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Assessment of progress on regional integration in Africa

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I. Introduction

1. African countries have continued to make commendable strides towards regional and continental integration, but challenges persist. They include inadequate financial resources; poor infrastructure networks; a lack of appropriate mechanisms to track progress; disruptions by diverse global, regional and national crises; and limited implementation of several policies and agreements. Proper tracking of the progress of integration is therefore critical to consolidate the hard-won gains and set a path for future achievements.

2. In line with Agenda 2063: The Africa We Want, of the African Union, the beginning of trading under the African Continental Free Trade Area in January 2021 was a key achievement in the continent's journey towards trade and market integration. As of October 2022, 44 countries had ratified the Agreement Establishing the African Continental Free Trade Area and deposited their instruments of ratification with the African Union Commission.¹

3. Global economic conditions have deteriorated considerably over the past three years. The war in Ukraine came at a time when many African countries were gradually recovering from the multidimensional impact of the coronavirus disease (COVID-19) pandemic. The deleterious socioeconomic impact of the health crisis has been compounded by inflationary pressures driven by food and fuel price increases and trade disruptions. Despite the great resilience of the continent's economies to global volatility before the pandemic, COVID-19 and geopolitical crises have upended output growth, which threatens to have catastrophic implications for the poor and the most vulnerable on the continent.²

4. The present report provides an overview of the progress that has been made on important aspects of integration in Africa, using several monitoring frameworks and tools, including the indicators developed by pan-African institutions such as the Economic Commission for Africa (ECA), the African Union Commission and the

* E/ECA/COE/41/1.

¹ See www.tralac.org/documents/resources/infographics/2605-status-of-afcfta-ratification/file.html.

² See www.undp.org/africa/publications/impact-war-ukraine-sustainable-development-africa.



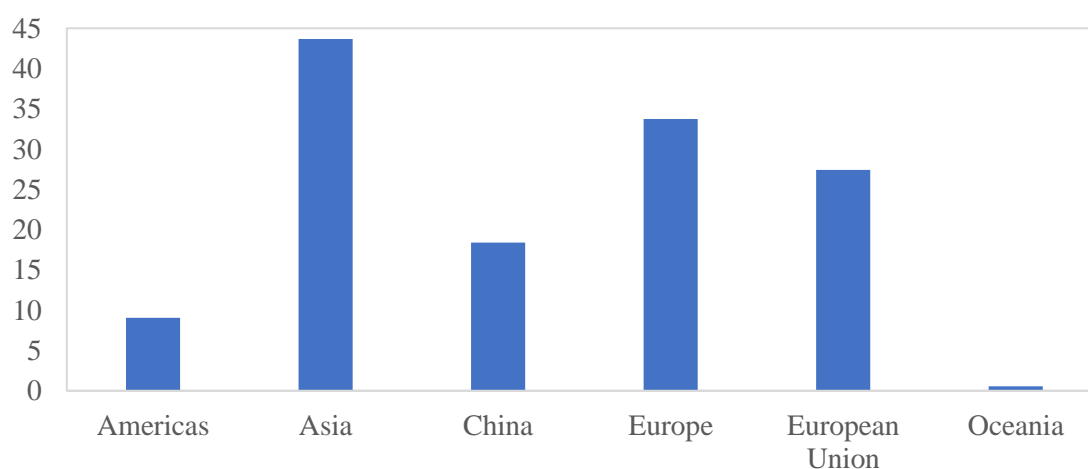
African Development Bank.³ Specifically, the report assesses the continental, regional and national progress in key areas, namely trade integration, macroeconomic integration, infrastructure and energy, social integration, governance, peace and security, and the free movement of people.

II. Trade integration

5. Africa's contribution to global trade remains weak. Merchandise trade accounts for the largest share of the continent's international trade, although trade in services has rapidly increased in recent decades. The service sector has substantially contributed to growth and overall development, while services trade in Africa performs far below its potential, accounting for only 1.7 per cent of global service exports in 2021.⁴

6. Since 2017, Asia has become the continent's main trading partner, followed by Europe. In 2021, Asia accounted for 43.7 per cent of Africa's trade in goods with the rest of the world, with China contributing to over 40 per cent of the trade between Asia and Africa (see figure I). Hence, China has gradually become the top trading partner of most African countries. As in preceding years, African countries traded less with each other in 2021, with a reduction of intra-African exports by 34 per cent over the period 2020–2021 (see figure II). This trend is attributable to the adverse trade impact of the pandemic.

Figure I
Aggregate merchandise trade by Africa with partners and regions outside Africa, 2021
(Percentage)



Source: Calculations by ECA using data from UNCTADStat (United Nations Conference on Trade and Development, 2022).

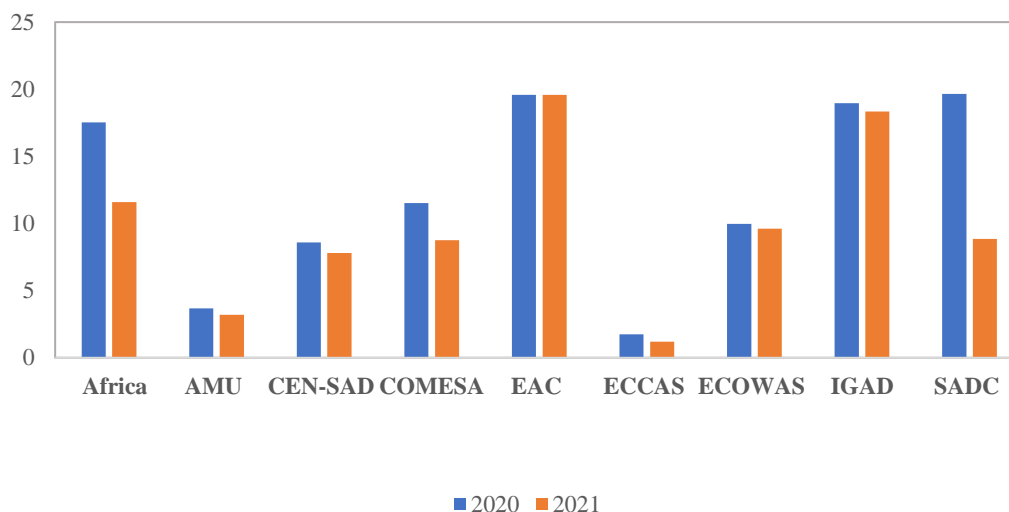
7. Asia takes up a large share of Africa's merchandise exports, with the Economic Community of Central African States (ECCAS) and the Southern African Development Community (SADC) having the largest shares in 2021 – 71.6 per cent and 54.8 per cent, respectively. Among the regional economic communities, SADC experienced the greatest decline in intraregional exports due to the pandemic, followed by the Common Market for Eastern and Southern Africa (COMESA) (see figure II). All regional economic communities of the African Union, except the East African Community (EAC), are importing more from the European Union than from within their respective subregion. COMESA, EAC and the Intergovernmental

³ These include the Africa visa openness index and Africa infrastructure development index.

⁴ United Nations Conference on Trade and Development (2022). See <https://unctadstat.unctad.org/EN/#>.

Authority on Development (IGAD) have the largest shares of imports from Asia, accounting for 52.1 per cent, 66.1 per cent, and 63.4 per cent of total imports, respectively.⁵

Figure II
Intra-African exports as a percentage of total exports, 2020-2021



Source: UNCTADstat (2022).

Abbreviations: AMU, Arab Maghreb Union; CEN-SAD, Community of Sahelo-Saharan States; EAC, East African Community.

8. In recent years, Africa has taken major steps towards securing greater intracontinental trade. They include the adoption of the Action Plan for Boosting Intra-African Trade and the Agreement Establishing the African Continental Free Trade Area. The latter is expected to eliminate over 90 per cent of tariffs on goods, to progressively liberalize trade in services, and to create a single African market of more than 1 billion consumers with a total gross domestic product of more than \$3 trillion. The benefits for African countries include job creation and economic growth, thereby unlocking pathways to sustainable industrialization and development.⁶

9. More than a traditional free trade area, the African Continental Free Trade Area will cover sectors such as investment, services trade, intellectual property rights and competition policy, women and young people in trade, and digital trade. The implementation of the Agreement provides a veritable platform for liberalizing and integrating African services. It will not, however, be implemented in isolation. Other key continental initiatives, including the Action Plan for Boosting Intra-African Trade, the Protocol on the Free Movement of Persons, Right of Residence and Right of Establishment, and the Single African Air Transport Market, will be critical to the success of the African Continental Free Trade Area.

10. Significant progress has been made to facilitate the application of the provisions of the first three protocols to the Agreement.⁷ Negotiations on preferential tariff concessions and rules of origin under the protocol on trade in goods, as well as negotiations on trade in services, are almost concluded. States have individually, or as blocks of States within regional economic communities, made schedules of specific commitments on trade in services in the five priority services sectors. Other States

⁵ Ibid.

⁶ United Nations, ECA (2021). See <https://repository.uneca.org/bitstream/handle/10855/46750/b11999160.pdf?sequence=1&isAllowed=y>

⁷ The Protocol on Trade in Goods, the Protocol on Trade in Services, and the Protocol on Rules and Procedures on the Settlement of Disputes.

have made initial or revised offers, all of which are being reviewed by the secretariat of the African Continental Free Trade Area. Similarly, within the framework of the Protocol on Trade in Goods, individual States and groups of States within regional economic communities have submitted provisional tariff concessions. As of November 2022, 47 tariff offers were submitted by member States, of which 36 were technically verified and certified to have met the threshold. On trade in services, 43 countries submitted their offers and 22 schedules of specific commitments were adopted at an extraordinary summit in the Niger.⁸ Simultaneously, negotiations on rules of origin have also progressed, reaching agreement on 88.3 per cent of tariff lines.

11. To fast-track trading under the Agreement, the secretariat of the African Continental Free Trade Area facilitated a guided trade initiative for 96 products under the Area. The pilot initiative, launched in October 2022, involves eight State parties that have attained the minimum requirements listed in the e-tariff book and the rules of origin manual. The guided trade initiative seeks to promote the commercially meaningful trading of selected products among the participating countries – Cameroon, Egypt, Ghana, Kenya, Mauritius, Rwanda, Tunisia and the United Republic of Tanzania – and test the operational, institutional, legal and trade policy environment in the African Continental Free Trade Area. To date, the initiative has led to the first trade deals under the Agreement. African Union leaders, during the extraordinary summit held in Niamey on 25 November 2022, directed that the guided trade initiative be extended to include other State parties that have fulfilled the minimum requirements under the Agreement.

12. Significant progress has been made on phase II issues under the Agreement relating to competition policy, investment, intellectual property rights, digital trade and women and young people in trade. Negotiations towards protocols on investment, competition policy and intellectual property have been concluded and adopted by the Council of Ministers of the African Continental Free Trade Area. Meanwhile, in November 2022, the Assembly of Heads of State and Government of the African Union directed the Specialized Technical Committee on Justice and Legal Affairs to examine these instruments/protocols at an extraordinary session in January 2023, in order to carry out legal vetting for their consideration by the policy organs in February 2023.

13. Other important milestones include the launch, following a pilot phase in West Africa, of the Pan-African Payment and Settlement System in January 2022, with the aim of easing and transforming clearance procedures and settlement of payments for cross-border trade. The prospects of a fully integrated market under the African Continental Free Trade Area have spurred intracontinental investment in various sectors. Recent intra-African investments include Safaricom's investment in the information and communications technology sector in Ethiopia, and, in the financial sector, the expansion of the KCB Group and Attijariwafa Bank Group to the Democratic Republic of the Congo⁹ and Chad,¹⁰ respectively.

14. The collaboration among regional economic communities has also strengthened in recent years. The Tripartite Free Trade Area, which brings together three regional economic communities, namely COMESA, EAC and SADC, was officially launched in June 2015 in Sharm el-Sheikh, Egypt, with the aim of fostering integration and helping member States to circumvent the challenges arising from

⁸ African Union Commission (2022). Ext/Assembly/AU/Draft/Dec.2(XVII).

⁹ See www.theestafrican.co.ke/tea/business/kcb-acquires-dr-congo-bank-in-expansion-drive-3901282#:~:text=KCB%20Group%20has%20entered%20the,in%20the%20East%20African%20region.

¹⁰ See www.attijariwafabank.com/en/media-space/news/attijariwafa-bank-group-expands-its-presence-chad#:~:text=Casablanca%2C%2019%20April%202022%20%2D%20The,Chad%20called%20Attijari%20bank%20Tchad.

overlapping memberships in regional economic communities. As of July 2022, there were 22 signatories to the Tripartite Free Trade Area Agreement among the 29 States of the three regional economic communities, and 11 States had ratified it. Three additional ratifications are required to operationalize the Tripartite Free Trade Area.

15. ECA has continued to carry out research and analysis and to provide technical support to enhance the prospects of the successful implementation of the above-mentioned initiatives. ECA has provided support to member States and regional economic communities in the development and implementation of national and regional strategies for the implementation of the African Continental Free Trade Area. As of November 2022, 23 national strategies had been validated, of which 15 were being implemented. In addition, four national and two regional strategies are being finalized and ten national strategies are at the initial phase of development. ECA, with its partners, will continue to promote the ratification, the national adaptation and effective implementation of the agreements and protocols.

III. Macroeconomic integration

16. Macroeconomic integration and convergence are essential to accelerate intraregional trade, enhance regional macroeconomic stability and achieve greater public accountability. At present, five¹¹ of the eight regional economic communities recognized by the African Union have convergence criteria, which mainly consist of inflation targets and fiscal deficit, public debt and current account deficit ceilings. Some regional economic communities also have secondary convergence criteria to promote greater fiscal accountability and foreign exchange stability.

17. Although each regional economic community encounters peculiar challenges in achieving its own criteria, convergence compliance deteriorated in 2020 and 2021 across all communities due to the exceptional circumstances of the COVID-19 pandemic and the macroeconomic difficulties that ensued. Most States took action to reduce the impact of the negative supply and demand shocks generated by the global pandemic, which resulted in growth in their fiscal deficits. As domestic revenue fell amid economic difficulties, many countries relied on borrowing, which worsened their debt burden. Furthermore, persistent geopolitical crises and supply chain disruptions fuelled inflation in many countries. To support member States in their formulation and implementation of economic policy, ECA developed a prototype macroeconomic model and provided macroeconomic modelling support and training in 15 countries. On the fiscal side, ECA supported taxation policy reform and revenue collection in Ethiopia, Kenya, the United Republic of Tanzania and Zambia by disseminating knowledge products, providing capacity-building services and other technical support, and facilitating peer-learning.

IV. Developments in the infrastructure and energy sectors

18. Infrastructure development on the continent is essential to support other dimensions of integration and the effective implementation of the African Continental Free Trade Area. However, Africa remains constrained by huge infrastructure gaps, with an estimated annual financing need of between \$130 billion and \$170 billion, and an annual financing gap of between \$68 billion and \$108 billion. Many African countries have made important investments in infrastructure, including in road, rail, air, water, energy and information and communications technology. These

¹¹ ECOWAS, EAC, ECCAS, COMESA and SADC.

investments have played a key role in the continent's growth performance over the past decade.¹²

19. The COVID-19 pandemic and the war in the Ukraine have worsened public deficits and the debt burden, which have reduced infrastructural investment in Africa. The crises have also contributed to delays in the implementation and completion of infrastructure projects due to rising input and operation costs, among other problems. In 2012, the continent endorsed the Programme for Infrastructure Development in Africa. The first phase of the Programme's implementation, in line with its priority action plan, ended in 2020. It comprised 409 projects covering transport, energy, water and information and communications technologies, of which roughly 38 per cent are under construction or are operational. The second phase was approved in 2021 and will be implemented until 2030, with the focus on an integrated corridor approach to infrastructure development on the continent. In total, 69 projects have been approved in the transport, energy, information and communications technology, and transboundary water sectors.¹³

A. Road infrastructure

20. Road densities in sub-Saharan Africa are approximately a third of those of South Asia. Only a quarter of all roads in Africa are paved, making travel times two to three times longer in comparison to times on the corridors in Asia.¹⁴ Continent-wide, the total length of the regional road network is around 194,000 km, of which nearly 35 per cent is located in North Africa and 21 per cent in Southern Africa. Central Africa has the smallest regional road network, accounting for approximately 8 per cent of the total regional road network in Africa.

21. African leaders continue to support continental initiatives, including transcontinental projects within the Trans-Africa Highways Network aimed at promoting trade through highway infrastructure development and the management of road-based trade corridors. The Trans-Africa Highways Network comprises nine highways and a total of 56,683 km in length. The roads are about 60 per cent complete, while about 40 per cent are missing links. As of 2020, Egypt and Kenya registered, respectively, 20 per cent and 80 per cent completion in their segments of the Trans-African Highways Network, while Ethiopia, Cote d'Ivoire and Senegal recorded 100 per cent, 20 per cent, and 60 per cent completion, respectively.¹⁵

B. Rail transport

22. As of 2020,¹⁶ the existing African railway network totalled nearly 85,000 route-kilometres. Against a total surface of 30.2 million km², this equated to a density of about 2.8 km per 1,000 km², far below the world average of 23 km per 1,000 km². There are around 48,000 km of regional railways in Africa, with significant regional heterogeneity.¹⁷

¹² See www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Economic_Brief_-_The_Africa_Infrastructure_Development_Index.pdf.

¹³ See <https://pp2.au-pida.org/approved-projects/>.

¹⁴ See <https://chinaglobalsouth.com/analysis/the-impact-of-the-covid-19-pandemic-on-infrastructure-development-in-africa/>.

¹⁵ African Union Development Agency-New Partnership for Africa's Development (2022). See https://au.int/sites/default/files/documents/41480-doc-2nd_Continental_Progress_Report_on_Agenda_2063_English.pdf.

¹⁶ African Union Commission (2020). Continental Infrastructure Market and Demand Study for Africa, Final report.

¹⁷ Ibid.

23. At the continental level, the African Integrated High-Speed Railway Network, one of the flagship programmes of Agenda 2063, was endorsed for implementation. The goal is to develop a pan-African continental high-speed railway system that will connect African capitals and commercial centres, reduce transport costs and relieve the congestion of current infrastructure systems, with three pilot projects. Under the Programme for Infrastructure Development in Africa, phase 2A of the 934 km standard gauge railway, the Nairobi-Naivasha rail line, was completed in 2019. In Mozambique, the rehabilitation of the Sena Railway Line was also completed the same year. At the national level, the \$1.5 billion Lagos-Ibadan railway project, built by the China Civil Engineering Construction Corporation, was commissioned in 2021 by Nigeria. Similar railway projects are underway in Morocco, Senegal, the United Republic of Tanzania and Zimbabwe.

C. Air transport

24. In 2020, there were 137 international airports in Africa. Of these, 39 were located in North Africa, 30 each in East and West Africa, 23 in Southern Africa and 15 in Central Africa.¹⁸ The airline industry on the continent supports more than 6.2 million people. Domestic flights account for 28 per cent of the market; regional and international flights account for 17 per cent, and 55 per cent, respectively. According to the conclusions drawn from a survey conducted by the International Air Transport Association,¹⁹ if just 12 key African countries were to open their markets and increase connectivity, an extra 155,000 jobs and \$1.3 billion in annual gross domestic product would be created in those countries. The potential for intra-African travel is immense and a strong business case exists for private sector investment in the aviation sector.

25. The launch of the Single African Air Transport Market in 2019, a flagship project of Agenda 2063, presents a great opportunity for deeper integration and the free movement of goods and people on the continent. As of November 2021, 35 member States of the African Union had signed the commitment to the Single African Air Transport Market and the corresponding memorandum of implementation has 20 signatories. The COVID-19 pandemic adversely affected the African air transport sector, leading to a decline in air connectivity on the continent. This challenge highlights the urgency of stronger cooperation and deeper partnerships among regional economic communities and African Union member States for a robust recovery in the sector.

D. Information and communication

26. Access to information and communications technology has improved considerably in Africa over the past decade, constituting an important driver of the African infrastructure development index.²⁰ Digitalization in Africa was further accelerated by the pandemic, creating greater potential for trade and business growth.²¹ For instance, rapid growth in the adoption and utilization of mobile money services has changed countless lives on the continent.²² Nevertheless, there is

¹⁸ Ibid.

¹⁹ See www.iata.org/contentassets/44c1166a6e10411a982b2624047e118c/intervistas_africoliberalisation_finalreport_july2014.pdf.

²⁰ See www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Economic_Brief_-_The_Africa_Infrastructure_Development_Index.pdf.

²¹ United Nations, ECA and IEC (2021). See https://www.uneca.org/sites/default/files/uploaded-documents/ATPC/reactions-and-outlook-to-covid-19/COVID-19_Africa-Impact-Survey_March2021_Final_English_Release_22042021.pdf.

²² See www.gsma.com/sotir/wp-content/uploads/2022/03/GSMA_State_of_the_Industry_2022_English.pdf.

significant heterogeneity in digital performance and the digital divide persists. In 2022, merely 39.7 per cent of the African population used the Internet versus 89.5 per cent in Europe.²³ On the African continent, the cost of data is highest in São Tome and Principe (\$29.5 per gigabyte, which is also one of the highest globally), followed by Botswana and Togo. Conversely, Algeria (\$0.48 per gigabyte) has the lowest cost.²⁴

27. In 2020, ECA launched the Digital Trade Regulatory Integration Initiative to use training and research to inform discussions on the harmonization of information and communications technology policy and regulatory frameworks through training.²⁵ Recent analytical work carried out by the Organisation for Economic Co-operation and Development, ECA, the Economic Commission for Latin America and the Caribbean, and the Economic and Social Commission for Asia and the Pacific²⁶ showed that countries with greater regulatory restrictions on digital trade tend to have reduced access to and use of information and communications technology and reduced trade in digitally enabled services. Hence, removing regulatory barriers to digital trade would foster digital transformation in Africa, which would, in turn, have positive implications for competitiveness, trade, business growth and welfare. In 2021, African countries with the highest level of regulatory restrictions on digital trade were Burundi, Mozambique, Sierra Leone, the United Republic of Tanzania and Zimbabwe.²⁷

28. ECA has also supported the development of the African Union's digital transformation strategy. Work is now underway to implement the Digital Transformation Strategy 2020–2030 with a trade pillar that speaks to the African Continental Free Trade Area. A protocol on digital trade within the Area would likely provide more opportunities for bridging the digital divide on the continent and advancing the aspirations of the Digital Transformation Strategy 2020–2030. ECA has provided support for the implementation of the Digital Transformation Strategy 2020–2030 by promoting the adoption of a harmonization strategy that would create an enabling environment that is conducive to integrating Africa into a single digital market.

E. Energy

29. Energy price increases, exacerbated by the war in Ukraine, has increased the strain on African countries, in particular on those that are net energy importers. This situation underlines the importance of policies to improve energy efficiency through collaboration, interconnectivity and subregional power pooling initiatives, as well as expanding investment in renewable, cheaper and cleaner energy, for which the continent has enormous potential.

30. Electricity access and consumption in Africa remain low compared with other regions of the world. Per capita consumption is about 550 kilowatt-hours, compared with 2,300 kilowatt-hours in Asian developing countries. Africa's energy demand is mainly driven by Nigeria, South Africa and North African countries.²⁸ In 2021, nearly 600 million people lacked access to electricity and over 970 million relied on biomass

²³ See www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx.

²⁴ See www.cable.co.uk/mobiles/worldwide-data-pricing/.

²⁵ ECA collected and compiled data on the digital services trade restrictiveness index and the digital trade integration index. See <https://dtri.uneca.org/>.

²⁶ See <https://repository.uneca.org/bitstream/handle/10855/48750/b12019185.pdf?sequence=1&isAllowed=y>.

²⁷ See <https://dtri.uneca.org/trade-restriction>.

²⁸ F. Mangeni and J. Atta-Mensah (eds.) (2022). *Existential priorities for the African Continental Free Trade Area*. Available at: <https://repository.uneca.org/handle/10855/47860>.

and traditional fuel for cooking.²⁹ These numbers are projected to increase due to inflationary pressures caused by the pandemic and the situation in Ukraine.

31. In recent years, several projects have been initiated both at the regional economic community and continental levels. Under the Programme for Infrastructure Development in Africa, nine hydropower plants and transmission interconnection projects are under construction or are operational in EAC, COMESA, IGAD, SADC, the Economic Community of West African States (ECOWAS), and the Arab Maghreb Union. For instance, in ECOWAS, the 330 kV Ghana-Togo-Benin Interconnection Project is near completion.³⁰ Significant progress on regional transmission interconnection projects under regional power integration programmes are also notable. For example, the 500 kV Ethiopia-Kenya Transmission Interconnection Line (Eastern Electricity Highway Project) was successfully completed and switched on in November 2022, enabling trade in electricity between the two countries.³¹

F. Infrastructure financing

32. Despite growth in private sector investment in recent years, which reached a record high of \$19 billion in 2020,³² public sector funds continued to account for the largest share of financial commitments to infrastructure investment on the continent. However, the total infrastructure commitment decreased by \$5 billion in 2020 during the COVID-19 pandemic. The drop in financing between 2019 and 2020 was mainly due to the shift in the priorities of Governments, multilateral organizations and bilateral donors, from infrastructure to urgent pandemic-related response to save lives and livelihoods. The greatest drop in commitments was recorded in East Africa – from \$16.3 billion in 2019 to \$14.8 billion in 2020 – followed by Southern Africa and West Africa. However, commitments increased in North Africa and Central Africa over the same period. The energy, water and information and communications technology sectors were the hardest hit by the reduction in investment finance in 2020.

33. As a key partner in the implementation of phase II of the priority action plan of the Programme for Infrastructure Development in Africa, ECA has continued to strengthen its collaboration with the African Union Commission and other partners, and to provide technical support for the implementation of the flagship continental initiative. ECA has assisted member States in advancing public and private partnerships in relevant infrastructure sectors. Five countries have developed and adopted action plans to foster public-private partnerships at the national level. Furthermore, under the Africa Climate-Resilient Investment Facility, ECA has enhanced the capacity of African institutions and the private sector to plan, design and implement investment in climate-sensitive sectors. To help identify existing barriers and foster investment in climate-resilient sectors, ECA has also carried out in-depth research on the green-finance landscape across Africa.

V. Social integration

34. The COVID-19 pandemic has strengthened coordination and the degree of integration in response to international health crises. Health-care integration is being implemented at the continental, regional and national levels, as evidenced by the

²⁹ International Energy Agency (2022). See www.iea.org/reports/africa-energy-outlook-2022.

³⁰ See <https://ecowas.int/commissioner-sediko-douka-s-working-visit-to-the-west-african-power-pool-in-cotonou-benin/>.

³¹ See www.bloomberg.com/news/articles/2022-11-17/ethiopia-starts-exporting-electricity-to-neighboring-kenya?leadSource=verify%20wall.

³² See www.icafrica.org/en/topics-programmes/key-achievements-in-the-financing-of-african-infrastructure-in-2019-2020/#:~:text=Key%20findings%20from%20the%202019,their%2020%25%20share%20in%202018.

establishment of many regional cooperative health initiatives that are essential for Africa's recovery and achieving the goals of Agenda 2063. The African Union Commission, through the Africa Centres for Disease Control and Prevention, has provided commendable leadership in supporting the fight against the pandemic, working in close collaboration with other regional institutions such as ECA, the African Import-Export Bank and the African Development Bank.

35. Key continental COVID-19 response initiatives led by the Africa Centres for Disease Control and Prevention, and jointly pursued with various stakeholders, have emphasized the need for regional coordination, synergy building, health resilience, political and socioeconomic impact assessments, capacity-building, knowledge-sharing, and supply chain management. Collaborative partnerships geared towards the self-sufficient production of pharmaceutical products include the Saving Lives and Livelihoods Initiative of the Africa Centres for Disease Control and Prevention and Mastercard, which is being implemented in several African countries, and the Partnerships for Vaccine Manufacturing initiative, whose implementation will enable Africa to manufacture locally enough vaccine doses to meet 60 per cent of its need by 2040. The African Medical Supplies Platform, launched in 2020, is also a key pooled procurement initiative by the Africa Centres for Disease Control and Prevention in partnership with ECA, the Africa Export-Import Bank and the Special Envoy on COVID-19 Supplies, to overcome Africa's acute medicine supply shortages.

36. Prior to the abovementioned initiatives, ECA had designed and started implementing the African Continental Free Trade Area-anchored Pharma Initiative. The initiative has three pillars: pooled procurement, enhanced local production and regulatory harmonization. The initiative set the stage for – and continues to provide key lessons on – efficiency gains through pooled procurement and the creation of fiscal space that can be leveraged to address health market deficiencies.

37. ECA, within the framework of the Pharma Initiative, works with partner institutions, including the African Union Commission, to ensure that more States ratify the Treaty for the Establishment of the African Medicines Agency. As of September 2022, 22 African countries had ratified the treaty. Under the initiative's local production pillar, and following a call for expressions of interest from the private sector to initiate and scale up production in selected medicines used in the provision of sexual, reproductive, maternal, neonatal and paediatric health-care services, seven manufacturing entities in Kenya, Nigeria, Senegal and Uganda were selected to receive technical and investment support from ECA and partners.

38. Building on key lessons from the African Continental Free Trade Area-anchored Pharmaceutical Initiative, ECA will continue to advocate for and support advances in the following key elements of pooled procurement: demand forecasting and aggregation, rationalized choice of products, standardized requirements, collective negotiations, and centralized contracting and delivery. This will foster the regional pooled procurement that will allow African countries to secure access to scarce vaccines and medical commodities at price points that would not have been possible had participating countries pursued stand-alone procurement processes. However, regional and continental instruments need to be strengthened, properly resourced and afforded the requisite legitimacy through state ratification and national adaptation in order to reach their full potential.³³

VI. Governance, peace and security

39. The number and intensity of armed conflicts in Africa have fallen over the past decade, but threats from armed non-State actors persist. Terrorism and violent extremism, which have gradually spread across the five subregions of Africa, are among the primary threats to governance, peace and security, institutions, and to

³³ United Nations, ECA (2020). Press briefing.

integration and development overall. Furthermore, a series of recent unconstitutional changes of government and other forms of internal political upheaval have weakened democracy and the rule of law in many countries. Regional integration cannot thrive in a violence-ridden environment. Conversely, deeper regional integration fosters peace and security. Collaborative efforts by various stakeholders, including the United Nations, the African Union, and regional economic communities, have continued to be deployed to respond to threats to peace and security, to participate in the management and resolution of conflict, and to stem the tide of terrorism and coups on the continent, albeit with mixed results.

40. The African Union and ECCAS have continued to support and facilitate the democratic transition process in Chad following the demise of its long-serving ruler in 2021. Similarly, efforts by the African Union and regional economic communities (e.g. EAC, COMESA and IGAD), alongside the United Nations, the League of Arab States and other stakeholders, to promote good governance and achieve peace and security in the Democratic Republic of the Congo, Ethiopia, Somalia, South Sudan and the Sudan have met with positive results. The peaceful transition of power in Somalia in early 2022 has given a new direction and promise to the country. In the Sudan, the African Union, IGAD and other partner entities have continued to support and facilitate political dialogue among various stakeholders in the country's political crisis that has been festering since 2021. IGAD and key stakeholders are also supporting the political processes in South Sudan towards democratic elections in 2024.

41. The complex and evolving crisis in Libya has been the main governance, peace and security challenge in North Africa. The multiple actors in the conflict have diminished the role of the African Union, but also that of the Arab Maghreb Union, the main regional economic community in the subregion, which should have played a pivotal role in resolving the crisis despite its numerous internal challenges. The conflict has stalled regional integration by weakening the Arab Maghreb Union and the Community of Sahelo-Saharan States.

42. In Southern Africa, most countries enjoy relative peace and security. However, terrorism in the subregion and violent extremism have threatened peace and security, in particular in the north of Mozambique. SADC countries have adopted a subregional approach to that menace with a joint military intervention to stabilize the area that has the support of partner States.

43. In West Africa and the broader Sahel area, the African Union, the United Nations, ECOWAS and other key players continued to fight the spread of violence, terrorism and drug trafficking. The intensification of violence in Burkina Faso, Mali, Nigeria and the Sahel area more broadly continues to undermine progress in regional integration. The threat of violence spreading to neighbouring countries such as Togo presented some of the continent's most pressing security concerns. The ECOWAS subregion also experienced a series of five coups and unconstitutional changes of Government in Burkina Faso, Guinea and Mali between 2020 and 2022. ECOWAS has led international efforts to promote a peaceful and fast transition to democracy in the coming years. In October 2022, the African Union, in partnership with ECA, the African Development Bank, the United Nations Development Programme and the African Export-Import Bank, convened an international policy conference in Tangiers, Morocco, on the nexus between governance, peace, security and development. Delegates examined various avenues anchored in African economic integration for effective partnership and action to build durable peace, resilience and sustainable development. At a meeting of a coordination committee comprising representatives of the African Union Commission, regional economic communities, regional mechanisms, the African Union Development Agency and its New Partnership for Africa's Development, and strategic partners, held in Nairobi from 16 to 19 January 2023, the chief executives of coordination committee member institutions recognized the nexus between peace, security and development, along with its implications for Africa's integration efforts.

VII. Migration and the free movement of people

44. The importance of the free movement of people as a key driver of subregional and continental integration is embodied in the adoption in January 2018 of a protocol to the Abuja Treaty on the Free Movement of Persons, Right of Residence and Right of Establishment. Despite the shared desire and the action taken to achieve this goal, progress has been mixed and challenges persist. The protocol needs 15 ratifications to come into force and to be implemented, but has received only four ratifications (from Mali, Niger, Rwanda and São Tomé and Príncipe) and 33 signatures. The African Union Commission took the lead in developing guidelines for the design, production and issuance of the African Union passport, and the first copies of the passport were delivered to Heads of State and selected officials at its launch at the twenty-seventh ordinary session of the Assembly of Heads of State and Government of the African Union. However, the mass rollout to African citizens is yet to be implemented.

45. At the level of the regional economic communities, IGAD endorsed the Protocol on the Free Movement of Persons, Right of Residence and Right of Establishment (and transhumance) in 2020. The protocol was then adopted by the subregion in June 2021.³⁴ In EAC, the implementation of the protocol has led to the adoption of an EAC passport and the recognition of temporary travel permits to facilitate the movement of citizens across the member States.

46. Movement across the continent resumed as borders reopened after the major disruptions in regional travel due to the pandemic. Overall, Africans currently enjoy visa-free entry to only 25 per cent of other African countries, must secure visas on arrival in 24 per cent, and must have visas to travel to 51 per cent.³⁵ In 2021, an electronic visa was available in 24 African countries. Visa restrictions rose in 2021 due to the reduction in the number of countries offering visa-free access or visas on arrival. Most visa-open countries in 2021 were in West Africa, while the remaining were in East, Southern and North Africa. The Arab Maghreb Union, ECOWAS, EAC and SADC are performing particularly well on open reciprocity.

47. On the ratification of the Protocol on Free Movement of Persons, Right of Residence and Right of Establishment, the work and advocacy of ECA is geared towards understanding the factors that account for the seeming hesitance and slow pace of ratification of the protocol, identifying the concrete policy measures that are required to address these factors, and mobilizing support among member States for the ratification and subsequent implementation of the protocol. ECA continued to work with member States and relevant institutions to strengthen their capacity to generate and analyse migration statistics to support evidence-based policymaking and improve migration governance on the continent.

VIII. Conclusion and recommendations

48. The regional economic communities and the African Union member States have made commendable progress in implementing their regional integration agendas. However, several challenges persist. These include inadequate financial resources; poor infrastructure networks; increasing violence, terrorism and political instability; slow implementation of policies and agreements, in particular the Protocol on the Free Movement of Persons, Right of Residence and Right of Establishment. The deterioration of global economic conditions over the past three years has also hindered the continent's progress on key dimensions of regional integration. Collective efforts are therefore required from all member States, regional economic communities, key

³⁴ African Union Commission (2022). See https://au.int/sites/default/files/newsevents/reports/40515-rp-HHS62469_E_Original_REPORT_ON_THE_IMPLEMENTATION_OF_FREE_MOVEMENT_OF_PERSONS_IN_AFRICA.pdf.

³⁵ African Development Bank and African Union, "Africa visa openness report 2021" (Addis Ababa, 2021).

partners and stakeholders to realize the economic benefits of integration and the African Continental Free Trade Area, including through enhanced collaboration among various partners and stakeholders in facilitating the ratification and implementation of the Protocol on the Free Movement of Persons, Right of Residence and Right of Establishment and related frameworks such as Action Plan for Boosting Intra-African Trade.

49. The implementation of the African Continental Free Trade Area, as part of subregional and continental integration frameworks, has the potential to accelerate the continent's recovery from the unprecedented health crisis caused by COVID-19. By providing access to a vast market, increasing regional trade, lowering trade costs and streamlining border procedures, the Agreement Establishing the African Continental Free Trade Area presents a range of opportunities to African countries, including affording them prospects for industrialization and economic diversification, accelerating growth and attracting more productive foreign and domestic direct investment, including in the critical sectors of health care and pharmaceuticals. In the medium and long terms, the Agreement is expected to strengthen African countries' resilience, their ability to withstand current and future economic shocks, and their ability to achieve sustainable growth.

50. ECA will continue to prioritize the support that it provides to member States, regional economic communities, the African Union Commission and the secretariat of the African Continental Free Trade Area towards the implementation of the free trade area, including by facilitating the preparation of implementation strategies, and disseminating the key findings and recommendations that are set out in its various knowledge products that are focused on regional integration. ECA will also continue its research and stakeholder engagement on deepening African integration, including with regard to prospects for a continental customs union and an African economic community.
