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**Follow-Up Report on the Implementation of Recommendations from  
the Third Conferences of African Ministers in Charge of Integration  
(COMAI III)**



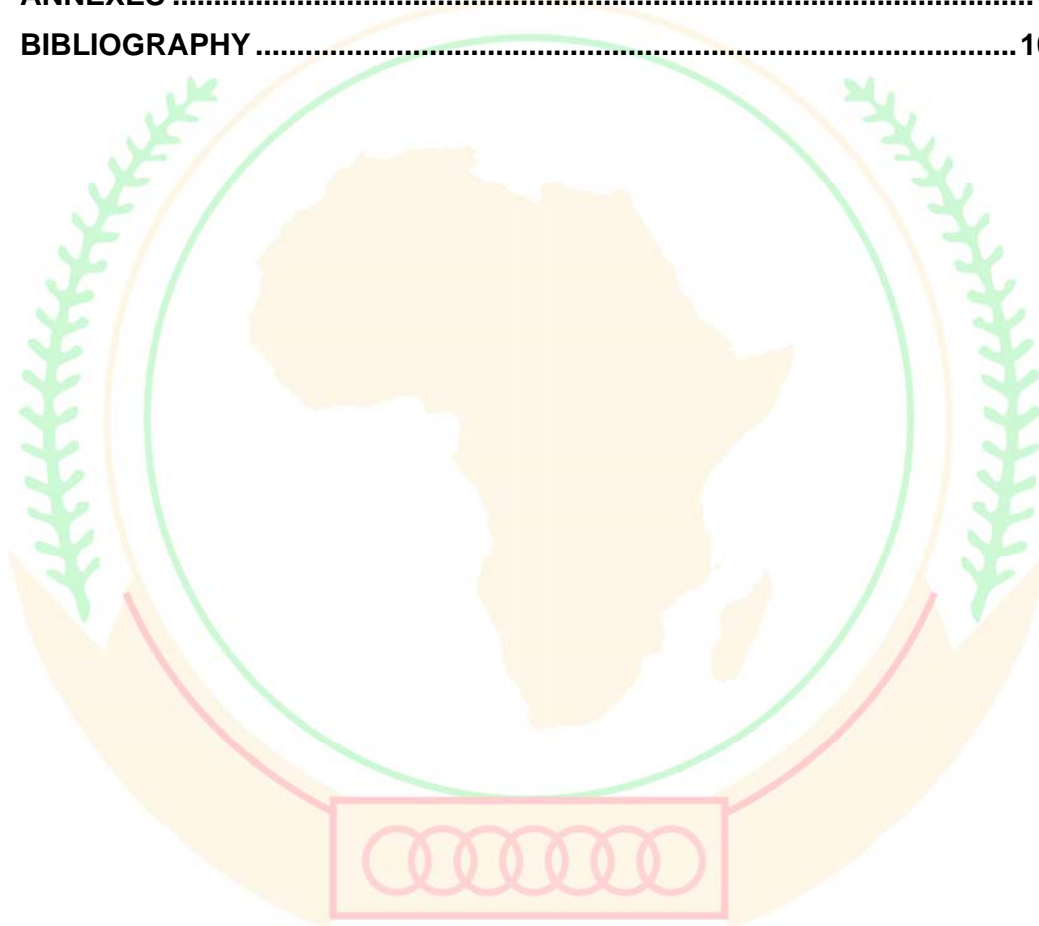
Department of Economic Affairs

May 2009

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## FOREWORD

*Many decisions have been taken in the framework of implementing the African integration agenda. In this regard, the solutions to Continental integration are known, but the problem is how to implement them. Many tentative actions have been taken but results remain few. That is why the African Union decision making organs took the decision to institutionalise the Conference of African Ministers in Charge of Integration (COMAI), which is an opportunity for Member States to access the implementation process.*

*During the first COMAI meeting held in Ouagadougou (Burkina Faso) in March 2006 a decision was taken to propose a matrix format within which implementation of agreed recommendations would be documented. In accordance with the Decision the first follow up report was prepared in using such a format. This second follow up continues suit. The Commission invites Member States and the RECs to enhance their cooperation by institutionalising and embedding the recommendations that emerge from COMAI into the decision making processes and work plans of the RECs to help improve monitoring and reporting.*

*This report is prepared annually; the Commission therefore calls on all stakeholders involved to actively participate in its preparation through the provision of required information. This will help facilitate the work of the Commission, and foster collaborate working.*



**Dr. Maxwell M. MKWEZALAMBA**

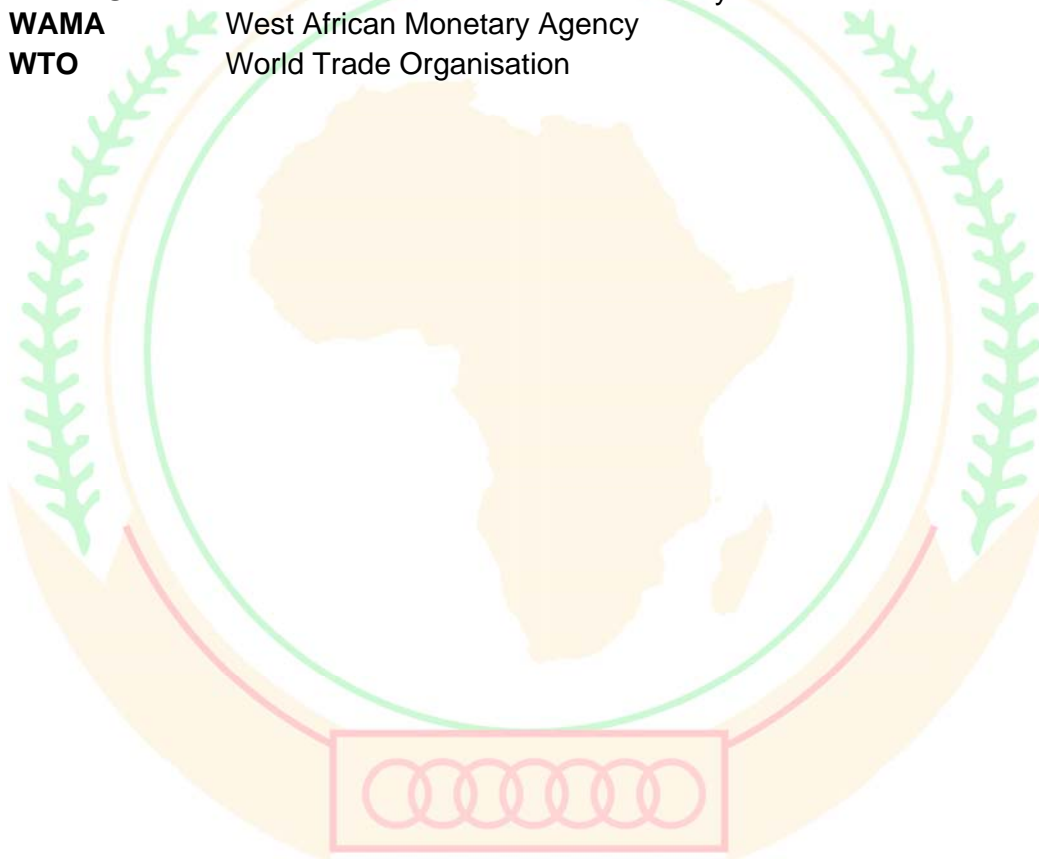
*Commissioner for Economic Affairs*  
**African Union Commission**

## ABBREVIATIONS



<b>ACB</b>	African Central Bank
<b>ACBF</b>	African Capacity Building Foundation
<b>AEC</b>	African Economic Community
<b>AfDB</b>	African Development Bank
<b>AIB</b>	African Investment Bank
<b>AMF</b>	African Monetary Fund
<b>AMU</b>	Arab Maghreb Union
<b>APRM</b>	African Peer Review Mechanism
<b>ARIA</b>	Assessing Regional Integration in Africa Three
<b>AU</b>	African Union
<b>AUC</b>	African Union Commission
<b>BLNS</b>	Botswana, Lesotho, Namibia, and Swaziland
<b>CASSOA</b>	Civil Aviation Safety and Security Oversight Agency
<b>CCIA</b>	Common Investment Area Agreement
<b>CEMAC</b>	Economic and Monetary Community of Central Africa
<b>CEN-SAD</b>	Community of Sahel-Saharan States
<b>CET</b>	Common External Tariff
<b>COMAI</b>	Conference of African Ministers in Charge of Integration
<b>COMESA</b>	Common Market for Eastern and Southern Africa
<b>CU</b>	Customs Union
<b>EAC</b>	East African Community
<b>EC</b>	European Commission
<b>ECCAS</b>	Economic Community of Central African States
<b>ECF</b>	European Cohesion Fund
<b>ECOWAS</b>	Economic Community of West African States
<b>ETLS</b>	ECOWAS Trade Liberalisation Scheme
<b>EDF</b>	European Development Fund
<b>EMECP</b>	ECOWAS Macro-Economic Cooperation Programme
<b>EPA</b>	Economic Partnership Agreement
<b>ERASMUS</b>	European Region Action Scheme for the Mobility of University Students
<b>ERDF</b>	European Regional Development Fund
<b>ESA</b>	Eastern and Southern Africa
<b>ESF</b>	European Social Fund
<b>EU</b>	European Union
<b>FDI</b>	Foreign Direct Investment
<b>FTA</b>	Free Trade Area
<b>GDP</b>	Gross Domestic Product
<b>HLTF</b>	High Level Task Force
<b>ICT</b>	information and communication technology
<b>IGAD</b>	Inter-Governmental Authority on Development
<b>IOC</b>	Indian Ocean Commission
<b>IRCC</b>	Interregional Coordination Committee
<b>M+E</b>	Monitoring and Evaluation
<b>MFN</b>	Most Favoured Nation clause
<b>MIP</b>	Minimum Integration Programme/Plan
<b>MoU</b>	Memorandum of Understanding

<b>NTB</b>	Non-Tariff Barriers
<b>PPP</b>	Public Private Partnerships
<b>PRM</b>	Peer Review Mechanism
<b>REC</b>	Regional Economic Community
<b>RIA</b>	COMESA Regional Investment Agency
<b>SACU</b>	Southern African Customs Union
<b>SADC</b>	Southern African Development Community
<b>SPS</b>	Sanitary and Phyto-sanitary Measures
<b>TB</b>	Tariff Barriers
<b>TDCA</b>	Trade, Development and Cooperation Agreement
<b>UEMOA</b>	West African Economic and Monetary Union
<b>UNECA</b>	United Nations Economic Commission for Africa
<b>USAID</b>	United States Agency for International Development
<b>WAEMU</b>	West African Economic and Monetary Union
<b>WAMA</b>	West African Monetary Agency
<b>WTO</b>	World Trade Organisation



## EXECUTIVE SUMMARY

It will be recalled that the Conference of African Ministers in Charge of Integration (COMAI) was institutionalised in 2006 at the Banjul Summit. The Conference brings together African Ministers in Charge of Integration, with the primary purpose of addressing Regional and Continental integration matters. Three meetings have been held to date. The First and Second Conferences were held in Ouagadougou, Burkina Faso from March 30-31, 2006 and Kigali, Rwanda from July 26-27, 2007. While the Third Conference took place in Abidjan Cote d'Ivoire from May 19-23, 2008.

All three Conferences set out a number of recommendations to be implemented by Member States, Regional Economic Communities (RECs), the African Union Commission (AUC) and development partners such as United Nations Economic Commission for Africa (UNECA) and the African Development Bank (AfDB). It is within this context that the Commission annually tracks progress on the implementation of recommendations that emerge from each COMAI meeting. The first follow-up report was produced in 2008 and tracked progress on the implementation of recommendations from COMAI I and II. This second follow-up report provides a summary of the activities undertaken or envisaged to implement the recommendations that emerged from COMAI III, which made a number of recommendations to the abovementioned stakeholders, in some of the following areas: trade and investment, free movement, governance matters (peer review and the sharing of data) and infrastructure development.

**This report is structured** in the following manner: Chapter one contains the introduction which sets the context for the follow-up exercise and the methodology adopted to undertake this assignment; Chapter two is the status of implementation of the recommendations by each actor (Member States, RECs, AUC, and AfDB and UNECA); Chapter three, looks at the challenges and problems encountered during implementation; Chapter four provides a critical analysis of the integration process, and this follow up exercise. This analysis takes into account the information documented in the previous chapters and makes recommendations to various actors in order to improve coordination and accelerate the integration agenda; and finally the annexes containing the matrices completed by each actor.

As states above, **Chapter two of the report** provides a summary of the status of implementation of the recommendations by each actor. From the responses received it is apparent that efforts have been made to implement the recommendations. However, a representative picture of implementation at the level of Member States cannot be ascertained due to the low number of responses received. Of the 53 Member States that comprise the Union, only six responded to the matrix. It was evident in their responses that in the area of institutional development, Ministries of integration were being created or existing Ministries of Foreign Affairs were given the portfolio for regional integration matters. Further, focal points for regional integration matters were being identified as a means of improving coordination and communications with AU Commission. However the issue of transferring greater levels of

sovereignty to regional institutions within the principle of subsidiarity was noted as a work in progress by the majority of respondents. In the area of free movement, this was in some cases also a work in progress. However, countries belonging to the EAC or ECOWAS regions were making headway in this area through the implementation of various provisions on free movement and the issuing of regional passports. However, in some quarters the issue of recognition of diplomatic passports continues at a slow pace.

As concerns the issue of governance and information sharing, this was being implemented through various meetings and other fora as well as bilateral agreements between countries. Encouragingly, of the six countries that responded to the matrix five had acceded to the APRM process, with at least two having reached stage four and five of the process, respectively. In the area of trade, Member States were beginning to take greater cognizance of the need to diversify production bases, developing industrial strategies and policies, as well as applying measures for the quality control of imports and exports. As regards accelerating the establishment of FTAs where they do not exist, a number of the respondents who fell within the ECOWAS region were already within an FTA, while those within EAC are working toward a single FTA with COMESA and SADC. In the area of infrastructure development, some respondents noted having increased budget allocations for infrastructure development.

In the case of the respondent RECs, all of the recommendations were noted as under implementation. However, in some cases this implementation was somewhat nuanced, that is, the activities being undertaken were indirectly rather than directly contributing to the fulfilment of particular recommendations. For example, under the theme of trade and investment, rather than having developed an investment code for Africa as the recommendation stipulates, a number of investment codes and strategies have been or are being developed by individual RECs for their respective regions.

Concerning the area of trade all the respondent RECs were working on consolidating, and or creating FTAs whether at the level of the individual REC itself or within a tripartite arrangement as in the case of COMESA, EAC and SADC. In the area of free movement, COMESA and ECCAS have already developed Protocols and Conventions on the matter and are working towards their complete ratification and implementation. Others, such as CEN-SAD, SADC, EAC and IGAD are respectively, undertaking further consultations and consensus building on the issue, developing draft instruments pertaining to free movement, developing a Protocol on a Common Market and a Minimum Integration Plan (MIP), which all aim to address and advance free movement issues in their regions. Some of the obstacles identified hindering progress include, amongst others: reluctance by Member States to ratify various instruments on free movement; lack of harmonizing legal instruments; political constraints; poor infrastructure development; and concerns held by some Member States on the possible threats envisaged with the freer movement of peoples across their borders. Despite the efforts, the operationalisation of this principle remain painfully slow.

Under the theme of governance (particularly as regards peer review, and information sharing), formal peer-review mechanisms had not been developed between the RECs as the recommendation prescribes. Rather, existing formal and informal cooperation arrangements were by proxy cited as serving a similar function to formal peer review mechanisms. These include, amongst others, the Interregional Coordination Committee (IRCC) involving EAC/COMESA/IGAD and the Indian Ocean Commission (IOC), which operates within the framework of European Development Fund (EDF) funded programmes and projects. As well as the new Tripartite arrangement between COMESA, EAC and SADC. Some RECs also had in place static programmes to improve the harmonisation, collection, capture, and dissemination of statistical data in their regions.

An innovative initiative to strength information sharing across a broad spectrum of stakeholders within a REC was the convening of the first Strategy Retreat for key Organs and Institutions of the EAC in February 2009, in Kigali, Rwanda. This, the first retreat of its kind, brought together high level leadership: Ministers, Permanent Secretaries, Heads and Senior Officials of Government, EAC Organs and Institutions; and representatives of the business community and civil society. This is a laudable example of self-assessment, institutional dialogue, stock taking, and peer review within a REC and its related organs to enhance performance, professionalism and efficiency in its operations.

As regards the implementation of regional integration decisions, all the RECs noted that they inform Member States of COMAI recommendations and were identifying and earmarking integration projects that are not yet operational for future implementation. This was the case particularly within the infrastructure sector. However, concerning COMAI recommendations, it was evident that recommendations from this forum appear to fall outside of the decision-making processes adhered to by the RECs, and subsequently does not appear to have a place central in the work programmes of the RECs. There is need to embed the recommendations and subsequent follow up within the decision making and implementation processes of the RECs so that implementation is institutionally mainstreamed and due attention accorded to subsequent follow up and reporting.

In the area of sensitisation and popularisation of regional integration a number of innovative activities and initiatives are being undertaken to promote and popularise regional integration within the regions such as trade fairs, commemoration days celebrating the creation of certain regional groups, as in the case of the SADC day and the proposed ECCAS day. These commemoration days are a way of taking regional grouping down to their citizens, raising awareness and helping to cement cultural and other affinities amongst the people of their regions.

For the AUC, recommendations primarily pertained to monetary policy, fiscal policy and institutional development. On the institutional side, work has been ongoing on the establishment of the three African financial institutions; this has included operationalising the Steering Committees for the African

Investment Bank (AIB), the African Central Bank (ACB) and the African Monetary Fund (AMF). The Commission has also continued its work on the establishment of a Pan African Stock Exchange with a feasibility study completed in 2008.

In the case of UNECA and AfDB, the harmonisation of investment codes has been addressed through the 2008 edition of *Assessing Regional Integration in Africa Three (ARIA III): Towards Monetary and Financial Integration in Africa*. Jointly produced by the AUC, UNECA and AfDB, However, along with the AUC little progress has been made on the development of a comprehensive investment code for the Africa, which was one of the recommendations from COMAI III. However, this continues to be a work in progress.

**Chapter three of the report** synthesises the challenges encountered during the implementation process, which, despite the progress that has been made, are hindering progress. At a glance they include, amongst others, the continued slow progress in the implementation of measures on free movement, be it the adoption, ratification and implementation of legal instruments on the initiative. Other challenges include inadequate infrastructure and insufficient resources for infrastructure development, restraining development in some regions. In the area of governance, countries that have acceded to the APRM highlighted human and financial resource limitations to adequately implement the recommendations and National Plans of Action. At the level of the RECs, lack of a formal peer review mechanism (PRM) within each REC themselves, which for some precludes the creation of a PRM between the RECs. Capacity constraints was a common problem across Member States, RECs and the AUC in implementing integration mandates and programmes.

In the area of trade, a number of Member States continue to be disproportionately dependent on commodity exports of unprocessed or partially processed agricultural and extractive products for their export revenues. Additional obstacles cited by Member States were lack of resources to undertake required trade reforms; overlapping membership hindering the development of a Common External Tariff (a pre-requisite for the creation of a Customs Union); and in some RECs lack of consensus over the structure of their FTA. Also highlighted was the problematic nature of the EPA negotiations (their complexity, configurations of the grouping, liberalisation thresholds, and lack of a development approach, as well as issues of market access).

Lack of resources were cited as hindering the implementation of key infrastructure projects as well more far-reaching popularisation activities, especially with citizens at a grassroots level. This deficiency in resources was also attributed to an inability by some RECs to undertake comprehensive empirical research, looking at whether regional integration efforts were having a positive, negative or even just an impact on ordinary peoples' lives.

**Chapter four of the report** provides a critical analysis of the integration process, and this follow up exercise. The analysis takes into account the

information outlined in the previous chapters and makes recommendations to various actors in order to improve coordination and accelerate the integration agenda. A critical assessment of integration and this follow up exercise illustrates that movement by a number of RECs to stage three of the integration process (formation of Customs Unions) is and will face substantial challenges if the issue of overlapping and multiple memberships is not decisively addressed by Member States. Here lies the crux of the problem, the disparity between rhetoric/commitments and delivery.

The mandate, strategic objectives and orientation of the RECs are laudable. The attainment of some of these key objectives is undermined by the plethora of overlapping membership that exists by some of their Member States. For example, in the formation of Customs Unions, countries cannot be members of two Customs Unions, with a CET differing for all its members according to the different membership arrangements prevailing. A REC would de facto cease to be able to form or maintain its Customs Union if a solution to this persistent problem is not found. If Member States are determined about pursuing deeper integration overlap is an issue that must be addressed by choosing only one REC with whom to continue pursuing integration. To not do so is not only a handicap to the RECs in terms of achieving their own strategic objectives, but a handicap to the attainment of the AEC. Granted this is not an easy matter to address, but address it must be.

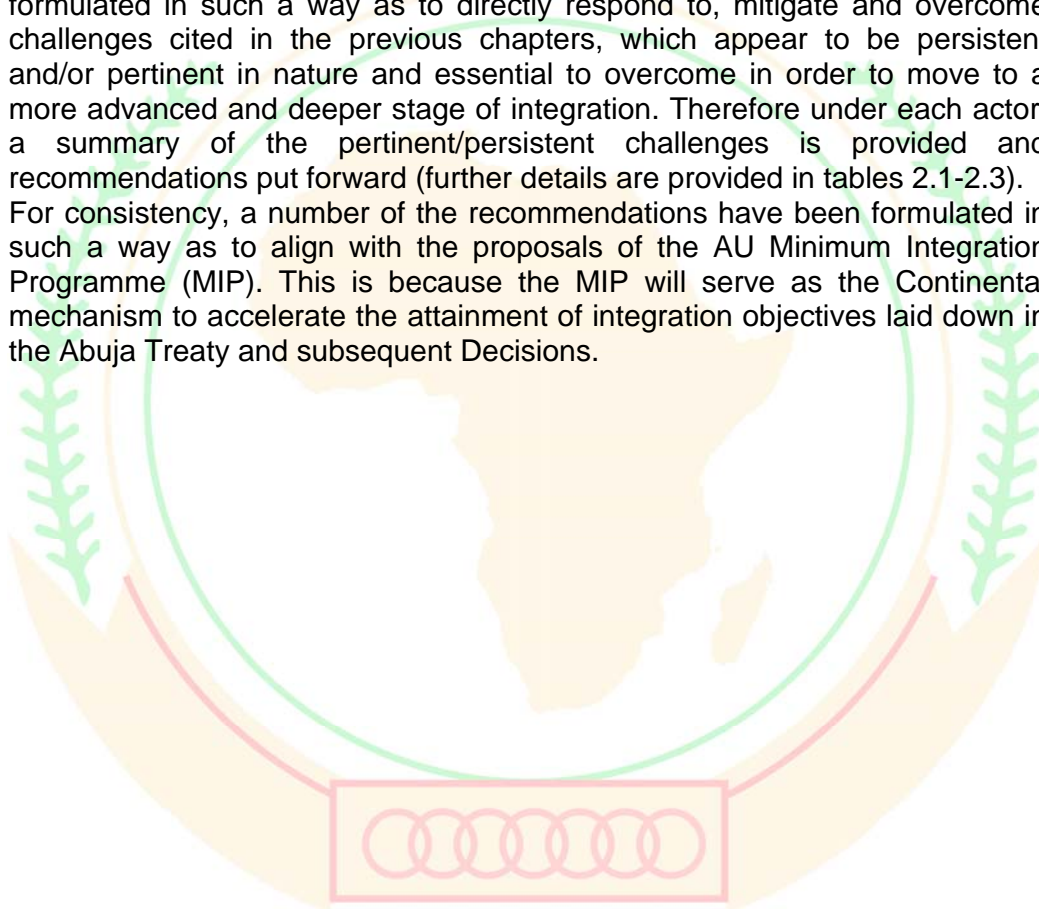
Likewise, the gaps between commitments and delivery are also demonstrated in the poor-implementation of certain Protocols, the issue of free movement is a casing point. Other critical instruments for accelerating economic integration in the Continent also face similar challenges, be it non ratification, late ratification or even non creation where they should exist. These include Protocols on: trade and customs liberalisation; compensation mechanism for loss of revenue; rules of origin; multi-lateral surveillance mechanism; elimination of tariff and non-tariff barriers; and democracy and good governance.

It was highlighted earlier that overlapping membership is one of the major constraining factors hindering the development of some Customs Unions. However, its impact is also felt on human and financial resource availability. Overlapping membership to RECs, which for all intents and purposes have quite similar and duplicating mandates, is a strain on both human and financial resources of Member States. Financial resources were in particular, noted by a number of respondents as a major impediment to effective and efficient implementation of programmes and projects. However, regional integration is a resource intensive process and Member States should not be the only source of finance. Stronger and coordinated efforts must be sought to mobilise resources from within the African Continent as well as through partnerships and linkages with its vast and ever increasing Diaspora community, particularly the private sector.

In the area of coordination improvements there have been positive improvements between the AUC and the RECs with regular Coordination meetings, signing of a new Protocol on relations between the RECs and the

AUC, annual attempts to follow up on the implementation of recommendations from COMAI, efforts to develop a mutually agreeable MIP, and the installation of REC liaison officers at the AUC, however, further enhancements are needed. For example, mechanisms are required to monitor the implementation of the new Protocol between the RECs and the AUC as well as to embed and institutionalise the recommendations of COMAI within the decision-making processes and work programmes of the RECs and Member States so as to improve follow up and reporting. Reciprocal efforts need to be made on the part of Member States and RECs to support AUC efforts to improve, work efficiently, effectively and deliver on its mandate.

The **recommendations** set out in the final section of Chapter four have been formulated in such a way as to directly respond to, mitigate and overcome challenges cited in the previous chapters, which appear to be persistent and/or pertinent in nature and essential to overcome in order to move to a more advanced and deeper stage of integration. Therefore under each actor, a summary of the pertinent/persistent challenges is provided and recommendations put forward (further details are provided in tables 2.1-2.3). For consistency, a number of the recommendations have been formulated in such a way as to align with the proposals of the AU Minimum Integration Programme (MIP). This is because the MIP will serve as the Continental mechanism to accelerate the attainment of integration objectives laid down in the Abuja Treaty and subsequent Decisions.



## 1. INTRODUCTION

### 1.1 Context

- 1.1.1 It will be recalled that the Conference of African Ministers in Charge of Integration (COMAI) was institutionalised in 2006 at the Banjul Summit. The Conference brings together African Ministers in Charge of Integration, with the primary purpose of addressing Regional and Continental integration matters. Three meetings have been held to date. The First and Second Conferences were held in Ouagadougou, Burkina Faso from March 30-31, 2006 and Kigali, Rwanda from July 26-27, 2007. While the Third Conference took place in Abidjan Cote d'Ivoire from May 19-23, 2008.
- 1.1.2 All three Conferences set out a number of recommendations to be implemented by Member States, Regional Economic Communities (RECs), the African Union Commission (AUC) and development partners such as United Nations Economic Commission for Africa (UNECA) and the African Development Bank (AfDB). It is within this context that the Commission annually tracks progress on the implementation of recommendations that emerge from each COMAI meeting. The first follow-up report was produced in 2008 and tracked progress on the implementation of recommendations from COMAI I and II. This second follow-up report provides a summary of the activities undertaken or envisaged to implement the recommendations that emerged from COMAI III.
- 1.1.3 COMAI III made a number of recommendations to the abovementioned stakeholders, in amongst others the following areas: trade and investment, free movement, governance matters (peer review and the sharing of data) and infrastructure development. The recommendations to Member States, RECs, AUC, UNECA and AfDB, included, amongst others:
- Establishing Ministries of Integration and National Commissions, where they do not exist and strengthening those that do;
  - Implementing decisions on the Free Trade Areas (FTA);
  - Implementing policies on Economic Partnership Agreements (EPAs);
  - Facilitating the free movement of persons, goods, and services;
  - Harmonisation of payment and financial systems;
  - Transferring some domains of sovereignty to regional and Continental institutions within the principle of subsidiarity;
  - Increasing the allocation of resources and mobilising domestic resources for infrastructure development;
  - Diversifying product and export bases for increased revenue as well as revisiting industrialisation policies;
  - Removing tariff and non-tariff barriers in order to facilitate intra-African trade;

- and
- Development of a comprehensive investment code with a view to promoting private sector participation;
- Facilitating the free movement of persons, goods, and services;
- Adoption of a peer review mechanism amongst the RECs; and
- Popularisation of regional integration.

## 1.2 Methodology

1.2.1 The methodology adopted to follow up on the recommendations is summarised as follows:

- Matrices containing the recommendations from COMAI III were disseminated to the relevant actors for completion;
- Missions were also undertaken to follow up on the matrices sent out;
- Desk based research, using secondary data; and
- Embassies in Addis Ababa were also directly contacted by telephone requesting a response to the matrices.

1.2.2 To elaborate on the above summary, implementation matrices containing the recommendations were sent to RECs, Member States, AUC Departments, UNECA and AfDB, requesting an update on the activities accomplished or envisaged to implement the recommendations. The first correspondences were sent in October 2008, to all the stakeholders. Those sent to Member States were sent to those specific Ministries dealing with integration matters (as derived from the participants list from COMAI III). Reminder correspondences were sent in November 2008. Further reminder emails were sent to the RECs directly and through their liaison officers at the AUC in January 2009.

1.2.3 Following the dissemination of the matrices, missions were also conducted to RECs and host Member States, respectively. Of the eight RECs that officially recognised by the African Union as the building block of the African Economic Community (AEC), visits were undertaken to seven. These included visits to the Community of Sahel-Saharan States (CEN-SAD), the Economic Community of West African States (ECOWAS), the Inter-Governmental Authority on Development (IGAD), Common Market for Eastern and Southern Africa (COMESA); the Southern African Development Community (SADC), the East African Community (EAC), and the Economic Community of Central African States (ECCAS). The eighth REC, Arab Maghreb Union (AMU), was not visited as relations do not currently exist between the African Union (AU) and AMU, despite its recognition as a pillar of the Continental integration process. However, matrices were sent to all the RECs including AMU. The remaining RECs are located in the following host Member States: Botswana, Djibouti, Gabon, Libya, Nigeria,

Tanzania, and Zambia. Where possible, visits were made to the host Member States.

- 1.2.4 In terms of responses to the matrix very few were received from Member States. Of the 53 Member States that comprise the Union six responded to the matrix. These were namely: Benin, Burkina Faso, Cote d'Ivoire, Mozambique, Tanzania and Togo (see Annex 1 for full details of the responses by each Member State). For those countries that did not respond attempts were made to directly contact the relevant Ministries responsible for integration as well Embassies in Addis Ababa, Ethiopia, in order to solicit responses.
- 1.2.5 Seven out of the eight RECs provided official responses to the matrix; however, an officially completed matrix was not received from AMU and only a partially completed matrix was received from ECOWAS. To supplement the information contained in the matrices from the RECs secondary data was also used, derived from institutional documentation such as the REC annual reports, REC Summit reports, strategic plans and other relevant documentation. Face to face interviews were also conducted. This is the basis of the information in this report. Annex 2 contains a compilation of the matrices completed by the RECs.

### **1.3 Report Structure**

- 1.3.1 This report is structured in the following manner: Chapter one contains this introduction which sets the context for the follow-up exercise and the methodology adopted to undertake this assignment; Chapter two is the status of implementation of the recommendations by each actor (Member States, RECs, AUC, and AfDB and UNECA); Chapter three, looks at the challenges and problems encountered during implementation; Chapter four, provides a critical analysis of the integration process, and this follow up exercise. This analysis takes into account the information documented in the previous chapters and makes recommendations to various actors in order to improve coordination and accelerate the integration agenda; and finally the annexes containing the matrices completed by each actor.

## 2. STATUS OF IMPLEMENTATION OF RECOMMENDATIONS FROM COMAI III

### 2.1 Member States

2.1.1 This Chapter of the report summarises the implementation of COMAI III recommendations by Member States. Of the 53 Member States that make up the Union, only six completed the matrix. Therefore, this report has only been able to make reference to responses derived from these countries only. Consequently, this report acknowledges that the information set out in this report with respect to the activities of Member States does not portray a truly representative picture of what has been occurring at a Member State level in respect of advancing regional integration through the implementation of recommendations from COMAI III. Further details of the activities undertaken by Member States to implement each recommendation can be seen in Annex 1 to this report.

2.1.2 Of the recommendations to emerge from COMAI III 19 applied to Member States. They fell within the following areas: institutional development, free movement, governance issues, trade and industry, and infrastructure development. The numbering sequence for the recommendations below, correspond to the numbering sequence in the matrices sent to the Member States, as the recommendations were not grouped under the aforementioned themes. But for the purpose of this report, the recommendations have been extrapolated and grouped under the specified themes for ease of analysis and synthesis.

#### 2.1.3 *Institutional Development*

Recommendations under this theme pertained to the following:

- **R1:** Call upon Member States that have not yet done so, to establish Ministries of Integration and National Commissions;
- **R3:** Urge Member States to include in their delegations to the AU Executive Council, Ministers in Charge of Integration;
- **R6:** Member States should consider gradually transferring some domains of their sovereignty to the regional and Continental institutions according to the principle of subsidiarity for the implementation of integrating programmes;
- **R15:** The mandate of Ministers in Charge of Integration should be reinforced so as to have a stronger impact on the monitoring of recommendations in order to implement them; and
- **R16:** Invite Member States to designate focal points in charge of integration so as to enable the AUC to establish a contacts database.

Implementation Outputs	
<b>R1:</b>	From the responses received some Member States had created Ministries of Regional Integration or Regional Cooperation. Some had even set up a Department of Regional Integration within the respective Ministry. While others had simply given existing Ministries of Foreign Affairs the portfolio for regional integration matters. It was also observed from the responses that some countries had created the post of Minister Delegate attached to the Ministry of Foreign Affairs and Regional Cooperation, and is responsible for Regional Cooperation. In the case of some countries belonging to the EAC, instead of Ministry of integration having been created, a Ministry in Charge of EAC has been put in place.
<b>R3:</b>	From the responses received the Ministry responsible for the portfolio of regional integration send their respective Minister to attend AU Executive Council meetings.
<b>R6:</b>	Of the Member States that completed the matrix, only one appeared to be implementing this recommendation through which provisions contained within their Constitution provides for a transfer of part of its sovereignty to regional and Continental institutions. Other member States noted that this was an areas being studied while others they were working towards the implementation provisions relating to this matter, as contained within various legal instruments of the RECs to which they have membership.
<b>R15:</b>	According to the responses of Member States, this recommendation was either noted as 'in progress', through the finalisation of various instruments, or in other cases it was reported that the mandate of the Minister in Charge of Integration required him/her to take into account the monitoring of recommendations.
<b>R16:</b>	Of the six Member States that responded, five noted that focal points have been identified and communicated to the AUC. However, it should be noted that the Commission has not yet received the communication of some of these names. The Commission is aware of only 10 Member States that have so far submitted the names and details of focal points for the Commission. These include the following: Burkina Faso, Mauritius, Mozambique, Ghana, Uganda, Algeria, Guinée, Rwanda, The Gambia, Zimbabwe, Kenya, and Seychelles.

#### 2.1.4 Free Movement – People, Goods and Services

Recommendations under this theme pertained to the following:

- **R2:** Diplomatic passports should be exempt from visa requirements;
- **R5:** AU Member States should take necessary measures and actions to make free movement of persons, goods, capital and services a reality; and
- **R19:** Urge Member States and the RECs to fast-track the implementation of legal instruments on free movement.

Implementation Outputs	
<b>R2:</b>	One Member State noted that this measure was being applied in their territory. In other cases it was often cited in the responses that this was a work in progress using the approach of the specific REC to which the Member State has membership. In some cases bilateral agreements have been signed with other Member States to exempt holders of diplomatic passports from visas.
<b>R5:</b>	In the case of some Member States, particularly those belonging to the EAC the movement of persons has been operational for some time and the freer movement of goods is in its final stages. It was also noted in the responses that countries that are members of FTAs were already facilitating the free movement of goods and services to other members of the same FTA. Some Member States belonging to the ECOWAS region were already applying the policy of free movement of persons, goods, capital and services, and the right of residence and were undertaking sensitisation campaigns on the implementation of the policy.
<b>R19:</b>	It was noted from the responses that this was also a work in progress using the approach of

Implementation Outputs
the specific REC to which they have membership. In other cases, there no response to this recommendation in the matrices received.

### 2.1.5 Governance issues

Recommendations under this theme pertained to the following:

- **R4:** Stronger solidarity and sharing of ideas should be encouraged amongst the Member States of the Union;
- **R7:** Call upon Member States to use existing mechanisms, such as the African Peer Review Mechanism (APRM), to promote good governance;
- **R17:** There should be collaboration between Member States, the RECs and other stakeholders in data collection and the sharing of good practices and experiences; and
- **R18:** Request Member States, the RECs and the AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence.

Implementation Outputs
<b>R4:</b> Again, it was noted from the responses that this is a work in progress using the approach of the specific REC to which the Member State has membership. It was noted that solidarity was articulated through Summit meetings, Council of Ministers Meetings, sectoral meetings, seminars and workshops. It was also noted that bilateral cooperation agreements have also been signed with other African countries, particularly those in the same sub-region, and are helping to maintain good neighbourliness between those States.
<b>R7:</b> Of the Member States that responded four had acceded to the APRM process and in some cases were now trying to implement the APRM National Plan of Action*.
<b>R17:</b> Again, it was noted from the responses that this is a work in progress using the approach of the specific REC to which the Member State has membership which can include Summit meetings, Council of Ministers Meetings, sectoral meetings, seminars and workshops.
<b>R18:</b> It was noted from the responses that this is a work in progress using the approach of the specific REC to which they have membership. In some of the matrices that were received, this recommendation was not accorded a response.

\* As of July 2008, 28 countries had formally joined the APRM by signing the MOU on the APRM. Algeria, **Burkina Faso**, Republic of Congo, Ethiopia, Ghana and Kenya signed the MOU in March 2003; Cameroon, Gabon and Mali in April and May 2003; Mauritius, Mozambique, Nigeria, Rwanda, Senegal, South Africa, Uganda, Egypt and **Benin** in March 2004; Malawi, Lesotho, **Tanzania**, Angola and Sierra Leone in July 2004; Sudan and Zambia in January 2006; Sao Tome and Principe in January 2007; Djibouti in July 2007, and **Togo** in July 2008. This is more than half of the 53 countries that comprise the AU.

### 2.1.6 Trade and Industry

Recommendations under this theme pertained to the following:

- **R8:** Call upon Member States to diversify their products and export bases to increase the revenue bases;
- **R10:** Urge Member States that do not have them, to establish quality control structures, and harmonise the standards relating thereto;
- **R11:** Urge Member States to remove tariff and non-tariff barriers in order to facilitate intra-African trade;

- **R12:** Also invite Member States to revisit their industrial policies in order to facilitate regional integration;
- **R13:** Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs; and
- **R14:** Fast-track the establishment, as soon as possible, where they do not exist, of Free Trade Areas (FTA).

Implementation Outputs	
<b>R8:</b>	Of the Member States that responded to the matrix, activities included the development of national strategies to expand their export base. Some Member States have also included in their recent budgets a credit line for agricultural mechanization and diversification of agricultural products.
<b>R10:</b>	Of those Member States that responded to the matrix, some have national Bureau of Standards. For those countries belonging to the EAC, there is an East African Standardisation Board to improve product standards and quality in the region. In other cases national standards and quality control structures have been put in place at a national level. One Member State noted that its membership of the APRM and subsequent evaluation provided an occasion to comply with international norms and standards. It appeared within other responses to the matrix that the application of qualities standards was being applied to imports only. Others noted that this was an area currently being studied.
<b>R11:</b>	From the responses that were received this was noted as a work in progress using the approach of the REC to which a Member State has membership. This recommendation was also being implemented through the convening of national workshops and sensitisation campaigns. From the responses received it was evident that tariff and non-tariff barriers are gradually being removed and facilitating increased levels of trade.
<b>R12:</b>	Some Member States are applying industrial policies that promote integration within the regional group to which they have membership. Some Member States that responded to the matrix did not provide a response to this recommendation.
<b>R13:</b>	It was noted from the responses that this is a work in progress using the approach of the REC to which they belong. Of the eight RECs officially recognised by the AU, three are EU-EPA groupings (ECOWAS, EAC, and SADC). Member States belonging to the ECOWAS region have not initialled or signed any form of EPA; negotiations are subsequently ongoing. Countries within the EAC region have initialled a Framework EPA and are working towards signing an interim and comprehensive agreement within the year.
<b>R14:</b>	Of the responses received, countries belonging to SADC region signed the SADC FTA in 2008. Member States that responded who were also members of CEN-SAD noted their commitment to accelerating the creation of a FTA in this region.

### 2.1.7 Infrastructure Development

Recommendations under this theme pertained to the following:

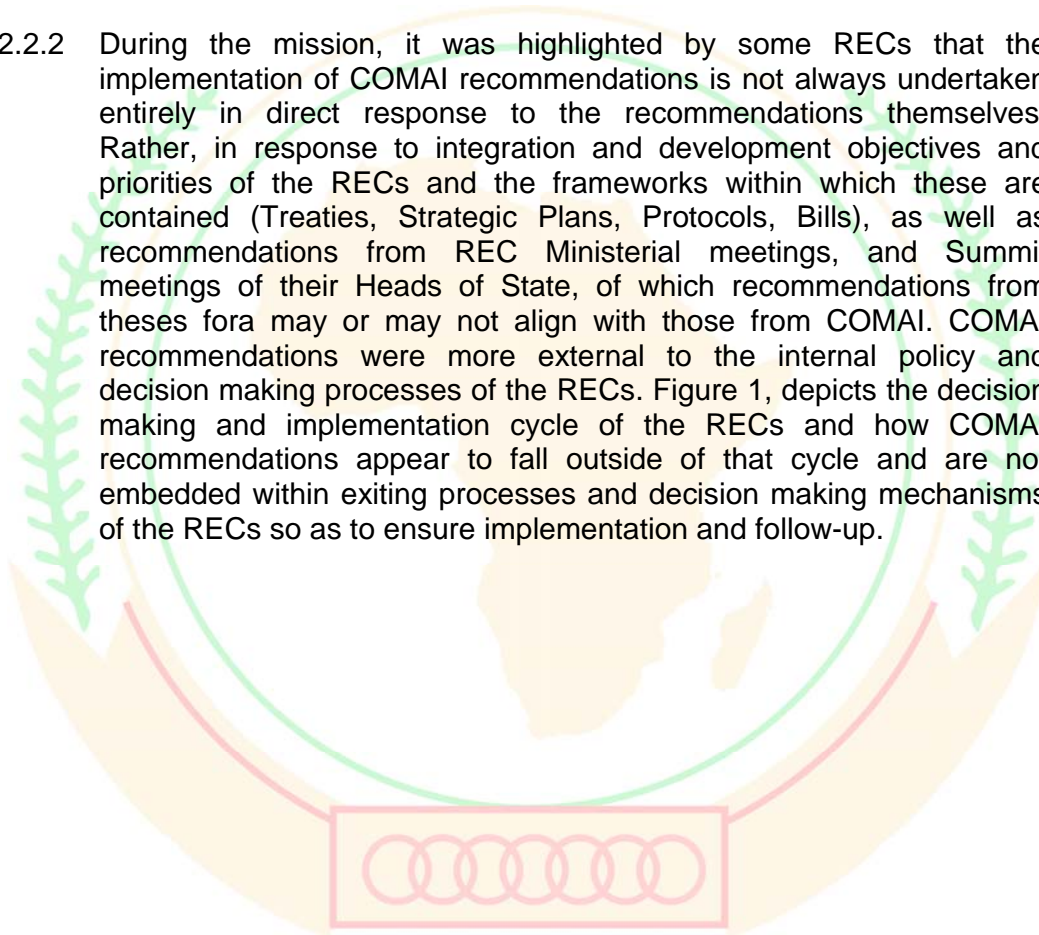
- **R9:** Each country should allocate more resources for infrastructure development and the Commission could conduct the necessary studies to determine the resources to be allocated. Furthermore, countries should consider developing effective ways of mobilizing local funding.

Implementation Outputs	
<b>R9:</b>	A number of the Member States that responded noted that their countries were contributing increased levels of resources to infrastructure development and engaging in regional infrastructure projects including major corridor projects.

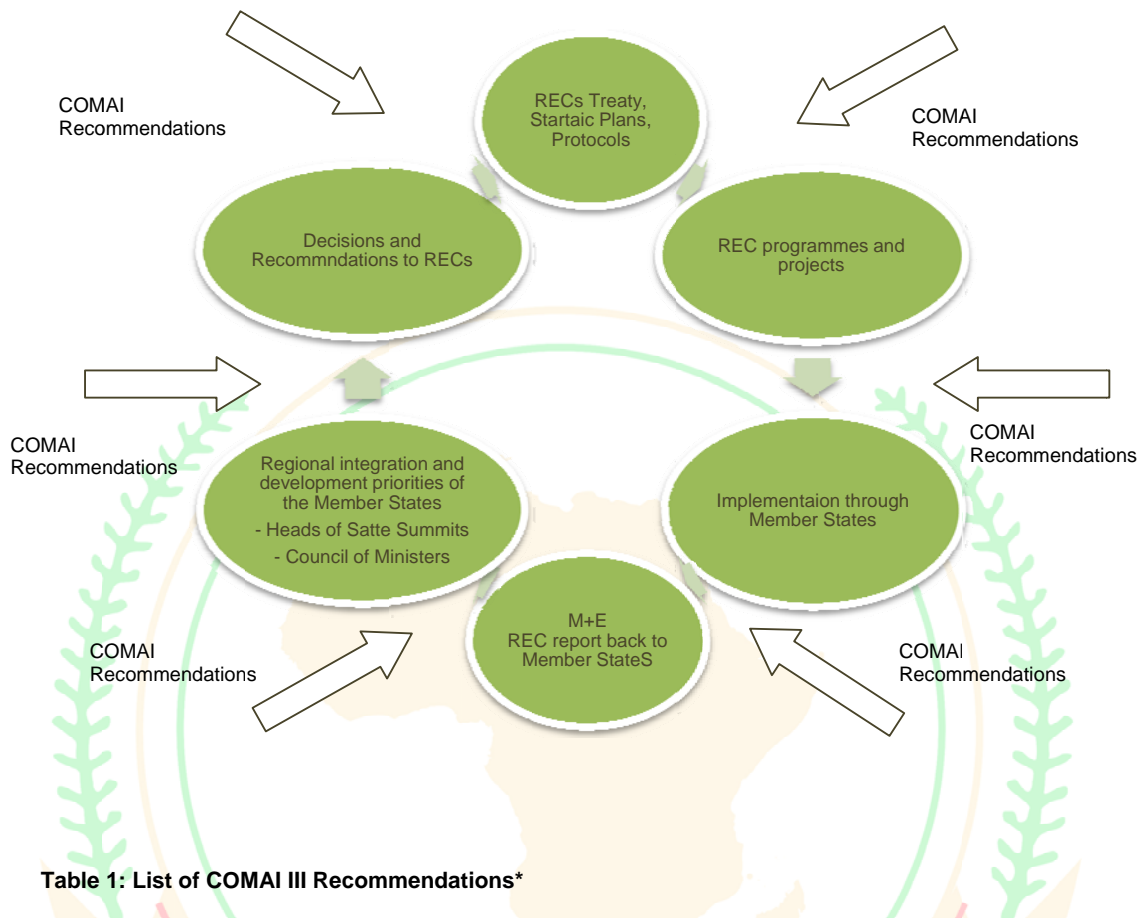
## 2.2 Regional Economic Communities (RECs)

2.2.1 A summary of the implementation of the recommendations by each REC is presented below. As indicated earlier in the report seven of the eight RECs responded to the matrix, the exception was AMU. The summary is presented under the following thematic areas: trade and investment; free movement of people, goods and services, implementation of Decisions on regional integration; governance: peer-review and data sharing; and sensitisation and popularisation of regional integration. Of the total number of recommendations, 10 applied to the RECs.

2.2.2 During the mission, it was highlighted by some RECs that the implementation of COMAI recommendations is not always undertaken entirely in direct response to the recommendations themselves. Rather, in response to integration and development objectives and priorities of the RECs and the frameworks within which these are contained (Treaties, Strategic Plans, Protocols, Bills), as well as recommendations from REC Ministerial meetings, and Summit meetings of their Heads of State, of which recommendations from these fora may or may not align with those from COMAI. COMAI recommendations were more external to the internal policy and decision making processes of the RECs. Figure 1, depicts the decision making and implementation cycle of the RECs and how COMAI recommendations appear to fall outside of that cycle and are not embedded within existing processes and decision making mechanisms of the RECs so as to ensure implementation and follow-up.



**Diagram 1: REC – Decision Making and Implementation Cycle**



**Table 1: List of COMAI III Recommendations\***

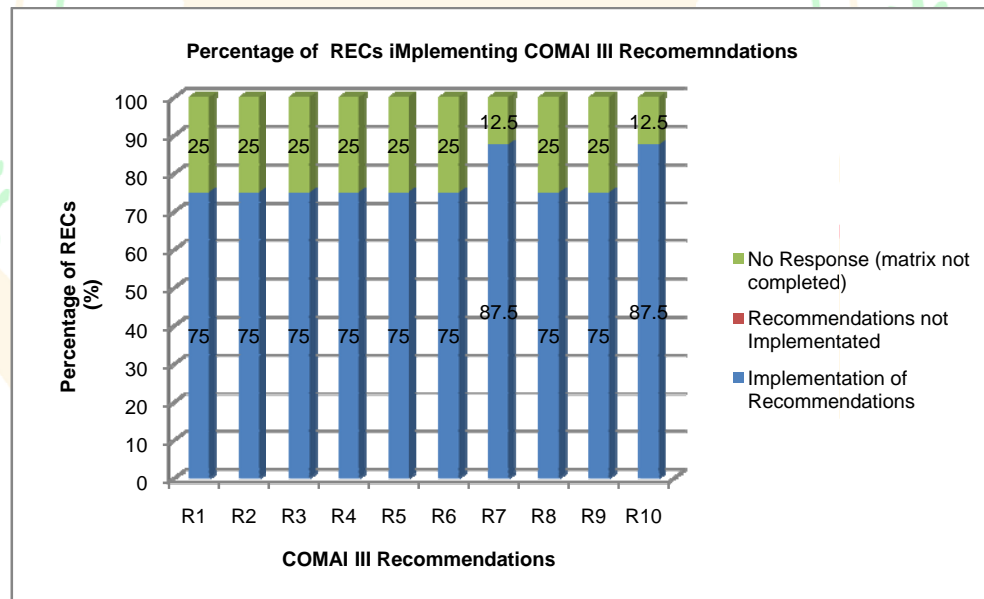
	Thematic Area	Recommendation No.	Recommendation
COMAI III Recommendations	Trade and Investment	1	Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.
		2	Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding Economic Partnership Agreements (EPAs).
		3	Accelerate the establishment, as soon as possible, where they do not exist, of free trade areas (FTA).
	Free Movement of People, Goods and Services	4	Urge Member States and the RECs to fast-track the implementation of the legal instruments on free movement.
		5	Request the AUC and the RECs to identify all the obstacles to free movement and analyse the causes thereof.
	Governance: Peer-Review and Data Sharing	6	Put in place a Peer Review Mechanism (PRM) among the RECs.
		7	There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.
	Implementation of Decisions on	8	Request Member States, the RECs and AUC to take the necessary measures for the implementation of the

	Thematic Area	Recommendation No.	Recommendation
	Regional Integration		recommendations falling within their areas of competence.
		9	Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.
	Sensitisation and Popularisation of Regional Integration	10	Request the AUC and the RECs to mount sensitization campaigns about integration and its advantages.

\*The table above should be read in conjunction with the graph below.

2.2.3 Ten recommendations from COMAI III applied to the RECs, and of this number all were reported as under implementation by the RECs. However, only six of the RECs had fully completed the matrix, as demonstrated in figure 2. Therefore, all 10 recommendations were being implemented by either 75% or 87.5% of the RECs, respectively. While 12.5% and 25% of the RECs did not respond to some of the recommendations within the matrix, due to the matrix not having been completed and returned to the AU Commission or a REC not having completed the matrix in its entirety, as was the case with ECOWAS.

Figure 2: Level of Implementation of Recommendations (According to the Completed Matrices Received from the RECs)



2.2.4 Of the respondent RECs 75% reported that they were implementing recommendations 1, 3 and 6, however, the nature of that implementation was somewhat nuanced. In that, the activities being undertaking were indirectly rather directly contributing to the fulfilment of those recommendations, but the actions being undertaken still supported the recommendation being considered as under implementation. The nature of this indirect implementation will be elaborated during the report.

### 2.2.5 Trade and Investment

Under the theme of trade and investment, recommendations pertained to:

- **R1:** Developing an investment code for Africa;
- **R2:** Implementation of AU Assembly decisions on Economic Partnership Agreements (EPAs); and
- **R3:** Accelerating the development of Free Trade Areas (FTA).

2.2.6 Although R1 was noted to be under implementation this was of an indirect rather direct nature. Meaning, rather than having developed an investment code for Africa, as set out in the recommendation, a number of investment codes and strategies have been or are being developed by individual RECs for their respective regions. It should also be noted, that at the level of the AU work was to be undertaken on the harmonization of investment codes in the Continent. However, this has had to be postponed due to the need to focus on other priority areas such as the development of the Business Directory; a Private Sector Strategy and Action Plan, and Micro-finance Policy Framework and Action Plan.

2.2.7 For R2, 75% of RECs noted that this recommendation were under implementation. It should be noted that of the eight AU-RECs, only three are European Union (EU) recognised EPA groupings. However, where there is overlap with the five EU-EPA groupings of ECOWAS, EAC, SADC, East and Southern African [ESA] and Economic and Monetary Community of Central Africa [CEMAC], those AU-RECs outside of this configuration are supporting those EU-groupings with whom they share overlapping membership. Further, the composition of the EU-groups is also dissimilar in some cases to the membership configuration of the AU-RECs. For example, AU-SADC Member States are split between EAC, ESA and CEMAC. EAC and some SADC countries have initialed an EPA, in the case of EAC this is specifically known as a Framework EPA. Doing so had helped their members to avert trade disruption between themselves and the European Union, and provides legal security to economic operators. These are transitional arrangements towards the completion full and comprehensive agreements that are World Trade Organisation (WTO) compatible.

2.2.8 Concerning R3, accelerating the establishment of FTAs, 75% of the RECs was implementing this recommendation. EAC were however, doing so indirectly. Establishing a FTA solely at the level of the EAC is not a priority. However, within the framework of the EAC, COMESA and SADC Tripartite arrangement, EAC has agreed to work towards establishing a single FTA between the three RECs. On the hand, the SADC FTA was launched in August 2008 and work is also commencing on the creation of a Customs Union in the region (it should be noted that EAC launched its own CU in 2005). IGAD, which

is more often known for its work in environmental resource management, desertification and conflict prevention (particularly within pastoralist communities), is now looking to establish a FTA within the framework of its Minimum Integration Plan (MIP). The MIP is envisaged to help revitalise IGAD to help enable it to better carry out its mandate as a regional integration organisation and a building bloc of the African Union. A draft Plan has been developed and it is anticipated that within the coming year a road-map will be elaborated on the implementation of the MIP. Despite persistent problems on the adoption of texts designed to govern the FTA in the CEN-SAD region, the Community continues to pursue efforts to create its FTA.

- 2.2.9 Those RECs that have established FTAs (albeit in some cases not with the full membership of all of their Members States); the move has opened up opportunities for cross-border investment, franchise and agency arrangements, as well as joint ventures. These gains will also be reinforced by the creation of Customs Unions. Although not a FTA, it is worth noting that the EAC Customs Union, which since its commencement in 2005 has facilitated a growth in trade by 42%. Efforts have been made to harmonise the proposed COMESA Customs Union with that of EAC. There is little difference between their Common External Tariff (CET), EAC has adopted a CET of 0% on raw materials and plant and machinery, 10% for intermediate goods and 25% on finished goods. The COMESA CET very similar, except that there are two zero rates, these being for raw materials and capital goods.

RECs	<b>R1: Developing an investment code for Africa</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	The Draft COMESA Common Investment Area Agreement (CCIA) was adopted by the COMESA policy organs in 2008 and is now subject to signature and ratification by its Member States. The Regional Investment Agency (RIA) has compiled all the investment codes and regulations of Member States and has also showcased investment opportunities in the region through various fora. This has been undertaken within the framework of the 1998 COMESA Heads of States and Government Decision mandating the COMESA region to become a common investment area and the subsequent creation of the COMESA RIA in 2000 to spearhead attracting investment, especially foreign direct investment (FDI), into the region.
<b>CEN-SAD</b>	Developed a draft convention on investment guarantees.
<b>ECCAS</b>	ECCAS have been brainstorming on the extension of the CEMAC Charter on investment to all ECCAS Member States. This initiative is awaiting approval by the 13 <sup>th</sup> Conference of Heads of State and Government.
<b>SADC</b>	Finance and investment are regional integration priorities of the SADC region. As such, a Regional Finance and Development Protocol has been in existence for some time.
<b>EAC</b>	EAC has developed a model investment code which is now being upgraded into a Protocol. There is also some harmonisation of investment codes. There has also been a lot of investment promotion in the region – investment fair in June 2008 in Kigali, another to be organised in Kenya in 2009. An investment conference will also be organised in 2009 to celebrate EAC's 10 year anniversary. EAC are also finalising negotiations on its Common Market Protocol, which will also contribute to trade facilitation in the region. Adding to all these activities, EAC is also undergoing a re-branding exercise within the context of increasing investment in the region.

<b>RECs</b>	<b>R1: Developing an investment code for Africa</b>
	<b>Implementation Outputs</b>
<b>IGAD</b>	In 2005, IGAD undertook a study on an IGAD investment code. The study will form part of the IGAD Minimum Integration Plan (MIP). With the need to promote IGAD as a common investment destination IGAD support the need for investment codes and acts are harmonised in the region.
<b>ECOWAS</b>	Matrix not completed. However, secondary data reveals that ECOWAS has been working on developing a Common Investment Code which is part of efforts to consolidate the functioning of its FTA and the regions subsequent transformation into a Customs Union.
<b>AMU</b>	Matrix not completed

<b>RECs</b>	<b>R2: Implementation of AU Assembly decisions on Economic Partnership Agreements (EPAs)</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	AU decisions are implemented by the Eastern and Southern Africa (ESA) negotiating group supported by COMESA. Since the initialling of interim EPAs by some COMESA/ESA countries in December 2007, it was agreed that negotiations on a comprehensive EPA would be concluded by December 2008, this has had to be extended to December 2009, due to unresolved issues such as export taxes, Most Favoured Nation clause (MFN), rules of origin and development cooperation, trade in services, trade related issues and agriculture.
<b>CEN-SAD</b>	CEN-SAD is not an EPA negotiating group; however, a number of CEN-SAD Member States are also members of the ECOWAS EPA grouping. Therefore, CEN-SAD leaders and Heads of State expressed at the 33 <sup>rd</sup> Conference of the Heads of State and Government of ECOWAS their support for the EPAs to be renegotiated. This is part of efforts to consolidate the ECOWAS support base and its negotiating position.
<b>ECCAS</b>	ECCAS is not an EPA negotiating group; however, a number of ECCAS Member States are also members of the CEMAC EPA grouping. CEMAC did not initial interim agreements. A presentation on the progress of EPA negotiations was made at the Conference of ECCAS Heads of State and Government. The Conference gave guidelines for the next phase of negotiations with the EU.
<b>SADC</b>	Five countries in the SADC grouping concluded interim agreements back in November 2007; these include Botswana, Lesotho, Namibia, Swaziland (BLNS), and Mozambique. Despite forming a customs union with the BLNS countries (in the form of the Southern African Customs Union [SACU]), South Africa has not joined the agreement and continues exporting to the EU under the Trade, Development and Cooperation Agreement (TDCA). Both Angola (which also did not conclude an interim agreement), along with South Africa continue to receive preferential market access into the EU under the EU's Everything-But-Arms (EBA). The initial deadline of December 31, 2008 by which the outstanding issues should have been concluded has since been missed. Therefore, negotiations towards a comprehensive EPA continue to take place and include South Africa. These negotiations are taking place in consultation with the AU.
<b>EAC</b>	EAC countries are negotiating under the EAC-EC-EPA configuration. An interim Framework Agreement was initialled in October 2007, ensuring partner States access to EU markets. Under the agreement the EC granted the EAC duty and quota free market access with transitional arrangements for rice and sugar from January 1, 2008. The EAC agreed to also gradually open its market for goods from the EU over 25 years with a 2 year moratorium. Therefore, the tariff phase-out by the EAC will commence from January 2010, with full liberalization for trade in goods to be achieved in 2033. However, negotiations remain on-going on a number of outstanding issues that include customs and trade facilitation, sanitary and phytosanitary measures (SPS), technical barriers to trade, rules of origin, trade in services, agriculture, trade related issues, economic and development cooperation and dispute settlement mechanism. Due to these outstanding issues the initial deadline of July 2009 to conclude the negotiations may not be met. A road map has

<b>RECs</b>	<b>R2: Implementation of AU Assembly decisions on Economic Partnership Agreements (EPAs)</b>
	<b>Implementation Outputs</b>
	also been agreed between the EAC and EC on the finalisation of the negotiations, and regional EPA meetings continue to be held to iron out unresolved issues. Only market access issues have so far been resolved.
<b>IGAD</b>	IGAD is consolidating negotiations on EPAs within the ESA grouping, as all IGAD Member States belong to the ESA grouping. Consequently, IGAD has attended EPA preparatory meetings as an observer. Negotiations usually take place by Member States themselves.
<b>ECOWAS</b>	Matrix not completed. However, secondary data reveals that ECOWAS + Mauritania have been committed to negotiating as a bloc. However, as a means of avoiding trade disruption Cote D'Ivoire have concluded negotiations and Ghana initialled EPA negotiations in December 2007. Original provisions in these interim EPAs have now been modified with the support of the ECOWAS and UEMOA Commissions. Importantly, a regional EPA is scheduled to be concluded by June 2009, superseding interim EPAs signed by the aforementioned countries. Outstanding areas in the negotiations include market access for sensitive products, rules of origin, formulation and financing of development programmes, and the drafting of the West African legal text. Within the latter, areas of divergence with the EC include: treatment of the Community levy, MFN clause, a standstill clause on the CET, and non-execution clause. Other areas of divergence include the financing of EPA development programmes and the transition period. Whereas West Africa believes 25-30 is sufficient, the EC wish to accelerate this to 15 years.
<b>AMU</b>	Matrix not completed

<b>RECs</b>	<b>R3: Accelerating the development of Free Trade Areas (FTA)</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	COMESA launched its FTA in October 2000 and is currently working with EAC and SADC to implement one single FTA for 26 countries in the COMESA, EAC and SADC region under the Tripartite framework. A study has also been launched on the establishment of the FTA and another study is to be launched for the integration of the three RECs into an African Economic Community.
<b>CEN-SAD</b>	With the support of the AfDB, CEN-SAD conducted a study on the issue as a technical basis for the creation of the free trade area, by CEN-SAD Member States to identify tariff and non tariff barriers and to adopt measures to intensify intra community trade. A draft convention relating thereto was sent to Member States and other organizations such as ECA, UEMOA, COMESA, and ECOWAS. In September 2008, CEN-SAD also made a request to UNECA to undertake a study on a Free Trade Agreement between CEN-SAD, ECOWAS and WAEMU. In the interest of coherence and harmonization, the involvement of ECOWAS and WAEMU was deemed fundamental as they share countries with the CEN-SAD, and have embarked on similar processes. However, CEN-SAD has faced persistent difficulties in the adoption of text on the establishment of its FTA and trade liberalisation amongst its members.
<b>ECCAS</b>	The FTA was created in July 2004 and needs to be implemented and work continues to accelerate its implementation through initiatives such as national information workshops to Ministries and Chambers of Commerce.
<b>SADC</b>	The SADC FTA came into force in January 2008 and was officially launched in August 2008 in Sandton, South Africa. Preparations are underway towards the next stage of deeper integration, that being its Customs Union. Critical steps have already been taken such, notably the preparation of a SADC Customs Union Road map.
<b>EAC</b>	EAC is not in itself developing a FTA, but within the Tripartite framework of EAC, COMESA and SADC, a single FTA is envisaged to be developed between the three groupings. The Tripartite arrangement (agreed during the Tripartite Summit of October 2008) is a formalisation of informal collaborations in trade matters (which stated in 2005); a future road map in this regard is also being developed. Some

<b>RECs</b>	<b>R3: Accelerating the development of Free Trade Areas (FTA)</b>
	<b>Implementation Outputs</b>
	MoUs have been signed between some RECs in the Tripartite arrangement and some are in the process of signing to accelerate the process. However, a Tripartite Secretariat has also been established to fast-track the establishment of the single FTA between the three RECs.
<b>IGAD</b>	Development of FTA was not initially a regional integration priority of IGAD, but rather the Agreement establishing IGAD mandates it to promote programmes aimed at realising a number of COMESA objectives. However, IGAD are now looking to move into new areas through the development of its own Minimum Integration Plan (MIP). It is within this framework that a FTA is envisaged. A road map will also be developed timetabling its creation.
<b>ECOWAS</b>	Matrix not completed. However, secondary data reveals that while the ECOWAS FTA is in place (since 2000); efforts are underway to consolidate it through the removal of tariff and non-tariff barriers. ECOWAS have also been working with national units in Member States on the ECOWAS Trade Liberalisation Scheme (ETLS), the CET and Common Investment Code.
<b>AMU</b>	Matrix not completed

#### 2.2.10 Free movement

Under the theme of free movement of people, goods and services, recommendations pertained to:

- **R4:** Fast-track the implementation of the legal instruments on free movement; and
- **R5:** Identify all the obstacles to free movement and analyse the causes thereof.

Concerning R4, RECs such as COMESA and ECCAS have already developed Protocols and Conventions on the matter and are working towards their complete ratification and implementation. Others such as CEN-SAD, SADC, EAC and IGAD are respectively, undertaking further consultations and consensus building on the issue, developing draft instruments pertaining to free movement, developing a Protocol on a Common Market and a Minimum Integration Plan (MIP), which all aim to address and advance free movement issues in their regions.

2.2.11 The SADC region interestingly has been deliberating on using the opportunity offered by the upcoming 2010 Football World Cup to implement a UNIVISA scheme in the tourism sector and to simultaneously facilitate the movement of persons. The proposal would involve SADC countries granting visa exemptions to citizens of other SADC Member States as well as key tourism sectors. There are some reservations on the feasibility of the initiative, notably the proposed time frame and different levels of development of SADC Member States. However, an experts meeting is scheduled to take place in 2009 to deliberate on the proposal.

2.2.12 In the EAC region, substantial achievements have been made in the area of free movement. The EAC passport is operational (except, at present, in the two new Members of Rwanda and Burundi), special desks at key exist and entry points also are ensuring the faster clearance of EAC citizens. Approximation of immigration laws in Kenya, Tanzania and Uganda have been concluded and are set to be expanded to the new EAC Members. Some board posts have started operating on a 24 hour basis and immigration issues are resolved within the shortest time possible as the region has developed an immigration directory for all major entry and/exist points. In the area of goods and services, EAC is in the process of finalising negotiations on its Common Market Protocol, which will comprehensively address issues o free movement. Further, the EAC Business Council (EACBC) is also set to be streamlined amongst EAC watchdog institutions.

2.2.13 Regarding R5 a number of RECs have been working on identifying the obstacles to free movement through the conducting of seminars, workshops with various stakeholders, particularly immigration services. Some of the obstacles identified include, amongst others,

- Reluctance by Member States to ratify various instruments on free movement;
- Lack of harmonizing legal instruments;
- Economic discrepancies between member countries;
- Political constraints, as well as poor infrastructure development, particularly of corridors. The latter plays a pivotal role in facilitating trade and free movement of people;
- Concerns by Member States on this issue of free movement in terms of its benefits or posed threats; and
- Poor implementation of national identity cards in Member States, especially where ID cards forms the basis for the issuing of regional passports.

2.2.14 Some RECs such as ECCAS are employing the principle of variable geometry whereby some of its Members are implementing provisions on free movement while others may slowly accede to the process. In the case of COMESA, two thirds of its Member States have ratified its 2002 Protocol on free movement of persons, labour, services, right of establishment and residence. EAC and IGAD are working towards the development of new instruments to advance free movement in their respective regions.

2.2.15 In the case of EAC the main instrument will be the Common Market Protocol which is entering the final stages of negotiations. Provisions on resident's permits and free movement of services were amongst a number of outstanding issues to be addressed in the recent 2008 negotiations. Other issues included harmonisation and mutual recognition of academic and professional qualifications; equal treatment of companies and firms; competition and consumer welfare; and common transport policy. The December 2008 negotiations

agreed that EAC Member States shall implement the provisions in accordance with schedules adopted by the EAC Council of Ministers at the entry into force of the Protocol. Further, Member States are to submit to the Council upon signature of the Protocol their schedules on free movement of services which will indicate sectors that may not be subject to the right of supply of consume services. The schedules are also expected to contain a programme for progressive elimination of any restrictions or discriminatory measures that may affect services and service suppliers of other EAC Member States.

2.2.16 Within the CEN-SAD region little progress continues to be made on free movement. Although legal instruments on the provision of this area have been developed, they have yet to be adopted. Pending the finalisation of these instruments, short-term measures are operational such as the issuing of selective visa exemption for short-term stays for holders of diplomatic and service passports or for those on official missions. However, implementation is not across the board. Of the 28 countries that comprise CEN-SAD, 15 countries are implementing the selective visa exemption measure, while 13 countries have not.

RECs	<b>R4: Fast-track the implementation of the legal instruments on free movement</b> <b>Implementation Outputs</b>
<b>COMESA</b>	Have in place a 2002 Protocol on free movement of persons, labour, services, right of establishment and residence However, ratification of the Protocol by all COMESA Member States still remains a challenge. Further, since 1984 some COMESA Member States have been implementing a Protocol on removal of Visa Requirements since 1984.
<b>CEN-SAD</b>	Free movement is one of the fundamental objectives of CEN-SAD. Consequently, draft instruments relating to freedom movement (Protocol on Free Movement, Establishment and Visa Exemptions; and the Re-admission of Illegal Immigrants) have been prepared and are awaiting discussion by Member States. As a short-term measure, pending finalisation and adoption of the Protocol, a number of countries within the region are implementing selective visa exemptions for short-term stays for holders of diplomatic passports, service passports for those on official missions. However, this measure has not been implemented by all CEN-SAD Member States.
<b>ECCAS</b>	All the instruments have been adopted, including the Convention on Cooperation and Mutual Legal Assistance. The Convention has been signed by 6 Member States. However, implementation is on a variable geometry basis.
<b>SADC</b>	SADC has a protocol on the facilitation of movement of persons (1997) but this has not yet been ratified, likewise a Protocol on services. However, consultations amongst Member States on the issue of free movement, especially of people, have advanced. Further, in terms of support structure, SADC has also been putting in place a robust programme of corridor infrastructure developments as well as corridor transport and trade facilitation measures. This has lead to the adoption of a SADC Corridor Strategy and Corridor Infrastructure Guideline Model for consistent implementation of SADC Corridors. There has also been the setting up of institutional structures (Project Committees, Steering Committees and Trans-boundary Project Ministerial Committees). Such initiatives will help to facilitate the freer movement of goods within the region.
<b>EAC</b>	The East African passport is operational. The EAC Common Market Protocol is in the final stages of negotiations and will form the legal basis for advancing free movement in the region. It is hoped that the High Level Task Force (HLTF) in Kampala, scheduled for March 30 - April 9 2009, would have finalised the negotiations. In the interim: chiefs of immigration/technical working groups from the

<b>RECs</b>	<b>R4: Fast-track the implementation of the legal instruments on free movement</b>
	<b>Implementation Outputs</b>
	five Member State also regularly convene. Further, the immigration laws of Kenya, Tanzania and Uganda are already approximated. There is also faster clearance of EAC citizens by EAC desks at major entry/exit points. Some border posts have started operating on a 24 hour basis and immigration issues are resolved within the shortest time possible.
<b>IGAD</b>	IGAD will be developing a road-map and Protocols within the framework of its MIP. These documents will reflect issues pertaining to free movement within the region.
<b>ECOWAS</b>	Matrix not completed. However, secondary data reveals that ECOWAS has embarked on sensitisation campaigns at a Member State level to enhance the circulation and promote the security of its regional travel documents. Such as the ECOWAS passport.
<b>AMU</b>	Matrix not completed

<b>RECs</b>	<b>R5: Identify all the obstacles to free movement and analyse the causes thereof</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	Obstacles have been identified
<b>CEN-SAD</b>	CEN-SAD has organized thematic seminars and workshops to train, appeal to and raise awareness among stakeholders on the issue of advancing free movement in the region.
<b>ECCAS</b>	Several meetings between immigration services and Member States have been held to identify and overcome obstacles to free movement. The principle of variable geometry has also been applied whereby out of the six ECCAS Member States, four countries are implementing measures on freedom of movement (Congo, Cameroon, Central African Republic and Chad)
<b>SADC</b>	Obstacles have been identified such as: different legal systems in Member States; economic discrepancies between member countries; and political constraints.
<b>EAC</b>	The EAC are in the process of finalising negotiations on its Common Market Protocol and in this context free movement of goods, people and services has been addressed. It is anticipated that negotiations on the Protocol would have been concluded by the end of April, 2009. A training curriculum for the EAC countries is also in progress.
<b>IGAD</b>	IGAD Laissez-passers is operational in all Member States. IGAD will be developing a road-map and protocols pertaining to free movement within the framework of its own MIP.
<b>ECOWAS</b>	Matrix not completed.
<b>AMU</b>	Matrix not completed

### 2.2.17 Governance: Peer-Review and Data Sharing

Under the theme of governance: peer-review and data sharing, recommendations pertained to:

- **R6:** Put in place a Peer Review Mechanism (PRM) among the RECs; and
- **R7:** There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.

Although R6 was being implemented by 75% of the RECs, implementation was indirect than direct in nature. Formal peer-review mechanisms had not been developed between the RECs in the strictest sense of the concept; with agreed indicators, assessment criteria and benchmarks. Rather, existing formal and informal cooperation arrangements were by proxy cited as serving a similar function to formal peer review processes. These arrangements include the Interregional Coordination Committee (IRCC) involving EAC/COMESA/IGAD and the Indian Ocean Commission (IOC), which operates within the framework of European Development Fund (EDF) funded programmes and projects. The Tripartite framework involving EAC, SADC and COMESA is working on formalising arrangements for data and information sharing in the form of a MoU on peer matters. SADC on the other hand, does have a formal Peer-Review Panel in place, but this is specifically focused on its Finance and Investment Protocol.

2.2.18 The EAC is also looking to develop a peer-review amongst itself, through a Framework on Good Governance which is currently being developed. It is anticipated that this will be upgraded into a Protocol on Good Governance by 2010. It was noted that peer review cannot be developed amongst the RECs without each REC having created their own formal internal peer review mechanism as part of their own internal governance frameworks and internal checks and balances to measure of good governance. Putting in place formal intra-REC PRM would serve as a basis for peer review between RECs.

2.2.19 Implementation of R7 was being undertaken using a variety of methods. The sharing of information, data and good practice was being conducted through cooperation arrangements between some RECs, such as the IRCC, Joint Task Force (between EAC, COMESA, SADC, and IGAD which focused on harmonisation of programmes in the area of trade, customs, free movement of persons and infrastructure. This has now been transformed into a Tripartite framework for deeper harmonisation, coordination and integration across the three groups and to mitigate the challenges of multiple membership being faced by some of their respective Member States). Under the Tripartite framework its draft Memorandum of Understanding (MoU), aims to further data sharing, and exchange information between the three RECs to help avoid duplication of efforts of common interest as well as foster programme harmonisation. The joint programmes being pursued within the Tripartite framework are an integral part of the integration objectives of the African Union and the realisation of integration leading to the creation of an African Economic Community (AEC) as set out in the Abuja Treaty and Lagos Plan of Action. The Tripartite arrangement is joint implementation and harmonisation of amongst others trade, (FTA), customs, and infrastructure.

2.2.20 COMESA, SADC, EAC and ECOWAS have also put in place, respectively, statistics programmes to strengthen statistical harmonisation, data collection, capture and dissemination in their regions. They are collecting macro-economic data on levels of inflation, economic growth, fiscal balance, public debt, and current account balance) to track progress on economic development in the regions as well as the attainment of macro-economic convergence targets for their respective monetary unions. The EAC Common Market Protocol, currently under negotiation, is also making provisions for statistical development and sharing in the region. This includes proposals to create an institutional framework/Regional Statistics Centre for the coordination of regional statistics programmes and development, as well as the maintenance of an integrated regional statistics database. IGAD are also working on the harmonisation of metric systems to begin to collect data to report on Member States e-readiness status.

2.2.21 In some regions data sharing and collaboration has improved significantly. Notably, the EAC held its first Strategy Retreat for key Organs and Institutions of the EAC in February 2009, in Kigali, Rwanda. This was the first retreat of its kind and brought together high level leadership: Ministers, Permanent Secretaries, Heads and Senior Officials of Government, EAC Organs and Institutions; and representatives of the business community and civil society. The focus of which was to review the operations of the EAC Organs and Institutions, with a sharing of views and insights on their effectiveness against the mandate under the EAC Treaty, as well as to help reinforce the collective spirit and shared purpose of the EAC in driving forward the integration process. This is a laudable example of developing a culture of self-assessment, institutional dialogue, stock taking, and peer review within a REC and its related organs to enhance performance, professionalism and efficiency in its operations.

2.2.22 On a bilateral level some countries are dialoguing and exchanging information with one another. Five of the RECs have also put in place AU liaison officers at the AUC to facilitate information sharing between themselves and the AUC. This has been undertaken within the framework of the AU capacity building programme under the AU Protocol establishing the Peace and Security Council. The project also establishes REC liaison officers based at the AU to provide liaison between RECs and the AU.

RECs	<b>R6: Put in place a Peer Review Mechanism (PRM) among the RECs</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	Under the Tripartite framework and its draft Memorandum of Understanding (MoU), COMESA, EAC and SADC share information and review implementation of regional integration programmes of common interest. The Tripartite arrangement is not really a peer review mechanism <i>per se</i> among the three RECs but is and will help in monitoring and ensuring a deeper co-ordinated approach to integration activities of a common interest.
<b>CEN-SAD</b>	Mechanisms exist for consultations between CEN-SAD and certain RECs. Preliminary discussions have been held to determine priority areas for peer-

	review.
<b>ECCAS</b>	A mechanism for peer-review is envisaged in the Strategic Vision Document for ECCAS by the year 2025. It is hoped that this mechanism would be a PRM for ECCAS countries and look somewhat similar to the APRM.
<b>SADC</b>	Under the Tripartite framework, COMESA, EAC and SADC share information and review implementation on regional integration programmes. SADC has put in place a Peer-Review Panel comprising Ministers responsible for Finance and Investment and Central Board of Governors for the Protocol on Finance and Investment, which is currently undergoing ratification.
<b>EAC</b>	The Tripartite framework facilitates data sharing and review of implementation between EAC, SADC, and COMESA. The IRCC facilitates the sharing of information and good practice between IGAD, COMESA, EAC and the Indian Ocean Commission (IOC). EAC is also envisioning developing a peer-review amongst itself. Further, EAC also held its first broadly institutional retreat of its Organs and Institutions in February 2009. The event brought together participants ranging from central government officials, EAC officers and representatives of civil society and the business community.
<b>IGAD</b>	MoUs exist between IGAD, COMESA and EAC. The three are also members of the IRCC, which facilitates peer review and information sharing on European Development Fund (EDF) funded programmes and projects. IGAD also engages in exchange of visits with other RECs, when necessary.
<b>ECOWAS</b>	Matrix not completed.
<b>AMU</b>	Matrix not completed

<b>RECs</b>	<b>R7: There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	Under the Tripartite framework its draft Memorandum of Understanding (MoU), aims to further data sharing, exchange of information between COMESA, EAC and SADC and reciprocity concerning invitations to each other's conferences and meetings of their policy organs, as well as seminars, workshops, symposia and training scoured of mutual interest to the three parties. COMESA also collects data from Member States on trade volumes, direction of trade, product standards and harmonisation.
<b>CEN-SAD</b>	CEN-SAD has developed cooperation arrangements with COMESA, the Sahara and Sahel Observatory (SSO), ECOWAS and the Arab Maghreb Union (AMU) with which also entails sharing of information and data.
<b>ECCAS</b>	Brainstorming on the mechanism is envisaged in the Strategic Vision Document for ECCAS by the year 2025. There has also been harmonization and convergence of policies and programmes aimed at exchanging good practices and sharing experiences. UNECA is preparing a study on the possibility of harmonization and convergence of policies and programmes between ECOWAS and ECCAS. ECCAS has put in place a liaison officer at the AU who is also facilitating information sharing between the two institutions.
<b>SADC</b>	SADC has an ongoing statistics programme working on amongst others, the harmonisation of data between Member States. SADC annually collects data and statistics on political developments within each Member State as well as macro-economic data to track progress on economic development and macro-economic convergence. SADC are also exchanging information with EAC and COMESA with the Tripartite framework.
<b>EAC</b>	EAC are also exchanging information with SADC and COMESA within the Tripartite framework. EAC is also implementing a statistics database project aimed at the development of a centralised database (whereby Member States provide EAC with primary data and EAC generate regional statistics on population figures, food security etc. The focus areas of the project include: harmonisation of indicators, data collection, data capture and dissemination processes; collection of population data, data on foreign direct investment (FDI), trade flows, planning (particularly

<b>RECs</b>	<b>R7: There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.</b>
	<p><b>Implementation Outputs</b></p> <p>within the infrastructure sector), and macro-economic data (inflation rates, Gross Domestic Product (GDP), public debt, exchange rates) – to facilitate the development of quantifiable convergence criteria. EAC are also planning to conduct a population census in 2010 – this would be the first ever joint census. The December 2008 High Level Task Force (HLTF) negotiating the Common Market Protocol also adopted provisions for cooperation in statistics with the aim of making available relevant, timely and reliable statistical data for decision making and effective service delivery. The HLTF also recommended that co-operation in statistics, which is not currently provided under the Treaty for the establishment of the EAC, should be considered for inclusion in the Treaty during the ongoing exercise of reviewing and amendment of the Treaty. Collaboration between EAC and its regional partners has also led to the process of establishing an EAC/COMESA/SADC Joint Air Transport Regulation Board. There has been EAC/COMESA convergence of their respective Common External Tariff (CET) structures and programmes. As well as joint implementation by EAC/COMESA/SAC of sub-regional programmes such as the Yamoussoukro Decision; joint conceptualisation of sub-regional programmes such as the North/South Corridor development amongst others. EAC has also put in place a REC liaison officer based in the AU to provide liaison between the AU and EAC.</p>
<b>IGAD</b>	<p>The IRCC facilitates the sharing of information and good practice between IGAD, COMESA, IOC and EAC. Further, through common projects in the ESA region countries are often mutually aware of each other's activities. IGAD also arranges visits of officials from Member States to other countries to share good practice and experience; and IGAD has put in place a liaison officer at the AU who is also facilitating information sharing between the two institutions. IGAD are also implementing a project to harmonise the metric systems of its Member States to measure e-readiness and regular national monitoring and reporting on the state of e-readiness in IGAD Member States. A regional web portal for IGAD has also been developed.</p>
<b>ECOWAS</b>	<p>Diverse programmes exist to reinforce the capacities of ECOWAS national units in Member States. ECOWAS also continues to monitor the macro-economic performance of Member States and progress made towards convergence. This is in line with its Macro-Economic Cooperation Programme (EMCP). Further, the surveillance function of the region has also been strengthened through a number of joint activities organised between the ECOWAS Commission and the West African Monetary Agency (WAMA) in the region's efforts to establish a multilateral surveillance mechanism.</p>
<b>AMU</b>	Matrix not completed

### 2.2.23 Implementation of Decisions on Regional Integration

Under the theme of implementation of decision on regional integration, recommendations pertained to:

- **R8:** Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their area of competence; and
- **R9:** Integration projects, which are not yet operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.

Regarding R8, RECs noted that they inform their Member States of COMAI recommendations. It was however, noted by EAC, that the implementation of the COMAI recommendations was not always undertaken entirely in direct response to the recommendations themselves. Rather, in response to integration and development objectives and priorities of the EAC and the frameworks/instruments within which these are contained (Treaties, Strategic Plans, Protocols, Bills), as well as recommendations from EAC Ministerial and Summit meetings of their Heads of State and Government, which may or may not align with recommendations from COMAI. However, there is need to embed the recommendations and subsequent follow up within the decision making and implementation processes of the RECs so that the need for implementation is institutionally mainstreamed and due attention accorded to subsequent follow up.

2.2.24 Concerning R9, activities being undertaken included reviving key regional integration objectives such as the CEN-SAD FTA, this remains to be implemented. RECs also regularly cited the implementation of strategic Infrastructure projects. Infrastructure development remains a key linchpin to advancing regional integration in the Continent. Consequently, a number of RECs are undertaking activities in the infrastructure and energy sector through a variety of rail, road, air Master Plans, as in EAC region, as well as a focus on power supply projects, as in the case of SADC to combat the energy capacity crisis affecting the region. SADC also successfully achieved its FTA in 2008, meeting its own target period. The year 2008, also saw CEN-SAD consider its draft Community Plan for the Development of Infrastructure and Transport Services within the region, which occurred during the 4<sup>th</sup> Meeting Transport and Infrastructure Ministers in May 20-22, 2008, in Cotonou, Benin. This is one of CEN-SAD's core documents to facilitate regional integration and cross-border linkages in the region. EAC are also making efforts to finalise work to integrate East African financial markets and stock exchanges.

<b>RECs</b>	<b>R8: Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	COMESA is already implementing some of the recommendations from the Conferences of African Ministers of Integration as part of its routine integration agenda prescribed within its Treaty.
<b>CEN-SAD</b>	Implementation of recommendations from COMAI is on-going. The Secretariat General is also working to speed up the economic integration by convincing the States to implement integration objectives as set out in the CEN-SAD Treaty of 4 February 1998 relating to the establishment of the CEN-SAD, the Abuja Treaty of 3 June 1991 and the Syrte Declaration of 9/9/99. The instruments mentioned relate to cooperation in all relevant areas.
<b>ECCAS</b>	Implementation of recommendations from COMAI is on-going.
<b>SADC</b>	SADC informs Member States of recommendations from COMAI.
<b>EAC</b>	Implementation is ongoing. However, it was noted that implementation of the COMAI recommendations was not always undertaken entirely in direct response to the recommendations themselves. Rather, in response to integration and

<b>RECs</b>	<b>R8: Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence</b>
	<b>Implementation Outputs</b>
	development objectives and priorities of the EAC and the frameworks within which these are contained (Treaties, Strategic Plans, Protocols, Bills), as well as recommendations from EAC Ministerial and Summit meetings of their Heads of State and Government, which may or may not align with recommendations from COMAI.
<b>IGAD</b>	Implementation is ongoing.
<b>ECOWAS</b>	Matrix not completed. However, secondary data reveals that ECOWAS has over the year been promoting the importance of regional infrastructure to scale up its economic development and integration process. A Project Preparation and Development Unit (PPDU) has been created at the Commission, as mandated by the June 2008 Summit of ECOWAS Heads of State and Government. The Unit will not act as a developer but will procure advisory services to governments and act as an 'honest broker' between the public and private sectors. In the area of transport a MoU was signed in 2008 between Nigeria and Cameroon the implementation of the –Nigeria-Cameroon Multinational Highway and Transport Facilitation Project, financing of the project is already underway. In the railways sub-sector a feasibility study on the interconnection of national railway networks through 17 priority links was completed in early 2008. Engineering studies on the Kaya-Dory-Niamey link connecting Abidjan-Ouagadougou railway line to the Republic of Niger will be undertaken. The air-sub-sector recently received six new resolutions relating to the implementation of the Yamoussoukro decision; these pertained to, amongst other: aviation safety and security, autonomy of civil aviation administrations, and capacity building.
<b>AMU</b>	Matrix not completed
<b>RECs</b>	<b>R9: Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	Continuously done by annual policy organs.
<b>CEN-SAD</b>	Work has commenced to create the CEN-SAD FTA which has been a long-standing objective. A request for technical assistance has also been forwarded to the UNECA.
<b>ECCAS</b>	There has been identification of non-operational integration projects in the transport sector. This has involved setting up operational monitoring committees; the convening of donor roundtables are also planned. Further, Community Contributions towards Integration (CCI) is also under way.
<b>SADC</b>	The SADC Regional Indicative Development Programme (RISDP) identifies key integration projects that need to be implemented as part of SADC priority areas. A major achievement has been the launching of its FTA in 2008. Work continues to implement key programmes and projects in the area of infrastructure and services. Given the energy crisis in the region, special attention has been given to the energy sector. A number of short-term measures have been agreed which include: Short-Term Utility Power Projects, the Power Conservation Programme, Enabling Environment for Power Sector Growth and Sustainability and Mobilisation of Extra Resources to Finance Power Projects.
<b>EAC</b>	EAC implementing a number of key infrastructure projects such as the East African Road Network project; the Railways Master Plan whose final report is being considered by partners states for implementation; upgrading of the EAC Civil Aviation Safety and Security Oversight Agency (CASSOA) Protocol, into a Bill; implementation of the 5 year Meteorology Development Plan and Investment Strategy; the East African Power Master Plan; extension of the pipeline from Eldoret in Kenya to Kampala and later to Kigali and Bujumbura. There are also plans for a gas pipeline from Dar es Salaam to Mombasa amongst others. A number of

<b>RECs</b>	<b>R9: Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.</b>
	<b>Implementation Outputs</b>
	projects have been ear-marked for cross-border electrification to add to exiting completed projects. Work is also being finalised on the regionalisation of the East African financial markets and stock exchanges through a study which is in its final stages. The study will be the framework for the integration of the capital and stock exchange markets in the region. Further liberalisation of the East African capital markets is envisaged in the East African Common Market Protocol which is under negotiation.
<b>IGAD</b>	The IGAD MIP will also seek to revive integration projects that have not been operationalised in the region, particularly one stop border posts. IGAD are also trying to set into motion a number of key infrastructure projects. A draft study has been undertaken to develop regional strategies for transport, information and communication technology (ICT) and industry in the region. Rehabilitation of railways networks commenced (Ethio-Djibouti; and Addis-Djibouti corridor.)
<b>ECOWAS</b>	Matrix not completed.
<b>AMU</b>	Matrix not completed

### 2.2.25 Sensitisation, Popularisation on Regional Integration

Under the theme of sensitisation and popularisation regional integration, recommendations pertained to:

- **R10:** Request RECs to mount sensitization campaigns about integration and its advantages.

A number of innovative activities and initiatives are being undertaken to promote and popularise regional integration within the regions such as trade fairs, commemoration days celebrating the creation of certain regional groups, as in the case of the SADC day and the proposed ECCAS day. These commemoration days are a way of taking regional groupings down to their citizens, raising awareness and helping to cement cultural and other affinities amongst the people of their regions. Posting large scale billboard advertisements is a method that has been employed by COMESA in various Member States, notably Lusaka, the headquarters of the COMESA Secretariat. Essay writing competitions for young people have also been implemented by some RECs, and the sensitisation of local government bodies on the regional integration, as is conducted in the EAC region.

<b>RECs</b>	<b>R10: Request RECs to mount sensitization campaigns about integration and its advantages</b>
	<b>Implementation Outputs</b>
<b>COMESA</b>	Sensitisation and popularisation of COMESA and regional integration is undertaken in all national sensitisation workshops. The African Capacity Building Foundation (ACBF) has also funded awareness creation projects on regional integration. COMESA has been mounting sensitisation campaigns and workshops with grassroots stakeholders. Billboard campaigns have been mounted, funded by USAID. Wok has begun on developing a budget for a billboard campaign of the three RECs (COMESA/EAC/SADC) within the Tripartite framework

<b>CEN-SAD</b>	CEN-SAD organises political fora (conferences of Leaders and Heads of State, and Executive Councils), and trade fairs which are used to sensitise stakeholders on the progress as well as the benefits of regional integration. This has led to stronger political commitment of the States, and motivation of economic operators
<b>ECCAS</b>	ECCAS are brainstorming on the regional integration day to be celebrated by all Member States. The idea of an integration day has been accepted in principle.
<b>SADC</b>	SADC undertakes regular outreach programmes. There is also a SADC Day commemorated at grassroots level. SADC have put in place a Communication and Information Policy. SADC also implement a secondary school competition. The SADC FTA Communication Strategy is in place. Several school visits have been made to the Secretariat. SADC have also recently introduced the SADC newsletter 'Inside SADC'. This will be distributed to Member States within the SADC region as well as inside the Secretariat itself.
<b>EAC</b>	Efforts are underway by EAC to make regional integration more visible in East Africa. There are a number of popularisation activities to bring people on board. Popularisation efforts target a variety of stakeholders (civil society, private sector, professional bodies, youth, statutory bodies, education institutions, central government institutions and local government). Other activities include, amongst others, an annual media Summit, regional essay competition implemented through Member States for young people at all levels of education on topics related to regional integration.
<b>IGAD</b>	IGAD website has been developed into a regional portal for all sectors. Member States can now upload information on to the regional portal. IGAD also have a periodic newsletter which covers the IGAD activities on a quarterly basis.
<b>ECOWAS</b>	Organises sensitisation campaigns (e.g. the recent sensitisation campaigns on issues of free movement in the region, including the ECOWAS passport)
<b>AMU</b>	Matrix not completed

## 2.3 African Union Commission

This Chapter sets out a summary of implementation of the recommendations by Departments and Divisions of the African Union Commission. Recommendations were made to the Department of Economic Affairs, and the Department of Trade and Industry. Recommendations to the Department of Economic Affairs pertained primarily to the themes of monetary policy and convergence; trade; institutional development; and private sector involvement and investment promotion. Of the total number of recommendations, 9 applied to the AU Commission. For further details on the activities being undertaken by Commission see Annex 3.

### 2.3.1 Monetary Policy

Under the theme of monetary policy, recommendations pertained to:

- **R1:** Request the AUC, in collaboration with UNECA and AfDB to harmonise payments and financial systems in Africa; and
- **R2:** Pursue and complete the process of monetary convergence with a view to promoting a stable macroeconomic environment and enhancement of foreign and African direct investment as well as investment from the African Diaspora.

Unfortunately R1 has yet to be fully implemented, but is a work in progress. .

2.3.2 However, concerning R2, the Commission has been working on the establishment of the three African financial institutions; this has included operationalising the Steering Committees for the African Investment Bank (AIB), the African Central Bank (ACB) and the African Monetary Fund (AMF). Since 2008 a Steering Committee for the AIB has been in place and has finalised the Protocol for the establishment of the AIB. The Protocol was adopted by the AU at its January 2009 Summit. The Statutes for the AIB are under discussion with Member States. The Steering Committees for the ACB and AMF soon to be recruited.

### 2.3.3 *Trade and Fiscal Policy*

Under the theme of trade and fiscal policy, recommendations pertained to:

- **R3:** Promote intra-African trade through banks and trade support structures.

Unfortunately, R3 has yet to be fully implemented, but is a work in progress.

### 2.3.4 *Institutional Development*

Under the theme of institutional policy, recommendations pertained to:

- **R4:** Strengthen and expand Africa's financial markets and institutions which assist in the mobilization of financial resources for financing integration projects such as infrastructure; (Coordinate with the Department of Infrastructure to see how to implement this recommendation).

Implementation of R4 involved the Commission working on the establishment of a Pan African Stock Exchange. A feasibility study was completed in 2008; and a technical study will now be carried out. It is envisaged that Consultants will be recruited for the assignment within the year.

### 2.3.5 *Private Sector Involvement and Investment Promotion*

Under the theme of private sector involvement and investment promotion, recommendations pertained to:

- **R5:** Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation; and

- **R6:** Organize meetings between the public and the private sector at the level of the RECs and the AU.

Regarding R5, a study was scheduled to be undertaken on the matter with detailed consultations taking place in 2009. However, work in this area has been temporarily suspended as a work in progress due to the need to engage in other assignments also deemed to be areas of priority. These include the development of the Business Directory; a Private Sector Strategy and Action Plan, and a Micro-finance Policy Framework and Action Plan.

2.3.6 R6 is implemented through the convening of an annual Private Sector forum at the Commission. A number of fora meetings have been organised and recommendations proposed.

### 2.3.7 *Trade and Customs*

Under the theme of trade and customs, recommendations pertained to:

- **R7:** Promote intra-African trade through banks and trade support structures.
- **R8:** Technical issues such as customs, trade and immigration should be studied in depth.
- **R9:** Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.

Recommendations 7 and 9 are a work in progress. Concerning R8, a model EPA template has been developed to providing guidelines on how negotiators could address contentious issues that were identified in the interim EPAs. The template was endorsed as a broad based guideline by the AU Trade Ministers on 18-19 April, 2008, in Addis Ababa. The Template will assist negotiators in the negotiations.

## 2.4 **Pan–African Institutions**

2.4.1 This Chapter of the report presents a summary how recommendations addressed to AfDB and UNECA have been implemented. Only two recommendations pertained to these institutions and they fell under the theme of investment. Of the total number of recommendations made, two applied to UNECA and AfDB, respectively. For further details on the activities being undertaken by AfDB and UNECA see Annex 4.

### 2.4.2 *Investment Promotion*

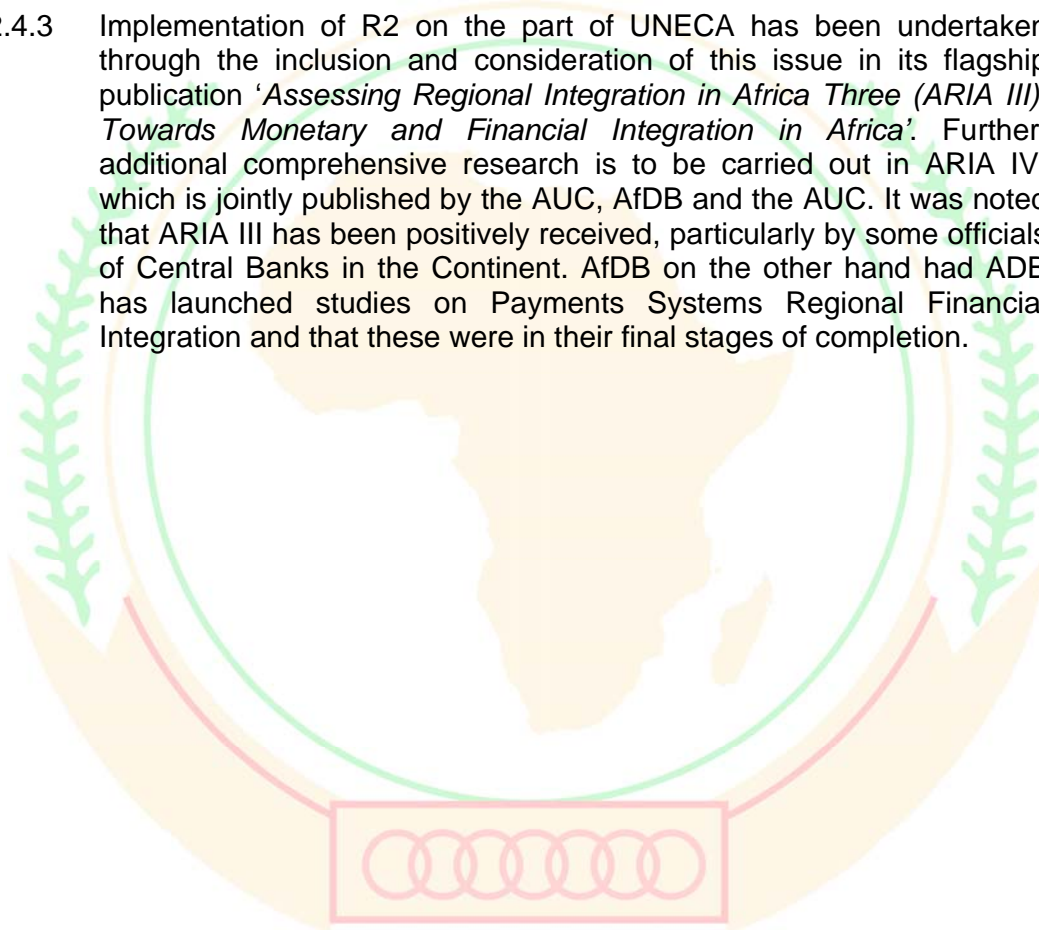
Under the theme of investment, recommendations pertained to:

**R1:** Urge the AU, the RECs and development partners such as UNECA and the AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation; and

**R2:** Request the AU, in collaboration with UNECA and the AfDB to harmonise payments and financial systems in Africa.

Concerning R1, it was noted that this recommendation was not implemented by either UNECA or AfDB, due to the fact that no action has been taken by either of the stakeholders as well as the AUC Commission. However, UNECA noted, that it had organised a number of workshops on Public, Private Partnerships (PPP).

- 2.4.3 Implementation of R2 on the part of UNECA has been undertaken through the inclusion and consideration of this issue in its flagship publication '*Assessing Regional Integration in Africa Three (ARIA III): Towards Monetary and Financial Integration in Africa*'. Further, additional comprehensive research is to be carried out in ARIA IV, which is jointly published by the AUC, AfDB and the AUC. It was noted that ARIA III has been positively received, particularly by some officials of Central Banks in the Continent. AfDB on the other hand had ADB has launched studies on Payments Systems Regional Financial Integration and that these were in their final stages of completion.



### **3. IMPLEMENTATION CHALLENGES**

#### **3.1 Summary of Challenges**

- 3.1.1 It has been deduced from the responses that a number of endogenous and exogenous challenges and obstacles are affecting the integration process at all levels. So that despite the progress and the gains made so far, the pace of integration across the Continent and consequently the attainment of Continental objectives as a whole, continues to be slow in some quarters and to some extent have not reached the depth expected.
- 3.1.2 This Chapter of the report identifies what those challenges have been as regards the implementation of the recommendations from COMAI III. At a glance they include, amongst others, the continued slow progress in the implementation of measures on free movement, be it the adoption, ratification and implementation of legal instruments on the initiative. Other challenges include inadequate infrastructure and insufficient resources for infrastructure development, restraining development in some regions. In the area of governance, countries that have acceded to the APRM highlighted human and financial resource limitations to adequately implement the recommendations and National Plans of Action. At the level of the RECs, lack of a formal peer review mechanism (PRM) within each REC themselves, which for some precludes the creation of a PRM between the RECs.
- 3.1.3 In the area of trade, lack of awareness at the level of some Member States concerning tariff and non-tariff barriers; limited and in many cases homogeneous product bases. With a number of Member States they continue to be disproportionately dependent on commodity exports of unprocessed or partially processed agricultural and extractive products for their export revenues. Additional obstacles highlighted by some Member States were lack of resources to undertake required trade reforms; overlapping membership hindering the development of a Common External Tariff (a pre-requisite for the creation of a Customs Union); and in some RECs lack of consensus over the structure of their FTA.
- 3.1.4 Also highlighted was the problematic nature of the EPA negotiations (their complexity, grouping arrangements, liberalisation thresholds, and lack of a development approach, as well as issues of market access). Overcoming the preference for imported goods from outside the region or even outside the Continent as a whole was also noted. Lack of resources were cited as hindering the implementation of key infrastructure projects as well more far-reaching popularisation activities, especially with citizens at a grassroots level. This deficiency in resources was also attributed to an inability by some RECs to undertake comprehensive empirical research, looking at whether regional integration efforts and measures were having a positive, negative or even just an impact on ordinary peoples' lives. These are

just a few of the challenges noted in the responses. Subsequent chapters of the report summarises the implementation challenges encountered by the various actors in the implementation of the recommendations.

## 3.2 Member States

3.2.1 This Chapter of the report outlines the implementation challenges encountered by Member States. To reiterate, this Chapter is in no way representative of the 53 Member States that comprise the Union, but is based on the six responses received to the matrix. It must be noted that one of the major challenges encountered by the Commission in the undertaking of this follow-up report was the insufficient responses received to the matrix from Member States.

### 3.2.3 Institutional Development

Challenges	
<b>R1:</b>	The application of the policy by all Member States of the Union.
<b>R3:</b>	The application of the policy by all Member States of the Union.
<b>R6:</b>	The application of the policy by all Member States of the Union.
<b>R15:</b>	Reinforcing the mandate of Ministers of Integration as well as ensuring coordination of integration policies. As well as effective monitoring and follow –up capabilities of Member States.
<b>R16:</b>	No challenges indicated

### 3.2.4 Free Movement – People, Goods and Services

Challenges	
<b>R2:</b>	The issuing of visa is sometimes undertaken on a bilateral basis between Member States and as such is based on reciprocity. Other challenges include the application of this measure across the entire Continent.
<b>R5:</b>	Unequal development between Member States, therefore free movement perceived as a threat to national development and domestic economic operators. In addition, the application of this measure across the Continent in terms of complete elimination administrative, legal and political obstacles.
<b>R19:</b>	Sensitivities resulting of domestic legislation.

### 3.2.5 Governance issues

Challenges	
<b>R4:</b>	Establishing a strong institutional framework to embed this measure at a national level. Others noted unresolved internal conflicts in some Member States.
<b>R7:</b>	Some of those Member States that have acceded to the APRM noted challenges such as lack of financial resources as well as the domestication of the process and the slow nature of the review process. Lastly, the ability to implement the APRM National Plan of Action. In addition, although a number of AU Member States have acceded to the process, the numbers completing the process has been few. <b>Thirteen countries</b> are at the <b>preparatory stage</b> (which means countries have acceded to the APRM but have

Challenges	
	not started the process), these countries include Angola, Cameroon, Republic of Congo, Djibouti, Egypt, Gabon, Malawi, Sao Tome & Principe, Senegal, Sierra Leone, Sudan, Togo, Zambia; <b>two countries</b> are currently at <b>stage one</b> – launching of the process, these include Tanzania and Ethiopia; <b>Four countries</b> are at <b>stage two</b> – country review visits by the APRM Secretariat (these countries are Lesotho, Mali, Mauritius, and Mozambique); <b>no country</b> is currently at <b>stage three</b> – preparation of the draft review report by the country review team and consideration by the panel of eminent persons; <b>three countries</b> are at <b>stage four</b> – recommendations from the panel of eminent persons are communicated to the Head of State (these countries are Uganda, Burkina Faso and Nigeria); only <b>six countries</b> have reached <b>stage five</b> – publication of the country review report and National programmes of Action (these countries <b>include</b> : Ghana-June 2005, Rwanda-Nov2005, Kenya-May 2006, South Africa-May 2007, Algeria-July 2007, Benin - January 2008).
<b>R17:</b>	Implementation of this recommendation across all Member States. As well as the ability of some Member States efficiently collect data and share information. Other cited multiple and overlapping membership to the RECs.
<b>R18:</b>	No challenges indicated.

### 3.2.6 Trade and Industry

Challenges	
<b>R8:</b>	Human and financial resource constraints to undertake the required reforms.
<b>R10:</b>	Application of this measure across all Member States.
<b>R11:</b>	Poor knowledge about tariff and non-tariff barrier; the unequal economic base of Member States as well as ensuring a coordinated implementation of instruments governing free trade.
<b>R12:</b>	Application of this measure across all Member States.
<b>R13:</b>	An EPA process which appears to neither be taking into consideration the interest of African Member States, the configuration of existing RECs, nor Africa's integration agenda as a whole.
<b>R14:</b>	Overlapping membership was cited as a challenge. Also establishment of a Common External Tariff (CET), and ultimately a customs union, particularly where overlapping membership exists. Other challenges cited include, unequal development between Member States, low production bases due to weak industrial structures.

### 3.2.7 Infrastructure Development

Challenges	
<b>R9:</b>	The application of this measure across all Member States.

## 3.3 Regional Economic Communities

This Chapter of the report outlines the implementation challenges encountered by the RECs.

### 3.3.1 Trade and Investment

Under the theme of trade and investment, specifically R1 the challenges highlighted included the poor ratification of instruments to promote and enhance investment in the regions. For example in the

COMESA region only seven Member States have ratified its Draft COMESA Common Investment Area Agreement (CCIA).

- 3.3.2 Concerning R2, and the EPA negotiations a number of contentious issues still remain on issues such as market access, trade in services, development assistance, government procurement and investment in terms of scope and approach. Timetabling for concluding the negotiations was also cited as hurried and too short. The complexity of most of the issues being negotiated was also cited as time consuming, and human resource intensive. EPAs were often deemed unsupportive of regional integration processes, by further complicating the rationalization of the RECs by splintering AU-REC Member States across a number of EU-EPA groupings to the extent that the configuration of some groups does not align with the configuration of existing AU-RECs. EPA negotiations are also closely linked with the adoption and a development friendly CET. Notably, in the case of ECOWAS, the major challenges posed by the current negotiations in the application of the ECOWAS CET include, amongst others: classification of category zero products; reclassification of products in various bands; and the creation of a fifth band.
- 3.3.3 For example, Member States of the AU-SADC grouping have split into three EPA groupings: SADC, ESA and CEMAC. It should be noted that ESA is a new block formed by the EU; having had no pre-existence prior to the negotiations and as such is not a recognised REC in the spirit of the Abuja Treaty and the AU Constitutive Act. All this is contrary to efforts to reduce overlap, multiple memberships and foster greater rationalisation and harmonisation of policies across the AU-RECs.
- 3.3.4 With regards to R3 and the issue of establishing FTAs, challenges cited included lack of resources to undertake comprehensive empirical studies on the cost and benefits of the FTA for specific Member States, as well as lack of awareness, and ensuring stakeholder buy-in. In the case of CEN-SAD the main challenge appeared to be the inability to arrive at a consensus on its draft FTA convention. Further, implementing the recommendations of its study on the creation of an FTA, especially the attendant measures were also proving difficult, but despite this the process continues to be underway. ECCAS also cited overcoming the preference for the importation of goods from outside the ECCAS region. Product similarity and a narrow productive base of in the Central African region were also noted. In the case of the single FTA between EAC-COMESA and SADC, financing the various activities of the Tripartite mechanism was also highlighted.

### 3.3.5 *Free Movement of People, Goods and Services*

Under the theme of free movement R4 and R5, within some RECs progress in this area continues to be slow. The challenges cited for R4 and R5 were quite similar. They included lack of adoption or across the

board ratification of legal instruments pertaining to free movement. There appears to be reluctance and/or reticence by some Member States to deepen integration in this area. Combating the fear of invasion by non-nationals and criminal activities was also proving difficult. In the case of COMESA for example, 12 out of 19 countries have signed the Protocol. The ratifications have been even fewer. In the case of ECCAS, despite all countries having signed the Protocol on free movement, implementation was not occurring across the board.

3.3.6 For CEN-SAD the main challenges appeared to be speeding up the adoption of legal instruments in this area. In the case of SADC lack of consensus on how to move forward with the issue had hampered progress, however it was noted that some consensus was being reached. EAC noted that establishing who an East African is was also posing a challenge as some Member States have not yet completed the issuing of their national identity cards, which form the basis of acquiring the EAC passport. While in the ECOWAS region, although the regional passport has been operational for some time, only Benin, Guinea, Liberia, Niger, Nigeria and Senegal have effectively put in place the circulation of the ECOWAS passport.

### 3.3.7 *Governance: Peer-Review and Data Sharing*

Challenges cited under R6 included the lack of formal peer-review mechanisms existing within the RECs themselves, therefore precluding formal peer-review arrangements between RECs, as the former should form the basis for the latter. Convincing Member States to set up national structures for the coordination of PRM and need for all AU Member States to sign up to the APRM process was also cited as a challenge. Other challenges were lack of financial and human resources to be able to undertake comprehensive empirical research looking at whether a particular REC is progressing well and whether regional integration is having a positive impact on people's lives.

3.3.8 Regarding R7, lack of resources was also noted preventing some RECs from conducting enough awareness-raising and sharing of information and good practice with civil society and private sector stakeholders. It was noted that very few countries have taken the issue of a FTA down to the grassroots level to get ordinary people's views. Firm and steadfast political commitment was also noted. In the area of statistics, it was noted that the existence of heterogeneous methods of statistical data collection across Member States – lack of harmonisation, and data gaps was proving a challenge. This leads to many estimations and approximations, imprecise data or outdated data.

3.3.9 Weak baseline data in some Member States was also hampering data collection and analysis at a regional level. Statistics, it was stated, was not well appreciated by some Member States. Further compounded by qualified statisticians moving to other disciplines (economics, finance,

accounting and ICT), leading to an inadequate pool of qualified statisticians working in statistics. Further, basic infrastructure for data sharing across some Member States is also lacking.

### *3.3.10 Implementation of Decisions on Regional Integration*

Under R8 and R9, It was noted that in the implementation of key regional decisions, what may be identified as regional integration programmes and projects by a REC may not be perceived as such by Member States. Other challenges included, benchmarking the implementation done by Partner States of projects and recommendations at regional and Continental fora. Further the selective and inconsistent implementation of Decisions by Member States was also a challenge. Financial constraints were also cited a key constraint preventing the implementation of feasible integration projects, particularly infrastructure projects.

### *3.3.11 Sensitisation and Popularisation of Regional Integration*

With R10, insufficient resources were also cited as one of the main reasons for less comprehensive or frequent sensitisation and popularisation activities. It was also cited as one of the reasons precluding efforts to undertake more popularisation activities at lower/grassroots levels.

## **3.4 African Union Commission**

### *3.4.1 Monetary Policy*

Under the theme of monetary policy, specifically R1, the main challenges cited were limited funds to conduct studies and ensure their implementation. However, it must be noted that from March 2-5, 2009, the Commission, in collaboration with the RECs and the Association of African Universities, convened its first Congress of African Economists (those of the Continent and the Diaspora), to consider, analyse and propose an appropriate and extensive solution to the economic problems impeding the development of the RECs, the pillars of African integration. The main theme of the First Congress will be: *Towards the Creation of a Single African Currency: Review of the Creation of Single African Currency. Which optimal approach to be adopted to accelerate the creation of the unique Continental currency?*

### *3.4.2 Private Sector Involvement and Investment Promotion*

Under the theme of private sector involvement and investment promotion, R5 and R6, the challenges that were cited were human and financial resources constraints to conduct research and studies on the harmonisation of investment codes. It was also noted that following up and monitoring the implementation of recommendations from the AU

annual Private Sector Forum was also proving difficult. In part due to a lack of human and financial resource.

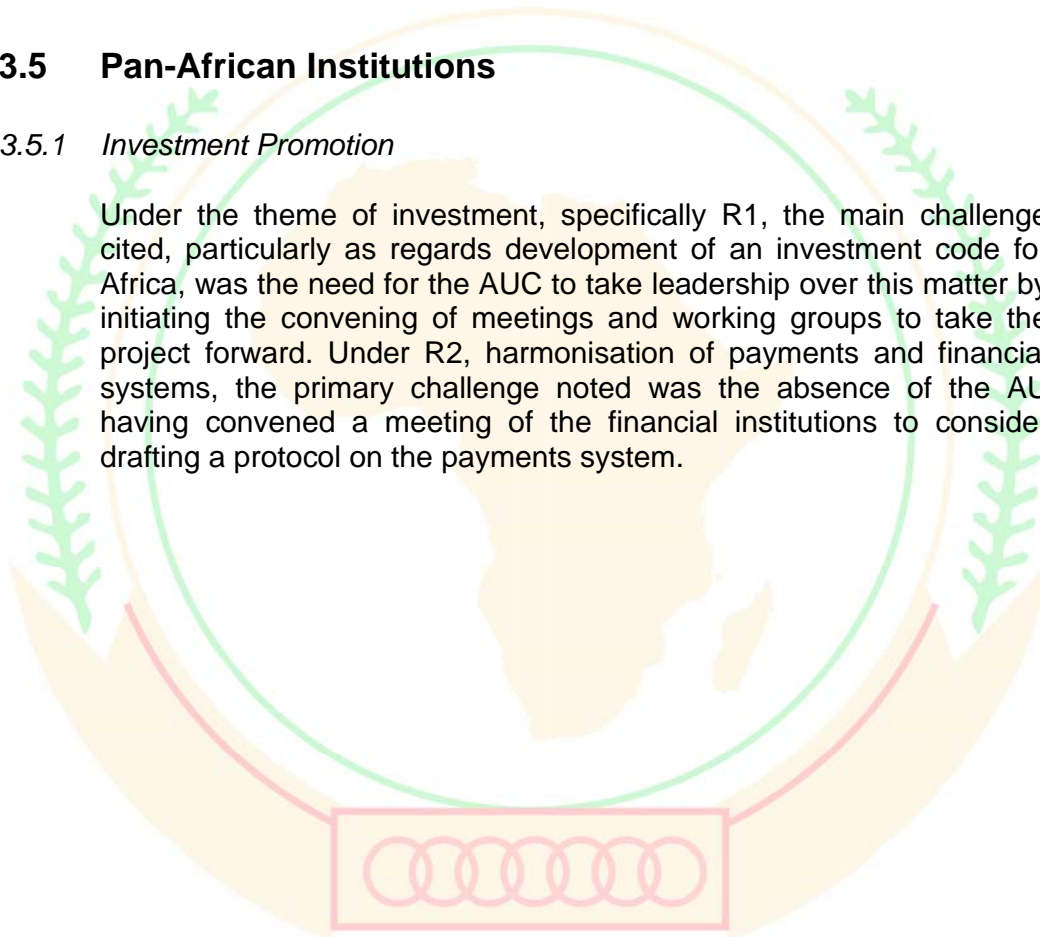
### 3.4.3 *Trade and Customs*

The main challenges cited were with regard to R8 and R9 as regards the EPA negotiations and the AU initiative to develop a template to help negotiators. Although a positive initiative, integration of the template in the EPA negotiations is a challenge, especially so given the progress that has already been made in some regions to advance the negotiations, outside of the use of such support structure.

## 3.5 **Pan-African Institutions**

### 3.5.1 *Investment Promotion*

Under the theme of investment, specifically R1, the main challenge cited, particularly as regards development of an investment code for Africa, was the need for the AUC to take leadership over this matter by initiating the convening of meetings and working groups to take the project forward. Under R2, harmonisation of payments and financial systems, the primary challenge noted was the absence of the AU having convened a meeting of the financial institutions to consider drafting a protocol on the payments system.



## 4. CRITICAL ANALYSIS OF THE PROCESS OF INTEGRATION AND RECOMMENDATIONS

### 4.1 Critical Analysis

This Chapter of the report provides a critical analysis of the integration process, and this follow up exercise. This analysis takes into account the information documented in the previous chapters and makes recommendations to various actors in order to improve coordination and accelerate the integration agenda.

4.1.1 In recent years the RECs have registered positive progress in attaining certain integration stages. This is commendable, despite the challenges posed by the prevailing situation of overlapping and multiple memberships. A number of RECs have already reached stage two of the Abuja Treaty stages (albeit at a regional rather than Continental level), with ECOWAS, SADC, COMESA and ECCAS having launched their respective FTAs. Only CEN-SAD is known to be experiencing difficulties in concluding this issue. This is not surprising as a number of African countries continue to rely on tariff duties as a main source of revenue. While for EAC, FTA at the sole level of its Community is not an objective.

4.1.2 However, moving to stage three, creation of Customs Unions, will and is posing a problem for a number of RECs primarily due to persistent overlapping and multiple membership of their members to other regional groupings. Here lies the crux of the problem, the disparity between rhetoric/commitments and delivery.

#### 4.1.3 *Commitments vis-a-vis Delivery*

The mandate, strategic objectives and orientation of the RECs are laudable. However, decisive action needs to be taken to reduce the plethora of overlapping membership that exists. As the problematic nature of forming Customs Unions demonstrates, countries cannot be members of two Customs Unions, with a CET differing for all its members according to the different membership arrangements prevailing. A REC would de facto cease to be able to form or maintain its Customs Union if a solution to this persistent problem is not found. It is worth noting that this is also one of the concerns with the current EPA configurations and negotiation arrangements. If Member States are determined about pursuing deeper integration overlap is an issue that must be addressed by choosing only one REC with whom to continue pursuing integration. Not doing so is not only a handicap to the RECs in terms of achieving their own strategic objectives, but a handicap to the attainment of the AEC. Granted this is not an easy matter to address, but address it must be.

4.1.4 Likewise, the gaps between commitments and delivery are also demonstrated in the non-implementation of certain Protocols. Implementation cannot happen without ratification by a quorum of signatories. The issue of free movement (people, goods, services and capital) is a casing point. Free movement is a key element in integration, a fundamental trade and capital facilitation mechanism, an enhancer of labour mobility and intellectual and creative capital across borders, and potential to increase social and cultural understanding and cohesion. However, the initiatives fails to make progress in some RECs. This is either because particular Protocols on the measure have not been ratified or consensus on the issue has not been reached.

4.1.5 Advancements in the area of free movement would be a measure of the degree of solidarity and sincerity accorded to Regional and Continental integration objectives. Both of which require Member States to relinquish aspects of national interest for the common good. From a gradualist perspective, this could begin with all Member States of the Union exempting holders of diplomatic and service passports (in accordance with recommendations from COMAI III); this would also mean RECs recognising each other's passports and all countries of the Union recognising the AU laissez-passer without an accompanying national passport or visa. As well as allowing the free flow of academicians, students (the Leonardo da Vinci and European Region Action Scheme for the Mobility of University Students [ERASMUS] programmes<sup>1</sup> in the EU are case study examples), and sports individuals.

4.1.6 Other critical instruments for accelerating economic integration in the Continent also face similar challenges, be it non ratification, late ratification or even non creation where they should exist. These include Protocols on: trade and customs liberalisation; compensation mechanism for loss of revenue; rules of origin; multi-lateral surveillance mechanism; elimination of tariff and non-tariff barriers; and democracy and good governance.

#### 4.1.7 *Overlapping Membership and Resource Constraints*

It was highlighted earlier that overlapping membership is one of the major constraining factors hindering the development of some Customs Unions. However, its impact is also felt on human and financial resource availability. Overlapping membership to RECs, which for all intense and purposes have quite similar and duplicating mandates, is a strain on both human and financial resources. Financial resources were in particular, noted by a number of respondents as a major impediment to effective and efficient implementation of programmes and projects. Furthermore, in the current economic climate of contracting global trade and financial crisis, resources are and may become even scarcer. Member States need to make efforts

<sup>1</sup> ERASMUS and Leonardo da Vinci programmes forms a major part of the European Union's Lifelong Learning Programme for 2007–2013 and is the operational framework for the European Commission's initiatives in higher education. A core objective of the schemes is to increase student and teacher mobility throughout Europe as well.

to reduce their financial and human resource burdens, induced by overlapping membership, so as to release resources for not only regional integration but national development initiatives. The current global situation could be regarded as a call to act.

4.1.8 Regional integration is a resource intensive process and Member States should not be the only source of finance. Stronger and coordinated efforts must be sought to mobilise resources from within the African Continent as well as through partnerships and linkages with its vast and ever increasing Diaspora community, particularly the private sector. In addition, AUC efforts to establish the three African financial institutions is one element of what should be a holistic and creative package of approaches to raise finances domestically. Accelerating the creation of the financial institutions is in this regard an imperative. The AUC should also undertake efforts to create an integration fund to pool the various resources that will be leveraged to support key regional integration initiatives and projects. The European Structural Funds<sup>2</sup> comprising the European Regional Development Fund<sup>3</sup>; European Cohesion Fund<sup>4</sup>; and European Social Fund<sup>5</sup>, could serve as possible case study examples.

#### 4.1.9 *Coordination of Regional Integration*

Although coordination between the AUC and the RECs has improved with regular Coordination meetings, signing of a new Protocol on relations between the RECs and the AUC, annual attempts to follow up on the implementation of recommendations from COMAI, efforts to develop a mutually agreeable MIP, and the installation of REC liaison officers at the AUC, there is need for improvement. Mechanisms are required to monitor the implementation of the new Protocol as well as to embed and institutionalise the recommendations of COMAI within the decision-making processes and work programmes of the RECs and Member States so as to improve follow up and reporting.

4.1.10 The report earlier pointed that the Commission did not receive sufficient responses from Member States nor from all the RECs. This demonstrates the lack of gravity accorded to the outcomes of COMAI. COMAI recommendations need to be inextricably linked to the principle of improved coordination and communication of the integration process. It cannot be ignored that the AUC is the overall strategic coordinator and political body for Continental integration. Therefore, reciprocal efforts need to be made on the part of Member States and

<sup>2</sup> The EU Structural Funds and Cohesion Funds are funds allocated by the European Union for two related purposes: support for the poorer regions of Europe and support for integrating European infrastructure especially in the transport sector.

<sup>3</sup> The ERDF supports programmes addressing regional development, economic change, enhanced competitiveness and territorial co-operation throughout the EU. Funding priorities include research, innovation, environmental protection and risk prevention, as well as infrastructure investment, especially in the least-developed regions.

<sup>4</sup> The ECF funding is for Member States whose gross national income per capita is below 90% of the EU average. The ECF contributes to interventions in the field of the environment and trans-European transport networks.

<sup>5</sup> The ESF focuses on four key areas: increasing adaptability of workers and enterprises, enhancing access to employment and participation in the labour market, reinforcing social inclusion by combating discrimination and facilitating access to the labour market for disadvantaged people, and promoting partnership for reform in the fields of employment and inclusion.

RECs to support AUC efforts to improve, work efficiently, effectively and deliver on its mandate.

## 4.2 Recommendations

4.2.1 The recommendations set out in this section have also been formulated in such a way as to directly respond to, mitigate and overcome challenges cited in the previous chapter, which appear to be persistent and/or pertinent in nature and essential to overcome in order to move to a more advanced and deeper stage of integration. Therefore, under each actor, a summary of the pertinent/persistent challenges is provided and recommendations put forward (further details are provided in tables 2.1-2.3).

4.2.2 For consistency, a number of the recommendations have been formulated in such a way as to align with the proposals of the AU Minimum Integration Programme (MIP), for which research was also undertaken, alongside the preparation of this report. This is because the MIP will serve as the Continental mechanism to accelerate the attainment of integration objectives laid down in the Abuja Treaty and subsequent Decisions.

## 4.3 Recommendations to Member States

4.3.1 It was evident from the responses received that the main priority areas experiencing persistent or major challenges and requiring targeted actions were trade (particularly as regards EPA negotiations and low levels of economic diversification), free movement, capacity constraints to implement integration decisions and programmes, and governance. There is also the problem of poor communication by Member States with the African Union on the implementation of recommendations from COMAI. These recommendations include, amongst others, the following:

- Progressive elimination of all outstanding TB and NTB within the timeframe prescribed by the AU MIP;
- Develop national industrialisation strategies with private sector participation;
- Member States should submit to their respective RECs an update on the implementation of recommendations from COMAI. This should be submitted by the RECs to the AUC for compilation and analysis;
- Fast track visa exemptions for holders of African diplomatic and service passports – in accordance with the recommendation of COMAI III;
- Member States should engage in dialogue with Member States with whom they have concerns on the issue of free movement. The specific REC, to which there is shared membership, should serve as the regional arbitrator between the Member States involved; and

- RECs should choose one REC with whom to continue integration.

See table 2.1 below for details.

## 4.4 Recommendations to Regional Economic Communities

4.4.1 In the case of the RECs, it was deduced from the responses that priority areas for action, that is those areas experiencing persistent challenges, included free movement (particularly as regards the free movement of persons and the need for more intensified efforts and political will to exempt holders of African diplomatic and service passports), trade and industry (particularly as regards the diversification and development of production bases across regions not only for the benefit of expanding regional markets but also as a necessary measure to help countries absorb the impact of external shocks on their fiscal performance), governance; infrastructure financing, statistical development and harmonisation (as a major backbone to tracking progress and impact of regional integration); private sector development (as the primary engine of growth and investment); lack of request resources to engage in popularisation of regional integration from the bottom up; harmonisation and coordination between RECs in the same regional space and with whom there is overlapping membership; and the need for a new and improved approach to coordination between the RECs and the AU Commission as regards monitoring the implementation of COMAI recommendations by Member States.

4.4.2 There is also need to embed the recommendations that derive from COAMI meetings into the decision making process and work plans of the RECs, so that they become an integral part of regional processes, monitoring and follow-up procedures. Rather than existing and floating outside of the everyday activities of the RECs. Recommendations to the RECs include, amongst others, the following:

- Undertake national capacity building and training workshops and seminars on methods of identification and elimination of TBs and NTBs;
- Establish where they do not exist a Regional Investment Promotion Agency with the aim of attracting and promoting regional investment by inter alia, creating synergies with national investment agencies;
- For those RECs that have already attained a FTA, accelerate efforts to achieve a region-wide functioning customs union (according to their own target dates) – through effective implementation of a common external tariff (CET) and complete removal of the non-tariff barriers intra-RECS trade;
- Adopt and encourage the ratification of legal instruments on free movement and right of establishment;

- Promote the exemption of visas for holders of African diplomats and service passports in accordance with the recommendation from COMAI III;
- Undertake sensitisation campaigns on the implementation of the principle of free movement of persons and goods, the right of residence and of settlement;
- Undertake studies on the rehabilitation of railway lines and the harmonization of gauging /track dimensions to promote intra and intra-regional movement;
- Harmonise activities with RECs in the same regional space and with whom there is shared overlapping membership in line with the AU MIP and the Tripartite arrangement;
- Encourage Member States to ratify the African Charter on Statistics;
- Put in place mechanisms, where they do not exist, to harmonise statistics within each REC;
- Use tools such as the APRM to develop a good governance framework (with robust indicators and time bound targets) to encourage and monitor good political and economic governance in the region;
- Develop, where they do not exist, a Protocol on Democracy and Good Governance to foster peace, democracy and stability within a region and
- Develop, where they do not exist, a private sector development Strategy.

See table 2.2 below for details.

## **4.5 Recommendations to the African Union Commission**

4.5.1 From the responses received priority areas of action appeared to be how to follow up and monitor the recommendations from annual AU Private Sector Forums. There is also a need for the AU to capacitate Member States and the RECs to effectively negotiate the complex EPA negotiations. As well helping Member States to develop a governance framework to guide regional decision-making and ensure accountability and transparency across Member States and as well the RECs themselves. The lack of harmonisation between some RECs in key areas also requires the support and leadership of the AUC through the development of its Minimum Integration Programme and overseeing its implementation. These recommendations include, amongst others, the following:

- In collaboration with UNECA, undertake training and capacity building of RECs on EPA negotiations;
- In collaboration with UNECA and AfDB, the AUC should work to ensure the development of an African investment code;

- In collaboration with the UNECA, the AUC should support the RECs in developing instruments on good governance and peer review, with appropriate indicators;
- Ensure the formal adoption of the MIP as the Continental instrument for harmonisation across the RECs in specific sectoral areas and the signing of MoUs between RECs, where they do not exist;
- AUC to develop a mechanism to track the implementation of the Protocol on relation between the RECs and the AUC; and
- AUC should be in frequent contact with REC focal points and liaison officers at the AUC, requesting quarterly updates on the progress of their REC.

See table 2.3 below for details.

## 4.6 Recommendations to Pan-African Organisations

4.6.1 Some of the main areas the pan-African institutions could support the RECs and the AU in are capacity building for EPA negotiations, particularly on trade related matters. In the area of governance, UNECA and AfDB, in collaboration with the APRM, to support RECs to develop economic and political governance peer review indicators. Lastly, in the area of investment, ensure the recommendation of COMAI III, on the development of an African investment code, is implemented so as to enable the Continent to consolidate the many gains made through various macro-economic as well as micro-economic reforms which have helped improve the business and environment and investment climate. The recommendations include, amongst others, the following:

- In collaboration with AUC, undertake training and capacity building of RECs and Member States on EPA negotiations;
- In collaboration with AU, UNECA and AfDB should work to ensure the development of an African investment code;
- Support the RECs through studies and research on the harmonization of activities in key areas; and
- In collaboration with the AUC, UNECA and AfDB should support the RECs in developing instruments on good governance and peer review, with appropriate indicators.

See table 2.4 below for details.

**Table 2: Recommendations tables for Member States, RECs, AUC and Pan-African Institutions**

<b>Table 2.1: Recommendations to the Member States</b>		
<b>Priority Areas for Action</b>	<b>Pertinent Challenges</b>	<b>Recommended Measures</b>
<b>Trade</b>	- Persistent exist of TB and NTB between Member States in the same REC.	- Progressive elimination of all outstanding TB and NTB within the timeframe prescribed by the AU MIP.
	- Diversifying the economic base of countries.	- With the assistance of the RECs make concerted efforts to diversify production bases and promote industrial development. - Develop national industrialisation strategies with private sector participation.
<b>Free movement</b>	- Low level of adoption, ratification and implementation of legal instruments relating to free movement.	- Member Stets should engage in dialogue with Member States with whom they have concerns on the issue of free movement The specific REC, to which there is shared membership, should serve as the regional arbitrator between the Member Stets involved.
	- Free movement and recognition of holders of African diplomatic and service passport remains probative in a number of Member States.	- Fast track visa exemptions for holders of African diplomatic and service passports – in accordance with the recommendation of COMAI III.
<b>Governance</b>	- National development plans and PRSPs pursued and developed outside of a regional framework.	- Apply regional approaches to the development of national development plans and PRSPs.
<b>Coordination with the African Union</b>	- Low number of responses from Member States to COMAI recommendations.	- Members States should submit to their respective RECs an update on the implementation of recommendations from COMAI. This should be submitted by the RECs to the AUC for compilation and analysis.
<b>Overlapping membership and capacity constraints</b>	- Overlapping membership as a constraint to the formation of Customs Unions; - Overlapping membership straining and human and financial resources to effectively implement integration programmes	- RECs should choose one REC with whom to continue integration.

<b>Table 2.2: Recommendations to the RECs</b>			
<b>Priority Areas for Action</b>	<b>Pertinent Challenges</b>	<b>Recommended Measures</b>	<b>Good Practice Examples</b>
<b>Trade and Industry</b>	- Lack of awareness by some Member States on tariff and non-tariff barriers (how to identify and eliminate).	- Undertake national capacity building and training workshops and seminars on methods of identification and elimination of TBs and NTBs.	x
		- Put in place, for those that have not done so, a mechanism for monitoring, reporting and removal of non-tariff barriers to improve intra-regional trade, capital and labour mobility.	- COMESA computerised NTB monitoring system; and - SADC NTB monitoring system.
		- Establish national monitoring committees for the removal of NTBs.	x
	- Lack of regional instruments on investment promotion.	- Put in place legal and policy instruments for regional investment promotion.	- SADC Finance and Investment Protocol; and - Draft COMESA Investment Strategy.
		Establish where they do not exist a Regional Investment Promotion Agency with the aim of attracting and promoting regional investment by inter alia, creating synergies with national investment agencies.	- COMESA Regional Investment Agency (RIA).
	- Lack of industrial strategies or adoption and ratification of legal instruments on industrial development.	- Develop where they do not exist and adopt and ratify legal and policy instruments on industrial development and upgrading (for product base diversification, agro-processing) within the framework of the Decision of the 11 <sup>th</sup> AU Summit on the “Action Plan for Accelerated Industrial Development of Africa”.	- SADC draft Protocol on Industry and Industrial Upgrading; - COMESA Industrial Strategy; - ECOWAS draft Common Industrial Policy; and - EAC Regional Industrial Strategy.
- For those that have established legal and policy instruments on industrial development, to track progress on their implementation and impact of industrial development and transformation in the region.		x	
<b>Customs</b>	- Overlapping membership affecting the development of regional CETs.	- For those RECs that have already attained a FTA, accelerate efforts to achieve a region-wide functioning customs union (according to their own target dates) – through effective implementation of a common external tariff (CET) and complete removal of the non-	- EAC Customs Union.

Table 2.2: Recommendations to the RECs			
Priority Areas for Action	Pertinent Challenges	Recommended Measures	Good Practice Examples
		tariff barriers intra-RECS trade.	
		- For those that have not done so, and where possible harmonise the CET with regional neighbours.	- COMES A and EAC harmonised CET.
<b>Free movement</b>	<ul style="list-style-type: none"> <li>- Low level of adoption and ratification of legal instruments on free movement; and</li> <li>- The exemption of holders of African diplomatic and service passport remains probative in a number of Member States.</li> </ul>	- Train immigration officials on issues of free movement and promote good practice examples in the Continent.	- EAC meetings of Chiefs of immigration services.
		- Promote the exemption of visas for holders of African diplomats and service passports in accordance with the recommendation from COMAI III.	x
		- Adopt and encourage the ratification of legal instruments on free movement and right of establishment.	- EAC Passport for citizens of EAC; and - ECOWAS passport for citizens of ECOWAS
		- Develop, where they do not exist, legal instruments to guarantee the right of establishment for migrants within a REC.	x
		- Undertake sensitisation campaigns on the implementation of the principle of free movement of persons and goods, the right of residence and of settlement.	x
		- RECs should exempt from visa requirements the passports of other RECs.	x
<b>Infrastructure</b>	- Limited resource availability for infrastructure development.	- Undertake studies to identify innovative and alternative sources of funding for infrastructure development; and	- EU Channel Tunnel Project.
		- Undertake studies on the rehabilitation of railway lines and the harmonization of gauging /track dimensions to promote intra and intra-regional movement.	
<b>Private sector development and Cross-border investments and joint ventures</b>	- Lack of or inadequate private sector development and support structures in some regions.	- Develop, where they do not exist, a private sector development Strategy.	- EAC Private Sector Development Strategy
		- For those that have created private sector development strategies, track progress on their implementation and impact on private sector growth and development in the region.	x
		- Establish and adequately resource a Private Sector	x

Table 2.2: Recommendations to the RECs			
Priority Areas for Action	Pertinent Challenges	Recommended Measures	Good Practice Examples
		Department within each REC, where they do not exist.	
		- Establish Regional Centres of Excellence on entrepreneurship, SME's and business development.	x
		- Develop, where they do not exist effective regional Business Councils for attracting private sector investment.	- COMESA Business Council; and - East African Business Council.
<b>Governance</b>	- Lack of formal regional governance frameworks and PRM mechanisms within each REC to strength good political and economic governance within a region participatory principles (of bottom up process), transparency, accountability, self-assessment and performance management.	- Use tools such as the APRM to develop a good governance framework (with robust indicators and time bound targets) to encourage and monitor good political and economic governance in the region.	x
		- Develop, where they do not exist, a Protocol on Democracy and Good Governance to foster peace, democracy and stability within a region.	- ECOWAS Protocol on Democracy and Good Governance;
		- Organise an institutional retreat for each REC involving a broad range of regional stakeholders - Ministers, personnel of the RECs, private sector and civil society.	- EAC first Strategy Retreat early 2009.
<b>Statistics</b>	- Lack of regional statistics programmes or well supported programmes harmonizing data collection and production.	- Encourage Member States to ratify the African Charter on Statistics.	
		- Develop, where they do not exist, a regional Charter on statistics.	x
		- Put in place mechanisms, where they do not exist, to harmonise statistics within each REC.	- EAC Statistics programme; - COMESA statistics programme; and - SADC statistics programme.
<b>Popularisation of Regional Integration</b>	- Limited active engagement by some RECs with citizenry – (inclusive involvement of inhabitants of RECs must be a central pillar driving integration forward. The success of integration lies partly with its citizenry).	- Promote an inclusive process of participation of REC citizenry in regional decision making.	x
		- Undertake awareness raising and active engagement with citizenry on regional integration using tools such as: engagement with civil society networks; regional and national representative institutions (parliaments); newsletters (hard and electronic); campaigns and outreach, community networking portals, blogging, email updates, e-consultations.	x

Table 2.2: Recommendations to the RECs			
Priority Areas for Action	Pertinent Challenges	Recommended Measures	Good Practice Examples
		<ul style="list-style-type: none"> <li>- Those that have put some of these measures in place should track progress on their implementation and impact.</li> </ul>	x
<b>Harmonisation and Coordination</b>	<ul style="list-style-type: none"> <li>- Lack of formal harmonization mechanisms and frameworks between some RECs</li> </ul>	<ul style="list-style-type: none"> <li>- Harmonise activities with RECs in the same regional space and with whom there is shared overlapping membership in line with the AU MIP and the Tripartite arrangement.</li> </ul>	<ul style="list-style-type: none"> <li>- EAC/COMESA/SADC Tripartite framework.</li> </ul>
	<ul style="list-style-type: none"> <li>- Incomplete number of RECs liaison officers installed at AUC</li> </ul>	<ul style="list-style-type: none"> <li>- RECs that have not yet done so (CEN-SAD, SADC, AMU) to install REC liaison officers at the AUC.</li> </ul>	<ul style="list-style-type: none"> <li>- IGAD, ECCAS, COMESA, ECOWAS, EAC</li> </ul>
	<ul style="list-style-type: none"> <li>- Lack of responses from Member States on the implementation of COMAI III recommendations.</li> </ul>	<ul style="list-style-type: none"> <li>- RECs to directly follow-up with Member States in their region on the implementation of recommendations from COMAI– Member States to submit a follow up report to their REC, and RECs to submit to the AUC for compilation and analysis.</li> </ul>	x
<b>Embedding COMAI recommendations in the internal decision-making structures and mechanisms of RECs</b>	<ul style="list-style-type: none"> <li>- Follow-up on the implementation of COMAI recommendation sometimes perceived as not a priority, but process that comes outside of internal REC decision making mechanism, and therefore hampering follow up;</li> <li>- Need to elevate the importance and attention given to the implementation and follow up of COMAI recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>- Put in place a formal mechanism to enable recommendations from COMAI to be embedded within the decision making structures, mechanisms and work plans of the RECs so as to elevate their importance and generate greater visibility to ensure compliance and improve reporting.</li> </ul>	x

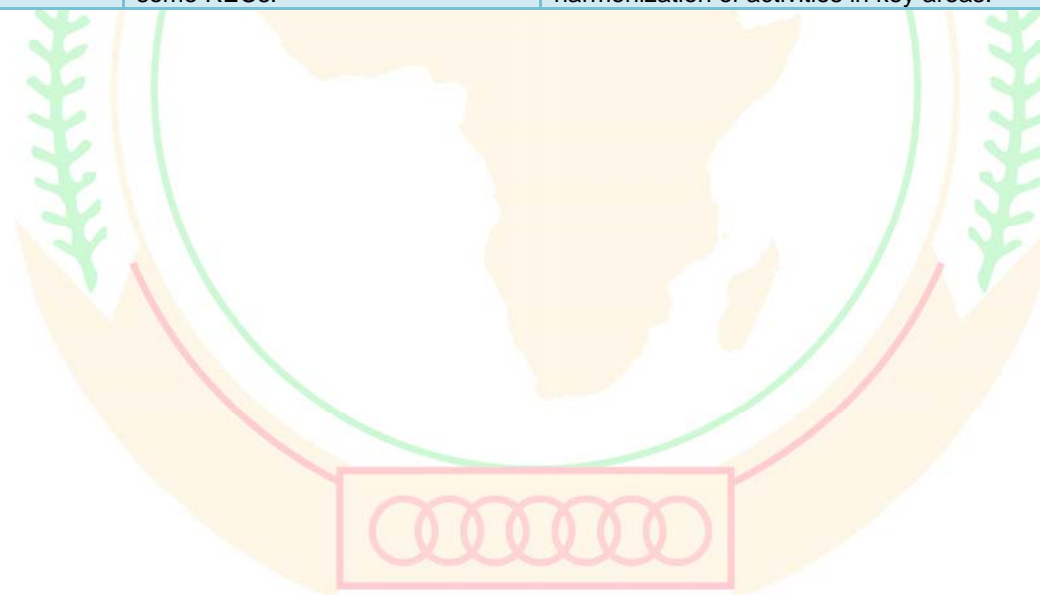
Table 2.3: Recommendations to the African Union Commission		
Priority Areas for Action	Pertinent Challenges	Recommended Measures
<b>Trade and investment</b>	Complexity of EPA negotiations and capacity to undertake the negotiations by RECs.	In collaboration with UNECA, undertake training and capacity building of RECs on EPA negotiations.

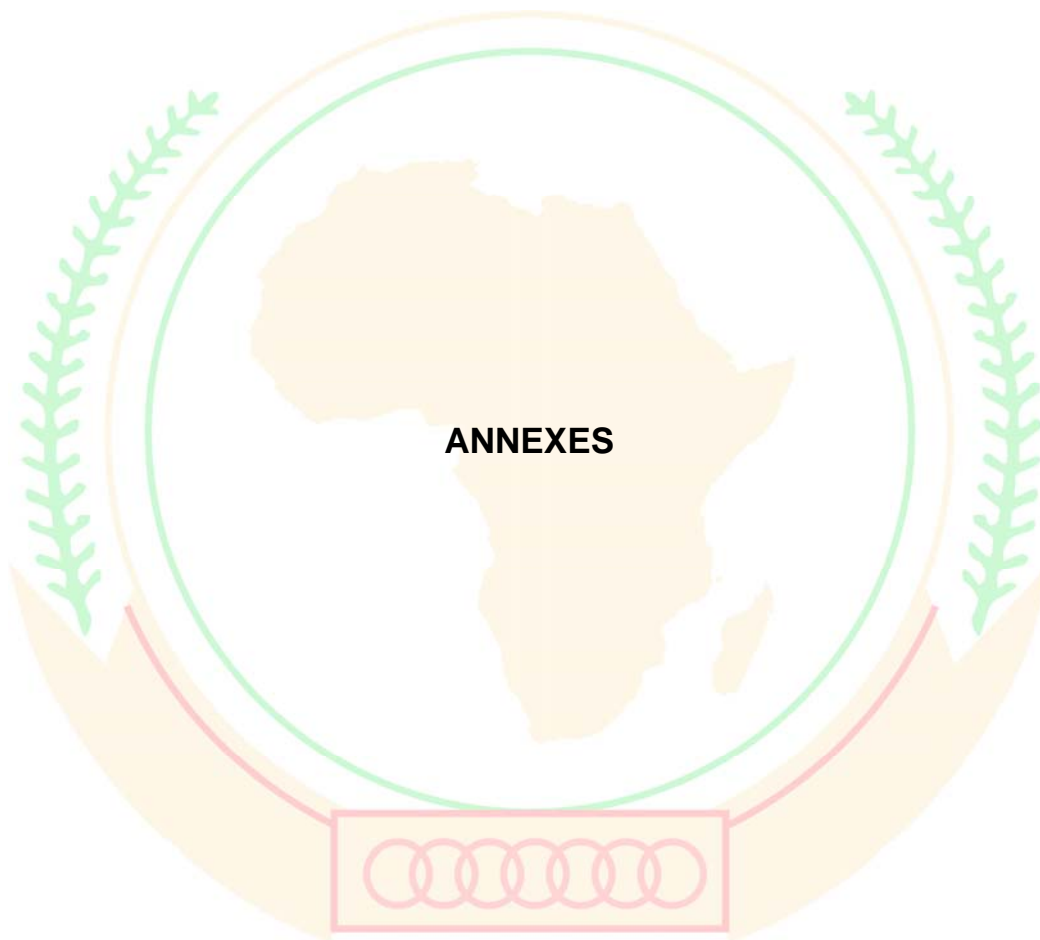
<b>Table 2.3: Recommendations to the African Union Commission</b>		
<b>Priority Areas for Action</b>	<b>Pertinent Challenges</b>	<b>Recommended Measures</b>
	Non-implementation of COMAI III recommendation on the development of an investment code for Africa.	In collaboration with UNECA and AfDB, the AUC should work to ensure the development of an African investment code.
<b>Governance</b>	Lack of internal peer-review or governance frameworks within the RECs.	In collaboration with the UNECA, the AUC should support the RECs in developing instruments on good governance and peer review, with appropriate indicators.
<b>Harmonisation</b>	Lack of harmonisation across sectors between a number of RECs.	Ensure the formal adoption of the MIP as the Continental instrument for harmonisation across the RECs in specific sectoral areas and the signing of MoUs between RECs, where they do not exist.
<b>Resources for infrastructure development</b>	Insufficient resources for infrastructure development.	In collaboration with AfDB, the AUC should work towards the harmonisation of financing instruments for infrastructure development, and research innovative funding mechanisms for infrastructure development, involving the private sector and African Diaspora.
<b>Private Sector</b>	Lack of formal mechanism to follow-up and monitor the implementation of recommendations from Private Sector Forum meetings	Develop a mechanism to follow – up, and track the implementation of recommendations from Private Sector Forum meetings.
<b>Coordination with RECs</b>	Effective coordination and communication between the AUC and the RECs	AUC should be in frequent contact with REC focal points and liaison officers at the AUC, requesting quarterly updates on the progress of their REC; and
	Lack of a monitoring mechanism to track the implementation of the Protocol on relations between the RECs and the AUC;	AUC to develop a mechanism to track the implementation of the Protocol on relation between the RECs and the AUC.

<b>Table 2.3: Recommendations to the Pan-African Institutions (UNECA and AfDB)</b>		
<b>Priority Areas for Action</b>	<b>Existing Challenges</b>	<b>Recommended Measures</b>

**Table 2.3: Recommendations to the Pan-African Institutions (UNECA and AfDB)**

Priority Areas for Action	Existing Challenges	Recommended Measures
<b>Trade and investment</b>	Complexity of EPA negotiations and capacity to undertake the negotiations.	In collaboration with AUC, undertake training and capacity building of RECs and Member States on EPA negotiations.
	Non-implementation of COMAI III on the development of an investment code for Africa.	In collaboration with AU, UNECA and AfDB should work to ensure the development of an African investment code.
<b>Governance</b>	Lack of internal peer-review or governance frameworks within the RECs.	In collaboration with the AUC, UNECA and AfDB should support the RECs in developing instruments on good governance and peer review, with appropriate indicators.
<b>Harmonisation</b>	Lack of harmonisation amongst some RECs.	Support the RECs through studies and research on the harmonization of activities in key areas.





**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Common Market for Eastern and Southern Africa (COMESA)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <input type="checkbox"/>	Not Implemented <input checked="" type="checkbox"/>
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>COMESA</b>						
<b>Trade and Investment</b>						
1. Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Collaborate and provide necessary information to the AUC to implement this recommendation.	- The Heads of States and Government started the need for the COMESA region to be a common investment area in 1998 and stakeholders' consultations and technical work on drafting the necessary instruments started in 2000, with the COMESA Regional Investment Agency (RIA) being set up to spearhead attracting investment, especially direct foreign investment, into the region.	- The Draft COMESA Common Investment Area Agreement (CCIA) was adopted by the COMESA policy organs in 2008 and is now subject to signature and ratification by Member States; and - The RIA has compiled all the investment codes and regulation for Member States and has also showcased investment opportunities in the region in various fora.	- Seven Member States have to sign and ratify the Agreement for implementation of the CCIA to begin.	x	x
2. Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.	- Implement the decision taken by the AU Assembly regarding EPA.	- AU decisions being implemented by Eastern and Southern Africa (ESA) negotiating group supported by COMESA.	- Interim EPA initialled by some ESA countries. Negotiations on-going for a Comprehensive EPA.	- Contentious issues still remain over which there is no agreement between the EC and the ESA group. Negotiations on these issues have continued. Uncomfortable with Most Favoured Nations Clause (MFN). Lack of consensus with the 80% liberalisation threshold. COMESA is ok with this, but most Lead Developed Countries (LDCs) are not. Some LDCs are questioning the benefit of EPAs especially as the	x	x

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**Matrix Completed by: Common Market for Eastern and Southern Africa (COMESA)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <input type="checkbox"/>	Not Implemented <input checked="" type="checkbox"/>
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>COMESA</b>						
				<p>Everything But Arms (EBA) also contains market access and even this is not fully utilised. Further, further opening through EPAs does not include development assistance. Every LDC except Zambia has refused to initial an EPA;</p> <ul style="list-style-type: none"> <li>- No agreed framework within COMESA on preferential trade in services, therefore COMESA are not ready to negotiate with the EU on this matter until COMESA themselves are clear;</li> <li>- Timetabling for concluding negotiations is short – July 2009 (a preference of the EU); and</li> <li>- Drive by the EU to conclude EPA without the Doha development round having been concluded, which was supposed to be the basis for EPAs.</li> </ul>		
3. Accelerate the establishment, as soon as possible, where they do not exist, of free trade areas (FTA).	- RECs that are yet to establish FREE Trade Agreement (FTA) should accelerate in doing so.	- COMESA launched its FTA in October 2000 and is currently working with EAC and SADC to implement one FTA for 26 countries in COMESA, EAC and SADC	- Tripartite Summit which endorsed decision to form one FTA among COMESA, EAC and SADC countries; study launched for FTA and another study to be	<ul style="list-style-type: none"> <li>- Resources, awareness, and ensuring stakeholder buy-in;</li> <li>- Need for awareness and studies for those countries that have not</li> </ul>	x	x

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Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Common Market for Eastern and Southern Africa (COMESA)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>COMESA</b>						
		under the Tripartite framework.	launched for integration of three RECs into African Economic Community.	signed the FTA. Studies on whether the FTA would lead to trade creation or diversion for some countries as well as studies on rules of origin. Due to lack of financial resources not enough studies have been undertaken on the implications of the FTA before it was launched; and - Need to clarify the economic issues of an FTA and moving to a Customs Union		
<b>Free Movement – People, Goods and Services</b>						
4. Urge Member States and the RECs to fast-track the implementation of the legal instruments on free movement.	- Protocol on Free Movement should be developed for the RECs that have not done so; and - Ensure the implementation of the legal instrument on Free Movement.	- Free Movement Protocol adopted in 2002.	- COMESA Member States already implementing Protocol on removal of Visa Requirements since 1984.	Achievements have been slow 12 out of 19 countries have signed the Protocol. The ratifications are fewer, an indication of Member States reluctance to implement the provisions of these Protocols. Generally there is reluctance amongst some Member States - Ethiopia, Burundi, Eritrea, Egypt, Libya – all require visas.	x	x
5. Request the AUC and the RECs to identify all the obstacles to free movement and analyse the causes thereof.	- Identify the obstacles on Free Movement; and - Analyse the causes thereof.	- Obstacles have been identified.	x	x	x	x

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Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Common Market for Eastern and Southern Africa (COMESA)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <input type="checkbox"/>	Not Implemented <input checked="" type="checkbox"/>
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>COMESA</b>						
<b>Good Governance: Peer-Review and Data Sharing</b>						
6. Put in place a Peer Review Mechanism (PRM) among the RECs.	- RECs to start consultation amongst themselves to put in place a Peer Review Mechanism (PRM).	- Under the Tripartite framework, COMESA, EAC and SADC share information and review implementation of regional integration programmes. Some programmes are now being implemented either jointly or in a co-ordinated manner. These include programmes on trade liberalisation (FTAs); development of product standards and harmonisation of regional product standards; statistics and macro-economic data.	- The Tripartite framework is now being institutionalized. It is not really a peer review mechanism among the three RECs but is and will help a lot in monitoring and ensuring co-ordinated integration at the regional and Continental levels.	- Resources – unable to do enough empirical research looking at whether COMESA is progressing well and whether regional integration is having a positive impact on people's; - Firm and steadfast political will and commitment.	x	x
7. There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.	- RECs to collaborate with the Member States of the African Union and Stakeholders in data collection and sharing of good practices and experience.	- Data sharing already being undertaken among COMESA, EAC and SADC under the Tripartite framework; and - Collecting data on trade volumes, direction of trade, product standards and harmonisation.	- COMESA, EAC and SADC working on formal arrangement for sharing data and information by way of a MoU; - Statistical data collection has improved; - Data sharing and collaboration has improved significantly. On a bilateral level countries are talking to , even at a regional level; and - More joint working between COMESA/SADC and EAC as well as other RECs	- Resources – unable to do enough awareness raising and sharing of good practice with stakeholders, particularly the private sector. For example, very few countries have taken the issue of the FTA down to the private sector to get their views; - Wanted to install software in national revenue authorities to automatically share data with COMESA. However, insufficient	x	x

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Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Common Market for Eastern and Southern Africa (COMESA)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>COMESA</b>						
				resources have prevented recruiting people to do the programming. Without this sharing of data takes time, is expensive and is not efficient.		
<b>Implementation of Decisions on Regional Integration</b>						
8. Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence.	<ul style="list-style-type: none"> <li>- All parties involved to implement recommendations from the Conferences of African Ministers in Charge of Integration, COMAI; and</li> <li>- Time frame should be put in place in order to fully implement this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>- COMESA is already implementing some of the recommendations from the Conferences of African Ministers of Integration as part of its routine integration agenda prescribed under the Treaty.</li> </ul>	<ul style="list-style-type: none"> <li>- Trade liberalisation;</li> <li>- Facilitation and promotion of investment; and</li> <li>- Co-ordination with other RECs.</li> </ul>	<ul style="list-style-type: none"> <li>- Agreeing common ground with other RECs; and</li> <li>- Getting firm support and leadership on Continental integration from the AUC.</li> </ul>	x	x
9. Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.	<ul style="list-style-type: none"> <li>- Identify Integration projects which are not yet operational;</li> <li>- Identify the causes.; and</li> <li>- Find solutions for their implementation.</li> </ul>	<ul style="list-style-type: none"> <li>- Continuously done by annual policy organs.</li> </ul>	x	x	x	x
<b>Sensitisation and Popularisation on Regional Integration</b>						
10. Request the AUC and the RECs to mount sensitization campaigns about integration and its advantages.	<ul style="list-style-type: none"> <li>- Organise sensitisation Campaigns; and</li> <li>- Use all network and media campaigns about the importance of integration.</li> </ul>	<ul style="list-style-type: none"> <li>- Done in all national sensitisation workshops;</li> <li>- African Capacity Building Foundation (ACBF) has funded awareness creation projects on regional integration;</li> <li>- COMESA has been mounting sensitisation</li> </ul>	x	<ul style="list-style-type: none"> <li>- Need to mount sensitisation workshops every two weeks but resources will not allow.</li> </ul>	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Common Market for Eastern and Southern Africa (COMESA)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <input type="checkbox"/>	Not Implemented <input checked="" type="checkbox"/>
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>COMESA</b>						
		campaigns and workshops with grassroots stakeholders; - Billboard campaigns have been mounted, funded by USAID; ad - Working on developing a budget for and billboard campaign of the three RECs (COMESA/EAC/SADC) within the Tripartite framework.				



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**Matrix Completed by: Community of Sahel-Saharan States (CEN-SAD)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <input type="checkbox"/>	Not Implemented <input checked="" type="checkbox"/>
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>CEN-SAD</b>						
<b>Trade and Investment</b>						
1. Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Collaborate and provide necessary information to the AUC to implement this recommendation.	- The CEN-SAD has undertaken to put in place a framework for consultations with Chambers of Commerce, Industry and handicrafts.	- Three meetings of Chairpersons of Chambers have led to a draft convention on investment guarantees.	x	x	x
2. Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.	- Implement the decision taken by the AU Assembly regarding EPA.	- The Tenth Ordinary Session of the Conference of Leaders and Heads of State expressed at the 33 <sup>rd</sup> Conference of the Heads of State and Government of ECOWAS, its support for the requirement that the EPAs be renegotiated.	- Broadening of the ECOWAS support base and consolidation of its weight in negotiations.	x	x	x
3. Accelerate the establishment, as soon as possible, where they do not exist, of Free Trade Areas (FTA).	- RECs that are yet to establish Free Trade Areas (FTA) should accelerate in doing so.	- Study carried out on the issue; and - Draft convention relating thereto sent to the States and other organizations such as ECA, UEMOA, COMESA, ECOWAS, and ECCAS.	- Documents studied at the first reading by State experts; - Presentation at the first reading to the Executive Council; and - Proceedings before the Council of Ministers in charge of Trade	- Arrive at a consensual version of the draft convention; and - Implementing the recommendations of the study, especially the attendant measures, but the process is under way.	x	x
<b>Free Movement – People, Goods and Services</b>						
4. Urge Member States and the RECs to fast-track the implementation of the legal instruments on free movement.	- Protocol on Free Movement should be developed for the RECs that have not done so; - Ensure the implementation of the legal instrument on Free Movement	- Draft of instruments relating to the freedom movement.	- Draft instruments already prepared and are awaiting discussion by Member States.	- Speeding up the adoption of instruments.	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Community of Sahel-Saharan States (CEN-SAD)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>CEN-SAD</b>						
5. Request the AUC and the RECs to identify all the obstacles to free movement and analyse the causes thereof.	<ul style="list-style-type: none"> <li>- Identify the obstacles on Free Movement; and.</li> <li>- Analyse the causes thereof</li> </ul>	<ul style="list-style-type: none"> <li>- Organize thematic seminars and workshops to train, appeal to and raise awareness among stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>- Strengthen the capacities of grassroots stakeholders.</li> </ul>	x	x	x
<b>Good Governance: Peer-Review and Data Sharing</b>						
6. Put in place a Peer Review Mechanism (PRM) among the RECs.	<ul style="list-style-type: none"> <li>- RECs to start consultation amongst themselves to put in place a Peer Review Mechanism (PRM).</li> </ul>	<ul style="list-style-type: none"> <li>- Mechanisms exist for consultations between CEN-SAD and certain RECs.</li> </ul>	<ul style="list-style-type: none"> <li>- Preliminary discussions have been held to determine priority areas.</li> </ul>	x	x	x
7. There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.	<ul style="list-style-type: none"> <li>- RECs to collaborate with the Member States of the African Union and Stakeholders in data collection and sharing of good practices and experience.</li> </ul>	<ul style="list-style-type: none"> <li>- The CEN-SAD develops different kinds of partnerships with African organizations that share the same objectives such as the African Development Bank (AfDB), COMESA, the Sahara and Sahel Observatory (SSO), ECOWAS and the Arab Maghreb Union (AMU) with which an institutional and operational rapprochement is envisaged, this also involves information and data sharing.</li> </ul>	<ul style="list-style-type: none"> <li>- Partnership agreement with organizations such as COMESA and ECOWAS.</li> </ul>	x	x	x
<b>Implementation of Decisions on Regional Integration</b>						
8. Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence.	<ul style="list-style-type: none"> <li>- All parties involved to implement recommendations from the Conferences of African Ministers in Charge of Integration, COMAI.</li> <li>- Time frame should be put</li> </ul>	<ul style="list-style-type: none"> <li>- The Secretariat General is working to speed up the economic integration by convincing the States to open up to one another and to act as joint partners with a view to a</li> </ul>	<ul style="list-style-type: none"> <li>- At the 5<sup>th</sup> Session of the Conference of Leaders and Heads of State (CLHS), held in Niamey, Niger, on 14-15 March 2003, the principle of establishing the Free Trade Zone was adopted, as</li> </ul>	x	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Community of Sahel-Saharan States (CEN-SAD)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>CEN-SAD</b>						
	in place in order to fully implement this recommendation.	harmonious development, by means of mutualisation of potential as agreed under the Treaty of 4 February 1998 relating to the establishment of the CEN-SAD, the Abuja Treaty of 3 June 1991 and the Syrte Declaration of 9/9/99. The instruments mentioned relate to cooperation in all relevant areas.	recommended for all RECs by the Abuja Treaty of 3 June 1991.			
9. Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.	<ul style="list-style-type: none"> <li>- Identify Integration projects which are not yet operational;</li> <li>- Identify the causes; and</li> <li>- Find solutions for their implementation.</li> </ul>	<ul style="list-style-type: none"> <li>- Start-up of the CEN-SAD FTA; and</li> <li>- Letter of request for technical assistance addressed to ECA.</li> </ul>	- Favourable response from the ECA.	x	x	x
<b>Sensitization and Popularisation on Regional Integration</b>						
10. Request the AUC and the RECs to mount sensitization campaigns about integration and its advantages.	<ul style="list-style-type: none"> <li>- Organise sensitisation Campaigns; and</li> <li>- Use all network and media campaigns about the importance of integration.</li> </ul>	- Organization of : <ul style="list-style-type: none"> <li>• Political fora (conferences of Leaders and Heads of State, and Executive Councils)</li> <li>• Trade fairs</li> </ul>	<ul style="list-style-type: none"> <li>- Stronger political commitment of the States; and</li> <li>- Motivation of economic operators.</li> </ul>	x	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Economic Community of Central African States (ECCAS)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>ECCAS</b>						
<b>Trade and Investment</b>						
1. Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Collaborate and provide necessary information to the AUC to implement this recommendation.	- Brainstorming on the extension of the CEMAC Charter on investment to all ECCAS Member States. The Charter has been in existence for five years and is an investment guideline for the CEMAC region. ECCAS wishes to extend the Charter to Member States in the ECCAS region.	- This initiative is awaiting approval by the 13 <sup>th</sup> Conference of Heads of State and Government.	- Reconcile the distrust of the conventional banking system with the weakness of the decentralized financial system.	x	x
2. Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.	- Implement the decision taken by the AU Assembly regarding EPA.	- A presentation on the progress of EPAs negotiations was made at the Conference of ECCAS Heads of State and Government.	- The Conference gave guidelines for the next phase of negotiations with the EU.	- Promote a Fund for the financing of development (FORAPE). Convince Europeans of the need to include development in EPA negotiations.	x	x
3. Accelerate the establishment, as soon as possible, where they do not exist, of free trade areas (FTA).	- RECs that are yet to establish Free Trade Agreement (FTA) should accelerate in doing so.	- The Free Trade Area (FTA) was created in July 2004 and needs to be implemented and work continues to accelerate its implementation.	- National information workshops by Ministries and Chambers of Commerce.	- Overcome obstacles to inter-community trade and preference for goods imported from outside ECCAS; - Similarity of products in the central African region; - Disparity of currencies; and - Problems related to free movement of persons.	x	x
<b>Free Movement – People, Goods and Services</b>						
4. Urge Member States and the RECs to fast-track the implementation of the legal	- Protocol on Free Movement should be developed for the RECs	- All the instruments have been adopted, including the Convention on cooperation	- Signing of the Convention by 6 Member States.	- Speed up the implementation of adopted instruments.	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Economic Community of Central African States (ECCAS)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>ECCAS</b>						
instruments on free movement.	that have not done so; and - Ensure the implementation of the legal instrument on Free Movement.	and mutual legal assistance.				
5. Request the AUC and the RECs to identify all the obstacles to free movement and analyse the causes thereof.	- Identify the obstacles on Free Movement; and - Analyse the causes thereof.	- Several meetings between immigration services and Member States.	- Variable geometry: Four countries implement freedom of movement (Congo, Cameroon, Central African Republic and Chad).	- Combat the fear of invasion by non-nationals. All countries have signed, but implementation is a problem.	x	x
<b>Good Governance: Peer-Review and Data Sharing</b>						
6. Put in place a Peer Review Mechanism (PRM) among the RECs.	- RECs to start consultation amongst themselves to put in place a Peer Review Mechanism (PRM).	- A mechanism is envisaged in the Strategic Vision Document for ECCAS by the year 2025. It is hoped that this mechanism would be a PRM of ECCAS countries and look somewhat similar to the APRM.	x	- The mechanism has not yet been implemented; and - Convince Member States to set up national structures for the coordination of PRM and to sign up for the mechanism.	x	x
7. There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.	- RECs to collaborate with the Member States of the African Union and Stakeholders in data collection and sharing of good practices and experience.	- Brainstorming on the mechanism is envisaged in the Strategic Vision Document for ECCAS by the year 2025.	- Harmonization and convergence of policies and programmes aimed at exchanging good practices and sharing experiences; and - UNECA is preparing a study on the possibility of harmonization and convergence of policies and programmes between ECOWAS and ECCAS.	- Convince Member States to set up national structures for the coordination of PRM and to sign up for the review mechanism. Member States have agreed in principle, but the issue has stalled and has not moved forward.	x	x
<b>Implementation of Decisions on Regional Integration</b>						

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Economic Community of Central African States (ECCAS)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>ECCAS</b>						
8. Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence.	<ul style="list-style-type: none"> <li>- All parties involved to implement recommendations from the Conferences of African Ministers in Charge of Integration, COMAI; and</li> <li>- Time frame should be put in place in order to fully implement this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>- A Minimum Integration Programme and a Self-Financing Mechanism exist both serve as a framework for implementing decisions on regional integration; and</li> <li>- It is under way.</li> </ul>	<ul style="list-style-type: none"> <li>- Peace and security architecture</li> <li>- Consensual Master Plan for Transport in Central Africa (CMPT)</li> <li>- Regional food security Programme</li> <li>- Community contribution towards integration (CCI).</li> </ul>	<ul style="list-style-type: none"> <li>- Anticipate and manage conflicts;</li> <li>- Seek funding for the CMPT and the PRSA; and</li> <li>- Convince Member States to join the CCI.</li> </ul>	x	x
9. Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.	<ul style="list-style-type: none"> <li>- Identify Integration projects which are not yet operational; and</li> <li>- Identify the causes. Find solutions for their implementation.</li> </ul>	<ul style="list-style-type: none"> <li>- Identification of non-operational integration projects in the transport sector;</li> <li>- Quest for the funding required for implementation; and</li> <li>- Self-financing mechanism.</li> </ul>	<ul style="list-style-type: none"> <li>- Operational monitoring committee;</li> <li>- Donors' roundtable is in the works;</li> <li>- CCI implementation under way.</li> </ul>	<ul style="list-style-type: none"> <li>- Rational organization of meetings;</li> <li>- Encourage leadership in the implementation process; and</li> <li>- Operationalize the CCI.</li> </ul>	x	x
<b>Sensitisation and Popularisation Regional Integration</b>						
10. Request the AUC and the RECs to mount sensitization campaigns about integration and its advantages.	<ul style="list-style-type: none"> <li>- Organise sensitisation Campaigns. Use all network and media campaigns about the importance of integration</li> </ul>	<ul style="list-style-type: none"> <li>- Brainstorm on the regional integration day to be celebrated by all Member States; and</li> <li>- Preparing a budget covering all activities.</li> </ul>	<ul style="list-style-type: none"> <li>- The idea of an integration day has been accepted in principle; and</li> <li>- The Idea of a budget is acceptable in principle.</li> </ul>	x	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: The Southern African Development Community (SADC)**

Recommendations	Actions to be taken	Implementation of Recommendation <input checked="" type="checkbox"/>			Recommendation <u>Not</u> Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>SADC</b>						
<b>Trade and Investment</b>						
1. Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Collaborate and provide necessary information to the AUC to implement this recommendation.	- SADC has a comprehensive Regional Integration Agenda with Finance and Investment as priority.	- Regional Finance and Development Protocol.	x	x	x
2. Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.	- Implement the decision taken by the AU Assembly regarding EPA.	- SADC continues negotiating with EU in consultation with the AU.	- EPA agreement initiated	- Split of SADC into two negotiating groups.	x	x
3. Accelerate the establishment, as soon as possible, where they do not exist, of free trade areas (FTA).	- RECs that are yet to establish FREE Trade Agreement (FTA) should accelerate in doing so.	- FTA achieved.	- FTA established.	- Consolidation.	x	x
<b>Free Movement – People, Goods and Services</b>						
4. Urge Member States and the RECs to fast-track the implementation of the legal instruments on free movement.	- Protocol on Free Movement should be developed for the RECs that have not done so; and - Ensure the implementation of the legal instrument on Free Movement.	- Consultations amongst Member States on the matter advanced.	- Consensus on the matter.	- Harmonization of legal instruments.	x	x
5. Request the AUC and the RECs to identify all the obstacles to free movement and analyse the causes thereof.	- Identify the obstacles on Free Movement; and - Analyse the causes thereof.	- Obstacles have been identified such as: • Different legal systems in Member States; • Economic discrepancies between member countries; and	N/A	- Need to forge consensus.	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

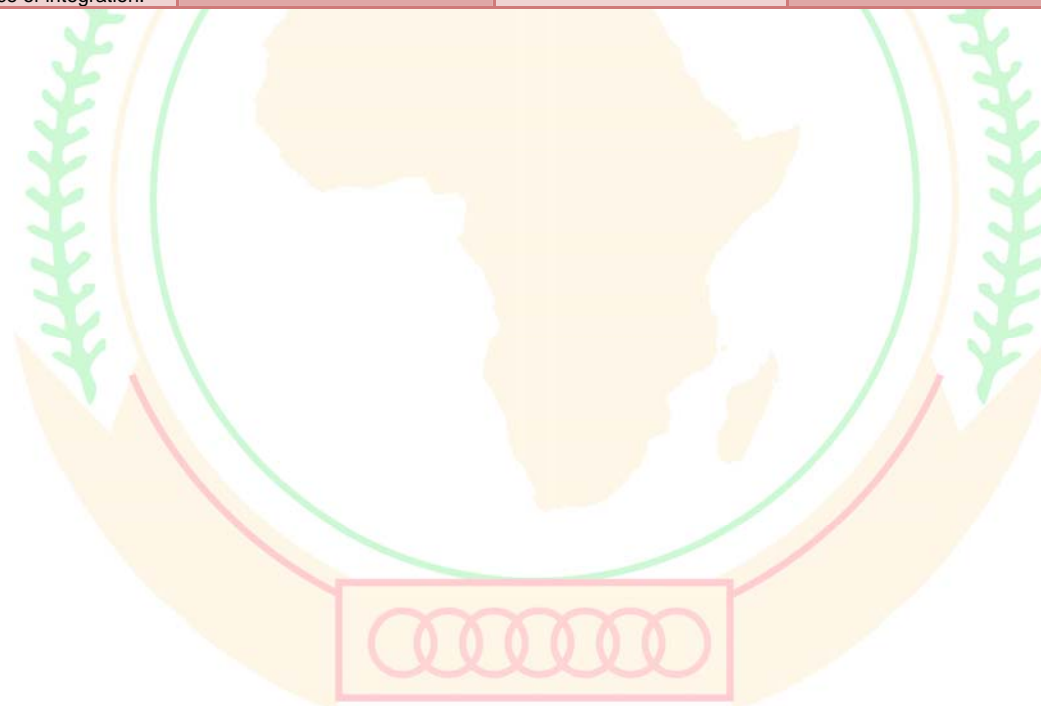
**Matrix Completed by: The Southern African Development Community (SADC)**

Recommendations	Actions to be taken	Implementation of Recommendation <input checked="" type="checkbox"/>			Recommendation <u>Not</u> Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>SADC</b>						
• Political constraints						
<b>Good Governance: Peer-Review and Data Sharing</b>						
6. Put in place a Peer Review Mechanism (PRM) among the RECs.	- RECs to start consultation amongst themselves to put in place a Peer Review Mechanism (PRM).	- Coordination and harmonization with COMESA and EAC.	- Tripartite Summit.	- Resources.	x	x
7. There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.	- RECs to collaborate with the Member States of the African Union and Stakeholders in data collection and sharing of good practices and experience.	- SADC has ongoing Statistics programme.	- Harmonization of data.	- Limited capacity.	x	x
<b>Implementation of Decisions on Regional Integration</b>						
8. Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence.	- All parties involved to implement recommendations from the Conferences of African Ministers in Charge of Integration, COMAI; and - Time frame should be put in place in order to fully implement this recommendation.	- Inform Member States of COMAI decisions.	- Member States informed.	- Monitoring capacity.	x	x
9. Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.	- Identify Integration projects which are not yet operational; and - Identify the causes. Find solutions for their implementation.	- Implementation of the Regional Indicative Programme (RISDP).	- FTA.	- Limited resources and capacity.	x	x
<b>Sensitisation and Popularisation on Regional Integration</b>						

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: The Southern African Development Community (SADC)**

Recommendations	Actions to be taken	Implementation of Recommendation <input checked="" type="checkbox"/>			Recommendation <u>Not</u> Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>SADC</b>						
10. Request the AUC and the RECs to mount sensitization campaigns about integration and its advantages.	<ul style="list-style-type: none"> <li>- Organise sensitisation Campaigns; and</li> <li>- Use all network and media campaigns about the importance of integration.</li> </ul>	- Outreach programmes.	- SADC Day celebrations.	- Resources.	x	x



**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
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**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
<b>Trade and Investment</b>						
1. Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Collaborate and provide necessary information to the AUC to implement this recommendation.	- EAC has developed a model investment code which is now being upgraded into a Protocol; - EAC is organising an investment conference in 2009 to celebrate EAC's 10 year anniversary; and - EAC is also undergoing a rebranding exercise within the context of increasing investment in the region.	- There is some harmonisation of investment codes; - There has been a lot of investment promotion in the region – investment fair June 2008 in Kigali, another to be organised in Kenya in 2009; - EAC as a bloc organises investment conferences outside the region; - More tourism investment is coming into the region because countries are working together in investment promotion, through the framework of the investment strategy. Investors and visitors are beginning to look at the region rather than individual countries; and - Investment has increased in the region.	- Capacity constraints (human, resources, technical and financial) to follow through on actualisation.	x	x
2. Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.	- Implement the decision taken by the AU Assembly regarding EPA.	- As a bloc, the EAC countries are negotiating under the framework of the EAC-EC-EPA configuration; - Technical and senior officials meetings have been held and a joint road map agreed upon between EAC Partner States and the EC; and - Regional EPA meetings	- The initialling of the Framework EPA (FEPA) ensured the EAC Partner States of access to the EU market. This provided legal security to economic operators; and - However, the FEPA was a transitional arrangement towards the	- Lack of the requisite capacity and capability to negotiate the full EPA; - Complexity of most issues being negotiated, particularly the trade related issues – also known as 'Singapore issues'; - EPA is deemed not	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
		continue to be held to assist Partner States develop positions for the bilateral EPA meetings with the EC. Both parties (EAC and EC) have had four technical meetings on EPAD issues. Only market access offered by either side have been finalised, all the other areas of negotiations are on-going.	Comprehensive and full EPA negotiations that have a sunset date of July 31, 2009.	supportive of regional integration due to the sovereign sensitivities surrounding the EPAs; - The development aspects of EPA relating to addressing the supply side constraints have not been addressed; and - Again due to the sovereign nature of the EPA issues, the individual AU Member States -RECs-AUC framework is not exhaustive enough to allow elaborate discussions and conclusive positions.		
3. Accelerate the establishment, as soon as possible, where they do not exist, of free trade areas (FTA).	- RECs that are yet to establish Free Trade Agreement (FTA) should accelerate in doing so.	- EAC is not in itself developing a FTA, but within the Tripartite framework of EAC, COMESA and SADC, a single FTA is envisaged to be developed between the three groupings.	- Launching of the Customs Union in January 2005; - Formalisation of informal collaborations in trade matters (which stated in 2005), culminating in the Tripartite Summit and future road map; - A Tripartite Secretariat to fast-track the establishment of the FTA for the three RECs and an institutional framework for the Tripartite is in place; - Some MoUs have been signed between some RECs in the Tripartite arrangement and some are	- Financing the various activities of the Tripartite mechanism.	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
			<ul style="list-style-type: none"> <li>in the process of signing;</li> <li>- Have established an institutional framework for the Tripartite; and</li> <li>- Agreed to have biannual Tripartite Summit meetings to track progress and annual Joint Council of Ministers meetings.</li> </ul>			
<b>Free Movement – People, Goods and Services</b>						
4. Urge Member States and the RECs to fast-track the implementation of the legal instruments on free movement.	<ul style="list-style-type: none"> <li>- Protocol on Free Movement should be developed for the RECs that have not done so; and</li> <li>- Ensure the implementation of the legal instrument on Free Movement.</li> </ul>	<ul style="list-style-type: none"> <li>- The EAC Partner States High Level Task Force is engaged in negotiating the Protocol on the Common Market and in this context free movement of goods, people and services is being addressed;</li> <li>- Negotiations expect to be concluded by the end of April, 2009. The Protocol will be the legal basis for advancement of free movement within the region;</li> <li>- In the interim: <ul style="list-style-type: none"> <li>• Chiefs of immigration/technical working groups from the five Member State convene frequently;</li> <li>• Planned internationalisation of the EAC passport; as watchdog institution;</li> <li>• Efforts are being made to remove non-tariff barriers; and</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Approximation of the Community laws on immigration, concluded Kenya, Tanzania and Uganda and is being expanded to cover the new Members Burundi and Rwanda;</li> <li>- Faster clearance of EAC citizens by EAC desks at major entry points and free movement already achieved in EAC;</li> <li>- Immigration/tourism data collection has been made easier by the use of a Common Entry/Departure card;</li> <li>- Development of Common Immigration training curriculum for the 5 countries is in progress;</li> <li>- Some board posts have started operating on a 24 hour basis and immigration issues are resolved within the shortest time possible</li> </ul>	<ul style="list-style-type: none"> <li>- Widening the approximation of laws on immigration to cover Rwanda and Burundi;</li> <li>- Two Countries have not yet adopted and operationalised the East African passport; and</li> <li>- Establishing who an East African is a challenge as some Member States have not completed implementing the issuance of national identity cards, which form the basis of the EAC Passport acquisition.</li> </ul>	x	x

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
		<ul style="list-style-type: none"> <li>Status of the EAC Business Council (EABC) streamlined amongst EAC watchdog institutions.</li> </ul>	as the region has developed an immigration directory for all major entry and/exist pints; <ul style="list-style-type: none"> <li>Harmonisation and reduction of transit documentation;</li> <li>Standard Operating Procedures for the movement of persons adopted; and</li> <li>EAC Passport already operational for movement within the region.</li> </ul>			
5. Request the AUC and the RECs to identify all the obstacles to free movement and analyse the causes thereof.	<ul style="list-style-type: none"> <li>Identify the obstacles on Free Movement; and</li> <li>Analyse the causes thereof.</li> </ul>	<ul style="list-style-type: none"> <li>The EAC are engaged in negotiations on the Protocol on the Common Market and in this context free movement of goods, people and services has been addressed; and</li> <li>By the end of April the High Level Task Force is expected to have concluded the negotiations on the Common Market protocol. The Protocol will be the legal basis for advancement of free movement within the region.</li> </ul>	<ul style="list-style-type: none"> <li>Free movement already achieved in EAC, immigration/tourism data collection made easier by the use of a Common Entry/Departure card;</li> <li>Development of Common Immigration training curriculum for the 5 countries is in progress;</li> <li>Some board posts have started operating on a 24 hour basis and immigration issues are resolved within the shortest time possible as the region has developed an immigration directory for all major entry and/exist pints; and</li> </ul>	<ul style="list-style-type: none"> <li>Immigration laws of Kenya, Tanzania and Uganda are already approximated, the challenge is to undertake the new process to the new Partner States of Rwanda and Burundi;</li> <li>Two Countries have not yet adopted the East African passport;</li> <li>Establishing who an East African is a challenge as some Member States have not completed implementing their national identity cards, which form the basis of the passport</li> </ul>	<ul style="list-style-type: none"> <li>As above; and</li> <li>Integration is Partner States driven and the variance in the pace of integration in individual countries applies to the pace at a regional level.</li> </ul>	x
<b>Good Governance: Peer-Review and Data Sharing</b>						

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
6. Put in place a Peer Review Mechanism (PRM) among the RECs.	- RECs to start consultation amongst themselves to put in place a Peer Review Mechanism (PRM).	- Tripartite framework facilitates data sharing and review of implementation between EAC, SADC, and COMESA; - The Inter-Regional Coordination Committee (IRCC) facilitates the sharing of information and good practice between IGAD, COMESA, IOC and EAC; and - EAC are envisioning developing a peer-review amongst itself: through the Framework on Good Governance, which is currently being developed and is expected to be adopted as a protocol on Good Governance by 2010.	- COMESA, EAC and SADC working on formal arrangement for sharing data and information by way of a MoU on peer matters.	- First putting in pace intra-RECs Peer Review Mechanisms that address the governance challenges before talking about iner-REC Peer Reviews; - Not all AU/RECs have members that have acceded to the APRK PROCESS; and - Need to examine the governance challenges	x	x
7. There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.	- RECs to collaborate with the Member States of the African Union and Stakeholders in data collection and sharing of good practices and experience.	- Implementing statistics database project – the development of centralised data (whereby Member States provide EAC with the primary data and EAC generate regional statistics on population figures, food security, classification of hotels etc). This is the first year of implementation. The project also looks at: • Harmonisation of indicators, data collection, data capture and dissemination processes; • Collection of population data, foreign direct	- Implementation of EAC statistical project and the development of indicators; - Successful data collection in the area of: • Tourist sites in the East African region • Food security • HIV/AIDS • Visitor numbers to EAC - Joint implementation by EAC/COMESA/SAC of sub-regional programmes such as Yamoussoukro Decision; - Joint conceptualisation of sub-regional programmes such as the North/South	- Financial and human resource constraints; - Heterogeneous methods of statistical data collection processes across the region – lack of harmonisation. This leads to many estimations and approximations; - EAC statistics project was not defined for Rwanda and Burundi – hence the challenge of mapping indicators for the two countries will take some time; - No regional data on	x	x

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Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
		<p>investment (FDI), trade flows, planning (particularly within the infrastructure sector), macro-economic data (inflation rates, GDP, public debt, exchange rates) – to facilitate the development of quantifiable convergence criteria</p> <ul style="list-style-type: none"> <li>- Tanzania, Uganda and Kenya read their budgets on the same day as part of macro-economic convergence and harmonisation;</li> <li>- EAC planning to undertake a population census in 2010 – would be the first ever joint census;</li> <li>- Establishment of an EAC/COMESA/SADC Joint air Transport Regulation Board is in process on the basis of the Joint Competition Regulation adopted by the three RECs in 2004;</li> <li>- EAC/COMESA convergence of the Common External Tariff (CET) structure and programmes; and</li> <li>- EAC also identifying and developing inventories of centres of excellence.</li> </ul>	<p>Corridor development amongst others; and</p> <ul style="list-style-type: none"> <li>- EAC is implementing the AU capacity building programme under the AU Protocol establishing the Peace and Security Council. The project establishes REC liaison officers based in the AU to provide liaison between the AU and EAC.</li> </ul>	<p>regional infrastructure;</p> <ul style="list-style-type: none"> <li>- Data gaps in some areas, especially regional infrastructure, which has implications on national statistics capacities in terms of producing reliable statistics;</li> <li>- Statics is not well appreciated at a Member State level;</li> <li>- Qualified statisticians moving to other disciplines (economic, finance, accounting and ICT), there is inadequate pool of qualified statisticians working in statics; and</li> <li>- Basic infrastructure for data sharing across Member States is lacking.</li> </ul>		
<b>Implementation of Decisions on Regional Integration</b>						

**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
8. Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence.	<ul style="list-style-type: none"> <li>- All parties involved to implement recommendations from the Conferences of African Ministers in Charge of Integration, COMAI; and</li> <li>- Time frame should be put in place in order to fully implement this recommendation.</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation is ongoing. However, undertaken in direct response to the COMAI recommendations per se, rather in response to integration and development objectives and priorities of the EAC and the frameworks within (Treaties, Strategic Plans, Protocols, Bills), as well as recommendations from EAC Ministerial and Summit meetings of their Heads of State and Government, which may or may not align with recommendations from COMAI.</li> </ul>	<ul style="list-style-type: none"> <li>- Establishment of Ministries responsible for EAC Affairs in all Partner States;</li> <li>- EAC is implementing the AU capacity building programmes under the Au Protocol establishing the Peace and Security Council (project establishing REC liaison officers based at the AU to provide liaison between the AU and ERAC), MoUs and protocols which cite their basis from Continental treaties where the Member States have committed themselves through the signing of AU legal instruments/treaties;</li> <li>- Establishment of the Sectoral Council of ministers responsible for EAC Affairs to closely coordinate integration efforts; and</li> <li>- Establishment of a Forum of Ministers for labour to implement the Charter on employment creation amongst others.</li> </ul>	<ul style="list-style-type: none"> <li>- Benchmarking the implementation done by sovereign Partner States, of projects and recommendations made at regional and Continental fora.</li> </ul>	x	x
9. Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.	<ul style="list-style-type: none"> <li>- Identify Integration projects which are not yet operational;</li> <li>- Identify the causes; and</li> <li>- Find solutions for their implementation.</li> </ul>	<ul style="list-style-type: none"> <li>- A number of infrastructure projects are being implemented: the East African Road Network project; the Railways Master Plan whose final report is being</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation of a number of infrastructure and energy projects;</li> <li>- The procurement process for the Consultancy for EAC Monetary Union study</li> </ul>	<ul style="list-style-type: none"> <li>- What are identified as regional integration programmes and projects, Member States may perceive them differently;</li> </ul>	x	x

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**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
		<p>considered by partners states for implementation development of civil aviation safety and security oversight infrastructure and the establishment of the EAC Civil Aviation Safety and Security Oversight Agency (CASOA) with a related Protocol, EAC have plans to upgrade the Protocol into a Bill;</p> <ul style="list-style-type: none"> <li>- Implementing the 5 year Meteorology Development Plan;</li> <li>- The East African Power Master Plan; extension of the pipeline from Eldoret in Kenya to Kampala and later to Kigali and Bujumbura; and there are plans to develop a gas pipeline from Dar es to Salaam Mombasa amongst others;</li> <li>- EAC are thinking of establishing an infrastructure fund;</li> <li>- EAC are developing an investment strategy;</li> <li>- A number of projects have been ear-marked for cross-border electrification to add to exiting completed projects. They include: (Namanga [Tanzania] from Namaga [Kenya] Mutukula [Tanzania] from Mutukula [Uganda],</li> </ul>	<p>is in its final stages. It is expected that the study will commence in April 2009;</p> <ul style="list-style-type: none"> <li>- A study on the regionalisation of the East African Financial Markets and stock exchanges is in the final stages of completion;</li> <li>- A number of steps for fast-tracking implementation of some cross-border projects have been recommended; and</li> <li>- The construction phase of the extension of oil products pipeline to Kampala (Uganda) from Eldoret (Kenya) is on-going and is expected to be commissioned by mid 2010.</li> </ul>	<ul style="list-style-type: none"> <li>- Financial constraints;</li> <li>- Lack of financing mechanisms for feasible regional integration projects; and</li> <li>- The challenge of: <ul style="list-style-type: none"> <li>• Developing a common structure for power supply agreements; and</li> <li>• Concluding Bilaterals for utilities of projects for cross-border electrification.</li> </ul> </li> </ul>		

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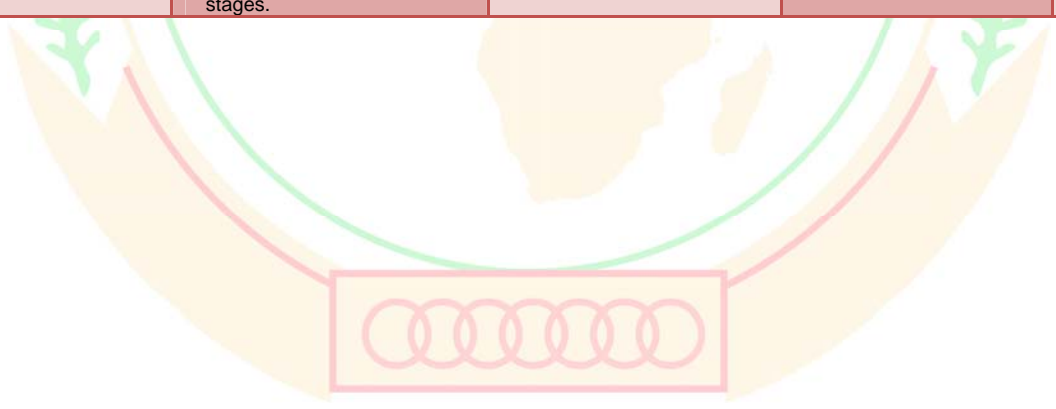
**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
		Murago [Tanzania] from Kikagati [Uganda] and Lwakhakha [Uganda] from Lwakhakha [Kenya]. Many projects with respect to Rwanda and Burundi will be identified; and - Further liberalisation of the East African capital markets is envisaged in the East African Common Market Protocol which is under negotiation.				
<b>Sensitisation and Popularisation on Regional Integration</b>						
10. Request the AUC and the RECs to mount sensitization campaigns about integration and its advantages.	- Organise sensitisation Campaigns; and - Use all network and media campaigns about the importance of integration.	- There are efforts by EAC to make regional integration more visible in East Africa. EAC's regional integration process is people centred and private sector driven and the ultimate goal is political integration. This means Member States ultimately ceding sovereignty to the supra-national body. This is the context of EAC's sensitisation and popularisation campaigns. Popularisation efforts target a variety of stakeholders (civil society, private sector, professional bodies, youth, government institutions, statutory bodies, education institutions and local government)	- Annual media Summit for the last three years (rotational basis); - Targeting youth through EAC essay competition through Member States at all levels of education, on topics related to integration matters; - Sensitisation campaigns with lower level local government associations; - Electronic and print media (radio, newspapers, television) debates, talk-shows discussing regional integration in the region has gained popularity; - Activities by the EAC Legislative Assembly and Court of Justice, fostering regional judicial activities;	- Insufficient human and financial resources to undertake in-depth activities lower down at national levels; - Developing a model EAC Constitution to guide the masses on what is envisaged in the integration initiative; - Harmonisation of anti-corruption legislation to address the vice that retards implementation of integration projects through embezzlement of funds; - Development of the Regional Bill of Right and identification of the sections of society that need equal	x	x

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**Matrix Completed by: East African Community (EAC)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>EAC</b>						
		<ul style="list-style-type: none"> <li>- This includes identifying and carrying out joint political, socio-cultural and academic activities/programmes at the regional level;</li> <li>- Participatory and multi-stakeholder engagements in the processes of the EAC; and</li> <li>- Protocol on Foreign Policy Coordination, the EAC Protocol on Peace and Security in advanced stages, the Regional Framework on Good Governance, whose principles should facilitate the benchmarking the integration initiatives is in advance stages.</li> </ul>	<ul style="list-style-type: none"> <li>- EAC annual military and sports week;</li> <li>- Establishment at the highest level of a fora for representatives of the three arms of government (for Speakers of Parliament, for Chiefs of Justice and the Summit of Heads of State); and</li> <li>- Annual conference on Good Governance.</li> </ul>	<ul style="list-style-type: none"> <li>- opportunities; and</li> <li>- Harmonisation of electoral laws and other good governance related legislation.</li> </ul>		



**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Inter-Governmental Authority on Development (IGAD)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
IGAD						
<b>Trade and Investment</b>						
1. Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Collaborate and provide necessary information to the AUC to implement this recommendation.	- Undertaken a study on an IGAD investment code. The IGAD investment code study was undertaken during 2005 and was funded by the African Union. The study will form part of the IGAD Minimum Integration Plan (MIP).	x	- There were plans to harmonize the policies using the IGAD business forum. As Eritrea has suspended its membership, The Forum is currently on hold and the recommendations of the study will be incorporated into the MIP and will be part of the protocol on investment.	x	x
2. Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.	- Implement the decision taken by the AU Assembly regarding EPA.	- Consolidating negotiations on EPA within the ESA grouping. All IGAD Member States belong to the ESA grouping. IGAD attended EPA preparatory meetings as an observer. Inter-regional Coordination Committee (IRCC) was providing logistics to MS as well as RIOS. Negotiations usually take place by Member States themselves.	x	- Lack of a development component in the current EPA proposals or what is called supply-side constraints.	x	x
3. Accelerate the establishment, as soon as possible, where they do not exist, of free trade areas (FTA).	- RECs that are yet to establish Free Trade Agreement (FTA) should accelerate in doing so.	- IGAD are in the process of developing a Minimum Integration Plan (MIP). It is within this framework that a FTA will be created. A road map will also be developed timetabling its creation.	x	- Currently IGAD is engaged in drafting a roadmap for implanting its MIP. The roadmap will include certain activities such as: • Comprehensive review and revision of	x	x

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Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Inter-Governmental Authority on Development (IGAD)**

				<p>relevant documents to reflect the move towards an FTA. These include:</p> <ul style="list-style-type: none"> <li>▪ IGAD Charter to reflect moves towards a FTA.</li> <li>▪ Exiting MoUs between IGAD and COMESA and EAC.</li> </ul> <p>- IGAD will also need to develop new mechanism to support the FTA. These include:</p> <ul style="list-style-type: none"> <li>• Development of a compensatory mechanism</li> <li>• Court of Justice.</li> </ul> <p>- Funding should also be mobilized to facilitate this work</p>		
<b>Free Movement – People, Goods and Services</b>						
4. Urge Member States and the RECs to fast-track the implementation of the legal instruments on free movement.	<ul style="list-style-type: none"> <li>- Protocol on Free Movement should be developed for the RECs that have not done so; and</li> <li>- Ensure the implementation of the legal instrument on Free Movement</li> </ul>	<ul style="list-style-type: none"> <li>- IGAD will be developing a road-map and protocols within the framework of the MIP. These documents will reflect issues pertaining to free movement within the region.</li> </ul>	x	x	x	x
5. Request the AUC and the RECs to identify all the obstacles to free movement and analyse the causes thereof.	<ul style="list-style-type: none"> <li>- Identify the obstacles on Free Movement; and</li> <li>- Analyse the causes thereof.</li> </ul>	<ul style="list-style-type: none"> <li>- IGAD Laissez-passer is operational; and</li> <li>- IGAD will be developing a road-map and protocols within the framework of the MIP. These documents will reflect issues pertaining to free movement within the region.</li> </ul>	x	<ul style="list-style-type: none"> <li>- IGAD Laissez-passer is operational in all IGAD Member States and is used only for the IGAD Secretariat staff.</li> </ul>	x	x
<b>Good Governance: Peer-Review and Data Sharing</b>						

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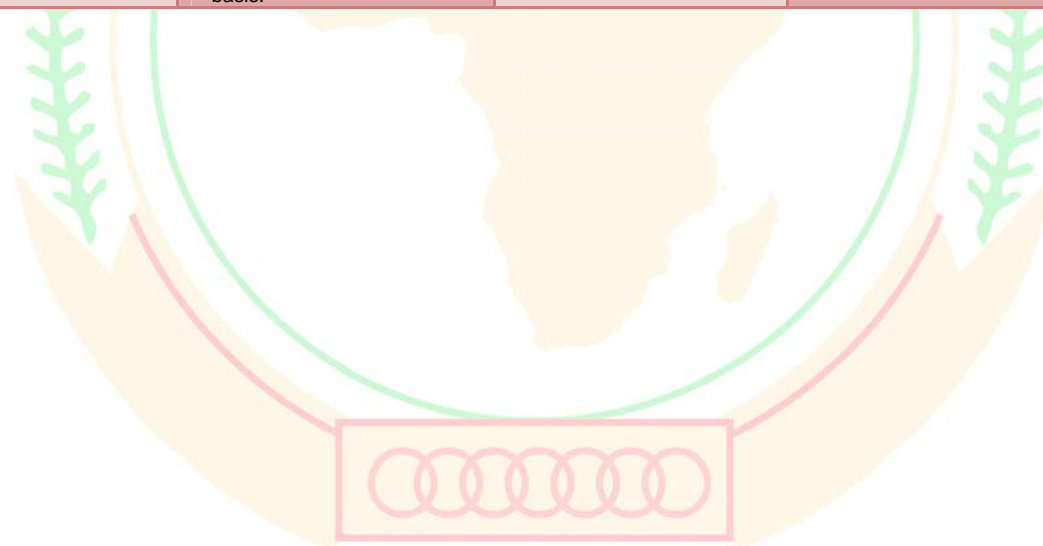
**Matrix Completed by: Inter-Governmental Authority on Development (IGAD)**

6. Put in place a Peer Review Mechanism (PRM) among the RECs.	- RECs to start consultation amongst themselves to put in place a Peer Review Mechanism (PRM).	- MOUs exist between IGAD, COMESA and EAC. The three are also members of the IRCC, which facilitates peer review and information sharing on EDF funding. IGAD also engages in exchange of visits with other RECs, when necessary.	- IRCC has facilitated a review of projects funded under EDF e.g. RICTSP project is a good example because all RECs are implementing it.	- IRCC is a very good mechanism but its terms of reference (TORs) extend only as far as EDF funding is concerned. If its TORs are extended to include other sources of funding it can be a good forum for a stronger peer review mechanism.	x	x
7. There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.	- RECs to collaborate with the Member States of the African Union and Stakeholders in data collection and sharing of good practices and experience.	- The IRCC facilitates the sharing of information and good practice between IGAD, COMESA, IOC and EAC; - Through common projects in the ESA region. Countries are often aware of what each other are doing; - IGAD also arranges visits of officials from Member States to other countries to share good practice and experience; and - IGAD has put in place a liaison officer at the AU who is also facilitating information sharing between the two institutions.	x	- Weak baseline data in some Member States, which hampers data collection and analysis at a regional level - Communication challenges at a national level; and - Data often only refers to national government activities. There is little data on the private sector and civil society.	x	x
<b>Implementation of Decisions on Regional Integration</b>						
8. Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence.	- All parties involved to implement recommendations from the Conferences of African Ministers in Charge of Integration, COMAI. - Time frame should be put in place in order to fully implement this recommendation	- Ongoing activity.	x	x	x	x

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**Matrix Completed by: Inter-Governmental Authority on Development (IGAD)**

9. Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.	<ul style="list-style-type: none"> <li>- Identify Integration projects which are not yet operational;</li> <li>- Identify the causes; and</li> <li>- Find solutions for their implementation.</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing activity</li> <li>- The IGAD MIP will also seek to revive integration projects that have not been operationalised in the region</li> </ul>				
<b>Sensitisation and Popularisation on Regional Integration</b>						
10. Request the AUC and the RECs to mount sensitization campaigns about integration and its advantages.	<ul style="list-style-type: none"> <li>- Organise sensitisation Campaigns; and</li> <li>- Use all network and media campaigns about the importance of integration.</li> </ul>	<ul style="list-style-type: none"> <li>- IGAD website has been developed into a regional portal for all sectors. Member States can now upload information on to the regional portal; and</li> <li>- IGAD also have a periodical newsletter which covers the IGAD activities on a quarterly basis.</li> </ul>	<ul style="list-style-type: none"> <li>- Development of the portal;</li> <li>- Training of Member States on the use of the portal; and</li> <li>- Training of some journalists on the portal.</li> </ul>	<ul style="list-style-type: none"> <li>- Funding; and</li> <li>- Cooperation of Member States.</li> </ul>	x	x



**Annex 2: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: Economic Community of West African States (ECOWAS)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation Not Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>ECOWAS</b>						
<b>Trade and Investment</b>						
1. Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Collaborate and provide necessary information to the AUC to implement this recommendation.	x	x	x	x	x
2. Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.	- Implement the decision taken by the AU Assembly regarding EPA.	x	x	x	x	x
3. Accelerate the establishment, as soon as possible, where they do not exist, of free trade areas (FTA).	- RECs that are yet to establish FREE Trade Agreement (FTA) should accelerate in doing so.	x	x	x	x	x
<b>Free Movement – People, Goods and Services</b>						
4. Urge Member States and the RECs to fast-track the implementation of the legal instruments on free movement.	- Protocol on Free Movement should be developed for the RECs that have not done so; and - Ensure the implementation of the legal instrument on Free Movement.	x	x	x	x	x
5. Request the AUC and the RECs to identify all the obstacles to free movement and analyse the causes thereof.	- Identify the obstacles on Free Movement; and - Analyse the causes thereof.	x	x	x	x	x
<b>Good Governance: Peer-Review and Data Sharing</b>						

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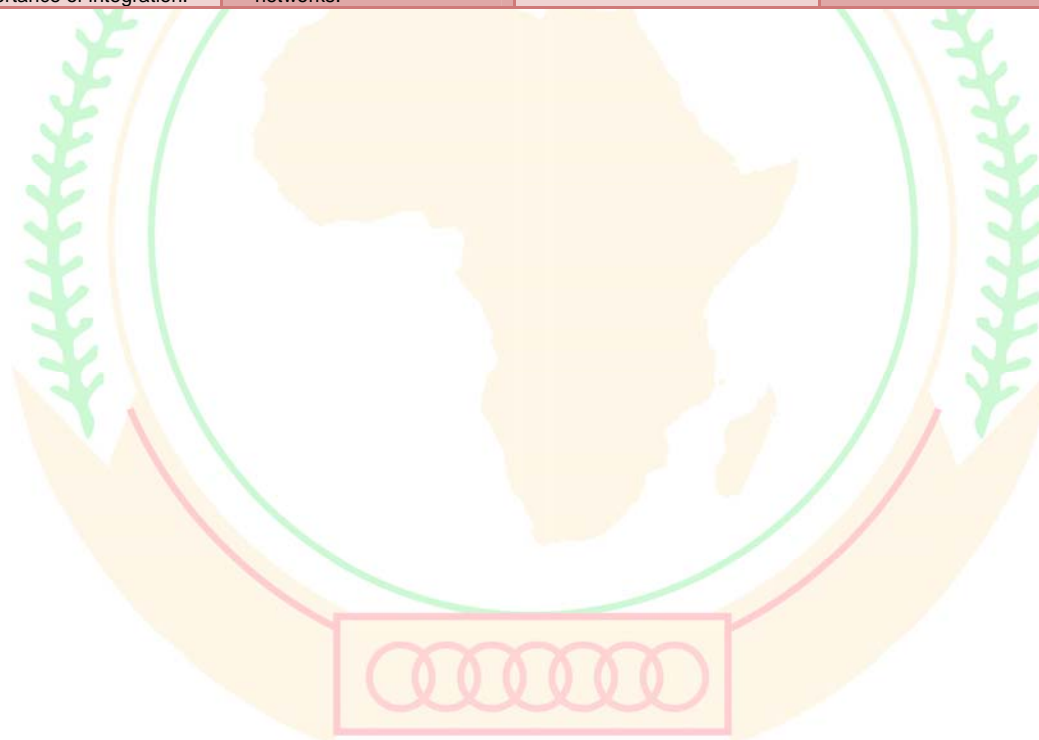
**Matrix Completed by: Economic Community of West African States (ECOWAS)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <input type="checkbox"/>	Not Implemented <input checked="" type="checkbox"/>
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>ECOWAS</b>						
6. Put in place a Peer Review Mechanism (PRM) among the RECs.	a. RECs to start consultation amongst themselves to put in place a Peer Review Mechanism (PRM).	x	x	x	x	x
7. There should be collaboration between Member States, the RECs and other relevant stakeholders in data collection and the sharing of good practices and experiences.	a. RECs to collaborate with the Member States of the African Union and Stakeholders in data collection and sharing of good practices and experience.	<ul style="list-style-type: none"> <li>- ECOWAS has diverse programmes to reinforce the capacities of national units in Member States; and</li> <li>- Participates in and convenes meetings and seminars to exchange information on the advancement of projects</li> </ul>	<ul style="list-style-type: none"> <li>- The functioning of internal mechanisms and inter-ministerial coordination has improved;</li> <li>- Member States have been able to share experience in the process of integration; and</li> <li>- Visibility and impact of ECOWAS in felt in Member States</li> </ul>	<ul style="list-style-type: none"> <li>- Appropriating decisions of ECOWAS; and</li> <li>- Internalising regional programmes into national policy.</li> </ul>	x	x
<b>Implementation of Decisions on Regional Integration</b>						
8. Request Member States, the RECs and AUC to take the necessary measures for the implementation of the recommendations falling within their areas of competence.	<ul style="list-style-type: none"> <li>- All parties involved to implement recommendations from the Conferences of African Ministers in Charge of Integration, COMAI; and</li> <li>- Time frame should be put in place in order to fully implement this recommendation.</li> </ul>	x	x	x	x	x
9. Integration projects, which are yet not operational, should be identified in order to analyze the causes of this situation and find solutions for their implementation.	<ul style="list-style-type: none"> <li>- Identify Integration projects which are not yet operational;</li> <li>- Identify the causes.; and</li> <li>- Find solutions for their implementation.</li> </ul>	x	x	x	x	x
<b>Sensitisation and Popularisation on Regional Integration</b>						
10. Request the AUC and the	- Organise sensitisation	- Organises sensitisation	- Citizens of Member States	- Insufficient staff	x	x

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**Matrix Completed by: Economic Community of West African States (ECOWAS)**

Recommendations	Actions to be taken	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <input type="checkbox"/>	Not Implemented <input checked="" type="checkbox"/>
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>ECOWAS</b>						
RECs to mount sensitization campaigns about integration and its advantages.	Campaigns; and - Use all network and media campaigns about the importance of integration.	campaigns; and Using all types of media and communication networks.	are sensitised.			



**Annex 3: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: The African Union Commission (AUC)**

Recommendations	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <u>Not</u> Implemented <input checked="" type="checkbox"/>	
	Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>AUC</b>					
<b>Department of Economic Affairs</b>					
<b>Monetary Policy and Convergence</b>					
1. Request the AUC, in collaboration with UNECA and AfDB to harmonise payments and financial systems in Africa	x	x	Resources to undertake studies and ensure their implementation.	- This recommendation has not yet been implemented, but this is a work in progress.	x
2. Pursue and complete the process of monetary convergence with a view to promoting a stable macroeconomic environment and enhancement of foreign and African direct investment as well as investment from the African Diaspora	- Working on the establishment of the Organs of the African Union such as the operationalisation of the Steering Committees for the African Investment Bank (AIB), the African Central Bank (ACB) and the African Monetary Fund (AMF).	- Steering Committee for the AIB is in place and has finalised the Protocol for the establishment of the AIB. The Protocol was adopted by the AU at its January 2009 Summit. The Statutes for the AIB are under discussion with Member States. The Steering Committees for the ACB and AMF will be recruited shortly.	x	x	x
<b>Trade and Fiscal Policy</b>					
3. Promote intra-African trade through banks and trade support structures	x	x	x	- This recommendation has not yet been implemented, but this is a work in progress.	x
<b>Institutional Development</b>					
4. Strengthen and expand Africa's financial markets and institutions which assist in the mobilization of financial resources for financing integration projects such as infrastructure; (Coordinate with the Department of Infrastructure	- Working on the establishment of a Pan African Stock Exchange. A technical study is to be carried out.	- Feasibility study completed. Terms of Reference for recruitment of Consultants for the Technical Study to be advertised.	- Limited funds.	x	x

**Annex 3: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: The African Union Commission (AUC)**

Recommendations	Implementation of Recommendations <input checked="" type="checkbox"/>			Recommendation <u>Not</u> Implemented <input checked="" type="checkbox"/>	
	Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>AUC</b>					
to see how to implement this recommendation).					
<b>Private Sector involvement and Investment Promotion</b>					
5. Urge the AUC, the RECs and development partners such as UNECA and AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- The division has initiated the process of conducting a study, but this was eventually suspended.	x	- Human and financial resources capacity and financial constraints.	x	x
6. Organize meetings between the public and the private sector at the level of the RECs and the AU.	- Annually convene an African Private Sector Forum at the AU.	- A number of meetings have been organised and recommendations proposed.	- Implementation of recommendations; and - Difficult to monitor progress.	x	x
<b>Department of Trade and Industry</b>					
<b>Trade and Customs Issues</b>					
7. Promote intra-African trade through banks and trade support structures.	- Work in progress	x	x	x	x
8. Technical issues such as customs, trade and immigration should be studied in depth.	- Developed a Model EPA template that provides some guidelines on how negotiators could handle contentious issues that were identified in the interim EPAs	- The template was endorsed as a broad based guideline by the AU Trade Ministers on 18-19 April, 2008, in Addis Ababa. The Template will assist negotiators in the negotiations.	- The integration of the template in the EPA negotiations, given the progress that has been made in some regions.	x	x
9. Encourage Member States, the AUC, RECs and partner institutions to pursue the full implementation of decisions taken by the AU Assembly regarding EPAs.	- Work in progress	x	x	x	x

**Annex 4: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

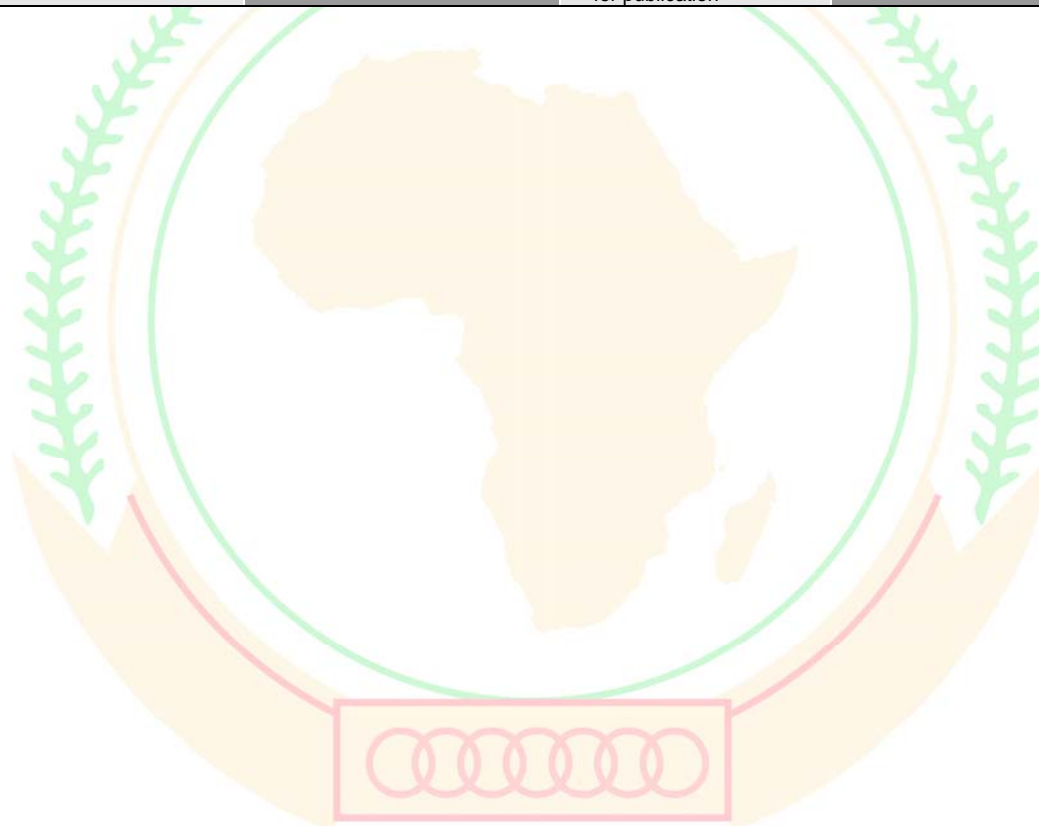
**Matrix Completed by: The United Nations Commission for Africa (UNECA) and the African Development Bank (AfDB)**

Recommendations	Actions to be taken	Recommendation implemented <input checked="" type="checkbox"/>			Recommendation <u>Not</u> Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
<b>UNECA</b>						
<b>Investment</b>						
1. Urge the AU, the RECs and development partners such as UNECA and the AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Consult with the AUC and AfDB to implement this action.	- Nothing has been done here. However we have organized a number of workshops on PPPs.	x	- Need for AUC, in collaboration with AfDB and ECA, to set up a working group to consider how we proceed.	x	x
2. Request the AU, in collaboration with UNECA and the AfDB to harmonise payments and financial systems in Africa.	- Look at the ways and means of harmonizing payments and financial systems in Africa; and - Liaise with the AUC and the AfDB to implement this decision.	- This was considered in ARIA III, our joint publication with the AUC; and - An extensive work is to be carried out in ARIA IV, which is to be published jointly by the AUC, AfDB and AUC	- ARIA III has been well received. Some officials of central banks have given "thumbs up" to sections of the report on financial integration.	- For AUC to convene a meeting of financial institutions to consider drafting a protocol on the payments system.	x	x
<b>AfDB</b>						
<b>Investment</b>						
3. Urge the AU, the RECs and development partners such as UNECA and the AfDB to develop a comprehensive investment code for Africa with a view to promoting private sector participation.	- Consult with the AUC and UNECA to implement this action.	x	x	x	- AUC is yet to convene the requisite meetings. AUC should convene meetings on this drive as the bulk of action is at REC level. AfDB and ECA will provide technical assistance.	- 2 <sup>nd</sup> quarter 2009
4. Request the AU, in collaboration with UNECA and the AfDB to harmonise payments and financial systems in Africa.	- Look at the ways and means of harmonizing payments and financial systems in Africa; and - Liaise with the AUC and the UNECA to implement this	- ADB has launched studies on Payments Systems Regional; - Financial Integration; and - (RFI) study undertaken	- Studies underway. Payment Systems study scheduled for completion by end April 2009; and - RFI study completed	x	x	x

**Annex 4: Recommendations from the Third Conference of African Ministers in Charge of Integration (COMAI III)  
Abidjan, Cote d'Ivoire on May 19-23, 2008**

**Matrix Completed by: The United Nations Commission for Africa (UNECA) and the African Development Bank (AfDB)**

Recommendations	Actions to be taken	Recommendation implemented <input checked="" type="checkbox"/>			Recommendation <u>Not</u> Implemented <input checked="" type="checkbox"/>	
		Activities Undertaken	Outputs	Challenges	Reasons Why	Proposed date/period of Implementation
	decision.		and is being fine-tuned for publication			



## Annex 5: List of Respondents

- ❖ **Respondents from RECs:** the Community of Sahel-Saharan States (CEN-SAD), the Economic Community of West African States (ECOWAS), the Inter-Governmental Authority on Development (IGAD), Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC), the East African Community (EAC), and the Economic Community of Central African States (ECCAS).
- ❖ **Respondents from Member States:** Benin, Burkina Faso, Cote d'Ivoire, Mozambique, Tanzania, and Togo.
- ❖ **African Union Commission:** Department of Economic Affairs and the Department of Trade and Industry.
- ❖ **Partners:** United Nations Economic Commission for Africa (UNECA) and the African Development Bank (AfDB).



## Annex 6 REC Focal Points

REC	Focal Points
I	
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