

Concept Note

**PRESENTATION OF LATEST VERSION OF AFRICA REGIONAL INTEGRATION
INDEX (ARII) WITH A FOCUS ON COMESA-EAC-SADC TRIPARTITE
& WAY FORWARD**

15 April 2021

1. BACKGROUND

The importance of regional integration in Africa is premised on the conviction that it can play a pivotal role in diversifying economies away from over dependence on the export of a few commodities, which characterizes a number of African economies. Economic cooperation and regional integration can therefore contribute to the continent's economic development and poverty alleviation. This is gaining even greater importance with Covid-19 as regional integration, particularly through the implementation of the African Continental Free Trade Area (AfCFTA), is expected to contribute to the economic recovery from the crisis.

Regional integration is also a key priority for the African Union (AU) under the New Partnership for Africa (NEPAD), "Agenda 2063", and the regional economic communities (RECs). The African Development Bank (AfDB) and the United Nations Economic Commission for Africa (ECA) are both mandated to support regional integration in Africa, in line with AU's Agenda 2063. Specifically, the regional Integration brings AfDB's High Five objectives (High 5s) together in support of the AU Vision for 2063 that supports regional integration and the African Continental Free Trade Area (AfCFTA) to capitalize on opportunities. These include (i) larger, more attractive markets; (ii) linking landlocked countries to regional African markets and beyond; (c) support for intra-African trade and investment; (d) an improved business environment for private sector investment and know-how; and (e) broader economic and human development benefits that come from the free flow of people, ideas, cultures, skills development, and general sharing of knowledge and information. In the same vein, the realization of the 2030 Agenda for sustainable development of the UN is expected to contribute to achieving Agenda 2063's objectives.

THE 2019 AFRICA REGIONAL INTEGRATION INDEX (ARII)

The AfCFTA is one of the ambitious projects of the African Union and it is embedded in the Agenda 2063, whose main objective is to create a single continental market for goods and services with free movement of people and investments. The AfCFTA will expand and deepen intra-African trade and its industrial content enhance competitiveness and support economic transformation of the continent. This will be achieved through better harmonization and coordination of trade liberalization. The complementary Single African Air Transport Market and AU Protocol on free movement of persons, right of residence and right of establishment in Africa are expected to enhance the attainment of the goals of the AfCFTA by facilitating the movement of goods, services and people. Implementation of the AfCFTA, which officially started on 1 January 2021, therefore, coupled with trade facilitation measures that cut red tape and simplify customs procedures, is key to realizing the full benefits of integration.

Policy makers, the business community and non-state actors have expressed

their frustration with the plethora of non-tariff barriers and sometimes haphazard policy changes at border posts that affect cross border trade. Given the importance of regional integration on the continent, and the inherent benefits, the African Ministers of Finance and Economic Development instructed the three Pan-African institutions, the African Union Commission (AUC), AfDB and the ECA to monitor and track the progress being made on regional integration in Africa. Given this mandate, the first edition of the Africa Regional Integration Index (ARII) was jointly published by the three institutions – AUC, AfDB, and ECA in 2016.

The 2019 Africa Regional Integration Index (ARII) report, officially launched in May 2020, is a second and improved edition from the 2016 inaugural one. It assesses the regional integration status and efforts of countries that are members of the eight regional economic communities (RECs) recognized by the African Union. It compares each country to the other countries within its REC(s) and to the rest of African countries.

The report explains why some countries and RECs are more regionally/continentally integrated than others. It highlights key regional integration strengths and weakness of each African countries and RECs, thereby allowing to provide recommendations on how to improve regional integration performance moving forward. As such, it also reveals top and bottom performers. By highlighting the top performers, it helps in identifying key success factors, which other regions can learn from. Similarly, spotting the bottom performers, or countries and regions whose status has fallen, can reveal why one country or region is not performing well and suggest remedial measures. This helps member states and indeed RECs determine their comparative advantages and replicate best practices from their peers. Finally, ARII, along with its dedicated user-friendly platforms (<https://www.integrate-africa.org/> and <https://arii.uneca.org/>) provides a wealth of data on regional integration in Africa which can be used to further analyzing and guiding policy development.

3. PURPOSE AND OBJECTIVES OF THE REGIONAL ARII EVENT

Given the renewed commitment to integration in Africa and the start of trading under AfCFTA in January 2021, the AUC, AfDB and ECA will be convening a webinar on the 2019 Africa Regional Integration Index focusing on the COMESA-EAC-SADC Tripartite region.

The objective will be for the participants to have a better understanding on what ARII 2019 is about, what its key findings are and how it can be used to inform policy analysis and policy development on regional integration performance of African countries and RECs. The event will also offer an opportunity to reflect on ARII methodology and results, in the perspective of the development of the next edition, particularly in a COVID-19 recovery context.

5. TARGETED PARTICIPANTS

The expected participants of the event are therefore: representatives and analysts from COMESA, EAC and SADC Secretariat and their Member States, primarily from Ministry of Trade, Finance, Economic Development and Planning.

6. DATE AND FORMAT OF THE REGIONAL EVENT

The event is proposed to be held on virtual format, likely on Zoom platform, on 15 April 2021, tentatively from 3pm to 5pm (EAT).

Simultaneous English-French interpretation will be provided.

7. INFORMATION AND CONTACT

For further information on the launch, please contact: Ms. Senait Afework (afeworks@un.org), Communication Officer, African Trade Policy Centre (ATPC), ECA.