses fonctions au sein de la Délégation de l'Union Européenne auprès de l'Union Africaine le 16 Mai 2010.



## EVENEMENTS



### Evénements en June

- 8 June** College to College Meeting, Addis Abeba
- 9 June** Energy partnership "mini-JEG" planned in Addis on 9/10 June, Addis Abeba
- 14-18 June** Better Training for Safer Food (BTSF) Africa Workshops, Lilongwe, Malawi
- 14 June** JEG Climate change foreseen, Addis Abeba



## LIENS UTILES

**Le site du partenariat Europe-Afrique**  
[www.africa-eu-partnership.org/](http://www.africa-eu-partnership.org/)

**Le site de l'Union africaine**  
[www.africa-union.org](http://www.africa-union.org)

**Le site de Eastern Africa Community (EAC)**  
[www.eac.int](http://www.eac.int)

**Le site de la Commission économique pour l'Afrique**  
[http://www.uneca.org/fr/fr\\_main.htm](http://www.uneca.org/fr/fr_main.htm)