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Assessment of progress on regional integration in Africa**Assessment of progress on regional integration in Africa****I. Introduction**

1. Regional integration remains critical in African efforts to achieve productive and sustainable development. There has been some progress in the fulfilment of the first 10-year implementation plan (2014–2023) of Agenda 2063: The Africa We Want, of the African Union, including the adoption of the Agreement Establishing the African Continental Free Trade Area and the creation of the Single African Air Transport Market, and valuable lessons have been learned. The effective implementation of the Agreement will determine the extent to which the continent can derive the benefits of free markets and trade integration for the overall benefit of the people on the African continent.

2. Progress in other areas crucial to the success of the Agreement Establishing the African Continental Free Trade Area, such as the ratification of the Protocol to the Treaty Establishing the African Economic Community relating to Free Movement of Persons, Right of Residence and Right of Establishment, and fostering peace, good governance and security, has been less encouraging. The rising number of unconstitutional changes of Government highlights the ongoing challenges afflicting African countries, including weak governance, persistent poverty and limited employment opportunities. The second 10-year implementation plan of Agenda 2063 will need to address those challenges directly. Aspiration 1 of the second 10-year implementation plan will be aimed at having every member of the African Union achieve at least middle-income status by 2034.

3. The second 10-year implementation plan is being finalized in a volatile global economic context. The growth of real gross domestic product (GDP) in Africa is expected to decline to 3.4 percent in 2023, down from 4 percent in 2022.¹ Since 2010, African debt has increased by 183 per cent². In September 2023, 9 African countries were in debt distress and 12 countries were at high

* E/ECA/COE/42/1.

¹ African Development Bank, *Africa's Macroeconomic Performance and Outlook Update*, (Abidjan, November 2023).

² Economic Commission for Africa (ECA), "Africa's quarterly economic performance and outlook, July–September 2023", (Addis Ababa, November 2023).



risk of debt distress.³ In 2022, public debt in Africa reached \$1.8 trillion.⁴ Soaring import costs and interest rates and greater climate risks will push the African debt-to-GDP ratio to 63.5 per cent in 2023 and 65 per cent in 2024.⁵

4. The present report provides an update on progress in regional integration and strategic policy proposals for a transition to prosperous, just and inclusive green economies in Africa that unleash inclusive and sustainable industrialization. The report addresses developments in trade and macroeconomic integration; infrastructure and energy; social integration; governance, peace and security; and migration and the free movement of people.

II. Trade integration

5. A milestone in the implementation of the Agreement Establishing the African Continental Free Trade Area was reached in February 2023 when the Assembly of Heads of State and Government of the African Union adopted the protocols on investment, competition policy and intellectual property rights.

6. Following the successful pilot phase of the Guided Trade Initiative, 31 States were participating in the Initiative as at 30 October 2023.⁶ The secretariat of the African Continental Free Trade Area has expanded the scope of the Initiative relating to country and product coverage, business-to-business engagement for active private sector participation and engagement with the public sector, resulting in a multiplier effect and increased business opportunities for small and medium-sized enterprises and women and young people in trade. A national institutional mechanism for the Agreement Establishing the African Continental Free Trade Area that coordinates trade participation under the Agreement is essential to ensure the effectiveness of the Initiative. In addition, it is crucial to develop solutions that are tailored to the trade finance and transport challenges of the continent.

7. The operationalization of the African Continental Free Trade Area Adjustment Fund was marked by its inaugural board meeting, held on 6 October 2023 in Kigali. The Fund is designed to assist States through: a base fund, consisting of contributions from States Parties to the Agreement, grants and technical assistance, to mitigate the adverse effects of the loss of revenue resulting from the implementation of the Agreement; a general fund, to finance the development of trade-enabling infrastructure; and a credit fund, to mobilize commercial funding to support the public and private sectors in using the opportunities provided by the Agreement.

8. Despite trade under the Agreement Establishing the African Continental Free Trade Area having officially started on 1 January 2021, the envisaged changes in intra-African trade are yet to appear. Intra-African trade as a share of global trade declined from 14.5 per cent in 2021 to 13.7 per cent in 2022.⁷ Over the same period, intra-African exports declined as a percentage of total

³ According to the World Bank, “Debt sustainability analysis” (accessed in September 2023), 9 countries were in debt distress (Congo, Ghana, Malawi, Mozambique, Sao Tome and Principe, Somalia, Sudan, Zambia and Zimbabwe) and 12 countries were at high risk of debt distress (Burundi, Cameroon, Central African Republic, Chad, Comoros, Djibouti, Ethiopia, Gambia, Guinea-Bissau, Kenya, Sierra Leone and South Sudan).

⁴ ECA. “Africa’s quarterly economic performance and outlook, July-September 2023”.

⁵ Ibid.

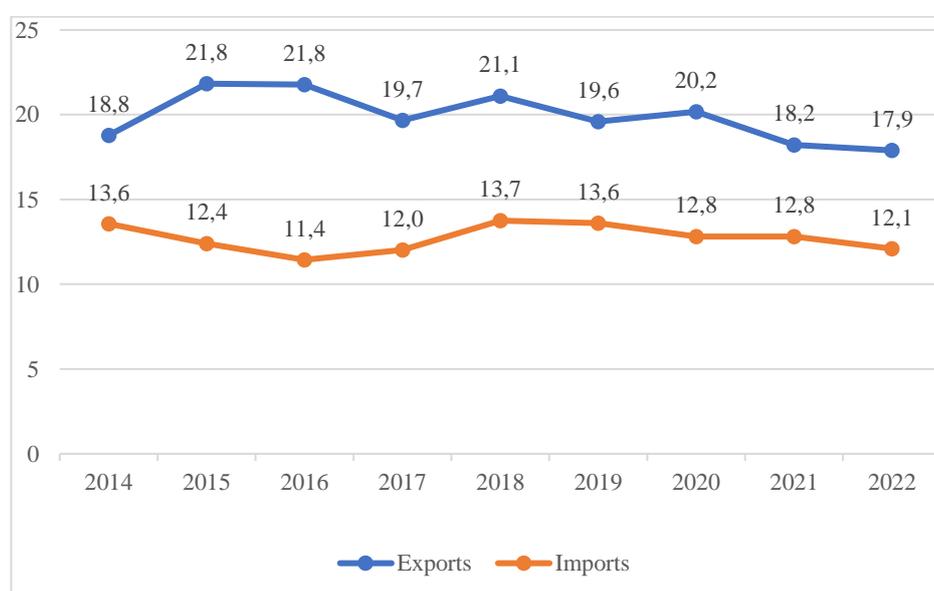
⁶ ECA and Konrad-Adenauer-Stiftung, “The Guided Trade Initiative: Documenting and assessing the early experiences of trading under the AfCFTA” (forthcoming).

⁷ United Nations Conference on Trade and Development, “Merchandise: total trade and share, annual”, UNCTADstat. Available at <https://unctadstat.unctad.org/datacentre/dataviewer/US.TradeMerchTotal> (accessed on 16 November 2023)

exports from 18.22 per cent to 17.89 per cent, and intra-African imports declined from 12.81 per cent to 12.09 per cent.

9. Meanwhile, the African share of global trade remained at less than 3 per cent, driven largely by merchandise trade. Merchandise imports increased by 15.5 per cent, rising from \$611.25 billion in 2021 to \$706 billion in 2022, and merchandise exports grew by 26.8 per cent, from \$571.25 billion in 2021 to \$724.1 billion in 2022, representing a trade balance surplus of \$18.1 billion in 2022, an increase of 145 per cent over 2021.⁸ Those trends are indicative of African countries continuing to trade with the rest of the world more than among themselves.

Figure
Intra-African exports and imports, 2014–2022
(Percentage of global trade)



Source: ECA based on data from the World Integrated Trade Solution.
Available at <https://wits.worldbank.org/> (accessed on 7 November 2023).

10. The Economic Commission for Africa (ECA) has been supporting its members and regional economic communities to enhance intra-African trade and ensure the successful implementation of the Agreement Establishing the African Continental Free Trade Area, including with the development of implementation strategies for the Agreement. The strategies have been implemented or are being implemented in 9 countries, have been validated or adopted in 31 countries, being drafted in 4 countries and are at the inception stage in 9 countries.⁹ The East African Community (EAC), the Economic Community of West African States (ECOWAS) and the Intergovernmental

⁸ African Export-Import Bank, *African Trade Report 2023: Export Manufacturing and Regional Value Chains in Africa under a New World Order* (Cairo, 2023).

⁹ Implementation strategies have been implemented or are being implemented in Cameroon, Côte d'Ivoire, Democratic Republic of the Congo, Kenya, Namibia, Senegal, Sierra Leone, Togo and Zambia; have been validated or adopted in Burkina Faso, Burundi, Cameroon, Chad, Comoros, Côte d'Ivoire, Central African Republic, Democratic Republic of the Congo, Djibouti, Eswatini, Gabon, Gambia, Guinea, Guinea-Bissau, Kenya, Malawi, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Sudan, Togo, Tunisia, Zambia and Zimbabwe; being drafted in Algeria, Botswana, Liberia and Somalia; and are at the inception stage in Angola, Benin, Cabo Verde, Equatorial Guinea, Ethiopia, Lesotho, Libya, Morocco and Seychelles.

Authority on Development (IGAD) have completed their strategies, the Economic Community of Central African States (ECCAS) is drafting its strategy and the Arab Maghreb Union is consulting on its strategy. In addition, ECA has organized workshops to raise awareness of the Agreement and engage stakeholders and is collaborating with the African Union Commission to review the Framework for Boosting Intra-African Trade in Agricultural Commodities and Services. It has also developed modelling work on the environmental impact of the implementation of the Agreement in relation to greenhouse gas emissions and the opportunities for cooperation on carbon pricing.

III. Monetary and financial integration

11. The African Economic Community provides for the creation of an African monetary union, an African central bank and a single African currency. The Association of African Central Banks adopted the African Monetary Cooperation Programme in 2002, proposing macroeconomic convergence criteria, policy measures and timelines to reach the goal of a single monetary zone by 2045.

12. To assess progress towards macroeconomic convergence, five primary criteria are considered under the Programme: inflation below 7 per cent; a budget deficit under 5 per cent of GDP; central bank financing of no more than 5 per cent of tax revenue; foreign reserves covering at least 3 months of imports; and general government debt below 65 per cent of GDP. In addition, three secondary criteria are tracked: tax revenue in excess of 20 per cent of GDP; exchange rate stability within a range of 10 per cent; and government investment in excess of 30 per cent of tax revenue. Of the primary criteria, the inflation criterion was met the least in 2022. Inflation remained elevated in many African countries in 2023: the African average was 18.5 per cent, and in 19 countries inflation was above 10 per cent.^{10,11} General government gross debt in 2023 averaged 65.2 per cent of GDP for Africa, compared with the 2022 average of 64.6 per cent.¹²

13. The regional economic communities are working on common currencies for their monetary integration but have all faced delays in adopting a single currency. The Arab Maghreb Union, the Community of Sahelo-Saharan States and ECCAS do not have an indicative date for attaining the target; the Common Market for Eastern and Southern Africa is aiming for 2035; EAC aims for 2031; ECOWAS aims for 2027; and the Southern African Development Community (SADC) has not updated its estimate since suggesting 2018. A single currency is not relevant to the agenda of IGAD.

14. The Pan-African Payment and Settlement System was launched in January 2022. As of November 2023, it consisted of the central banks of 12 countries, 51 commercial banks and five switches.¹³ Five African multinational financial groups signed memorandums of understanding with the System in June 2023, aimed at enhancing business operations by providing the cross-border settlement of trade transactions through existing digital channels.¹⁴ In addition, the System signed a memorandum of understanding with the African

¹⁰ International Monetary Fund, “Inflation rate, average consumer prices”. Available at www.imf.org/external/datamapper/PCPIPCH@WEO/SSA/AFQ (accessed on 11 November 2023).

¹¹ Inflation was above 10 per cent in Angola, Burundi, Comoros, Democratic Republic of the Congo, Egypt, Ethiopia, Gambia, Ghana, Liberia, Madagascar, Malawi, Nigeria, Rwanda, Sao Tome and Principe, Sierra Leone, South Sudan, Sudan, Zambia and Zimbabwe.

¹² International Monetary Fund, “Inflation rate, average consumer prices”.

¹³ The countries are Djibouti, Gambia, Ghana, Guinea, Kenya, Liberia, Malawi, Nigeria, Rwanda, Sierra Leone, Zambia and Zimbabwe. For more information on the network, see the web page of the Pan-African Payment and Settlement System: <https://papss.com/network/>.

¹⁴ Access Bank Group, Ecobank Group, KCB Group, Standard Bank Group and UBA Group.

Securities Exchanges Association in April 2023 to promote the cross-border trade of securities in Africa.

15. In 2022, the secretariat of SADC, with the support of the African Development Bank, launched a smart order router to connect 14 national stock exchanges to deepen financial integration.

16. To ensure sustained good macroeconomic performance and navigate geopolitical challenges, ECA is working with the French Development Agency to support African countries by conducting country-specific debt sustainability analyses to assess their capacity to access new loans. In addition, ECA is developing a feasibility study on the opportunities for debt-for-climate and debt-for-nature swaps.

17. ECA provides supports to its members in strengthening their capacity to design, finance, monitor and evaluate national development plans. Specifically, ECA leverages digital technology to assist countries in using the integrated planning and reporting toolkit to align national development plans with the Sustainable Development Goals, Agenda 2063 and the Doha Programme of Action for the Least Developed Countries. The successor to the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, which will be agreed upon in Kigali in 2024, could also be integrated into the toolkit.

18. ECA, through the African Institute for Economic Development and Planning, is developing a course to train high-level officials in understanding sovereign credit rating processes. Such diverse initiatives empower African countries to navigate challenging economic landscapes, build resilience and achieve sustainable growth.

IV. Developments in the infrastructure and energy sectors

19. Unlocking trade with the Agreement Establishing the African Continental Free Trade Area will require a massive investment in infrastructure. Guided by the Programme for Infrastructure Development in Africa, the continent aims to enhance continental integration by expanding regional infrastructure networks and, thereby, fostering trade and development. The 69 transport, energy, transboundary water and information and communications technology (ICT) projects of the second priority action plan of the Programme are estimated to cost \$160.7 billion between 2021 and 2030, and the overall investment requirement for the Programme has been estimated to be \$360 billion by 2040.¹⁵ Of the 409 projects launched under the Programme in 2012, by 2022 only 132 were under construction or operational; 46 were in the pre-feasibility-study or feasibility-study phases; and 25 were in the project-definition stage.¹⁶ Only 6 of 33 energy projects, 35 of 161 transport projects and 1 of 10 water projects were in operation.¹⁷

20. ECA estimates that intra-African trade in transport services has the potential to increase by 50 per cent, with the Agreement Establishing the African Continental Free Trade Area expected to significantly increase road, rail, maritime and air traffic flows.¹⁸

¹⁵ African Union Development Agency, *Programme for Infrastructure Development in Africa (PIDA): First 10-Year Implementation Report* (Johannesburg, 2023).

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ ECA, “Impact of the AfCFTA on the demand for transport infrastructure and services”, paper presented at the African Continental Free Trade Area Transport and Logistics Conference, Togo, June 2023.

A. Road infrastructure

21. Even though the African contribution to climate change accounts for 2–3 per cent of worldwide emissions, Africa faces an outsized vulnerability to climate change compared with other regions¹⁹. Resilient infrastructure is, therefore, crucial in Africa, owing to the increasing impact of climate change on the continent.

22. By 2023, 16,066 km of road had been constructed, representing 52 per cent of the 30,700 km targeted for completion by 2040 under the Programme for Infrastructure Development in Africa.²⁰ In the Niger, 1,890 km of the 9,400-km Trans-Sahara Highway has been built.²¹ At the Africa Investment Forum in March 2022, the Commission of ECOWAS presented to public financiers and private investors the Lagos-Abidjan Corridor Highway, which requires an investment of approximately \$15 billion and has an average economic rate of return of around 15 per cent, presenting enormous investment opportunities for the private sector.²²

23. In addition, 120 one-stop border posts have been planned or implemented, such as those in Moyale, between Ethiopia and Kenya, which IGAD inaugurated in September 2023, and Kazungula, between Botswana and Zambia, which has been operational since May 2021 and is supporting trade and transport along the North-South Corridor. ECOWAS and ECCAS handed over the Ekok–Mfum one-stop border post to authorities in Cameroon and Nigeria in 2022. One-stop border posts are crucial for enhancing the interconnection of regional markets and facilitating trade.

24. An ECA study has shown that the implementation of the Agreement Establishing the African Continental Free Trade Area would lead to a general increase in intra-African freight demand of around 28 per cent compared with a scenario without the Agreement.²³

B. Rail transport

25. Rail infrastructure development has progressed little under the Programme for Infrastructure Development in Africa: only 4,077 km of railways have been constructed of the 30,200 km envisaged by 2040, representing 14 per cent.²⁴ The Djibouti–Addis Ababa and Nairobi–Mombasa standard gauge railways have reduced travel times between those destinations, contributing to cost reductions and trade facilitation. The Dar es Salaam–Dodoma standard gauge railway is being constructed in phases and is expected to reach the border with Rwanda once completed, with expected gains in cargo transport. Its first phase, covering 203 km, was completed in 2019, and the second phase, of 422 km, is expected to be completed by the end of 2023.²⁵

26. A scoping study for an African integrated high-speed railway network, which included a proposal for two 10-year phases for the implementation of the project, was adopted by the African Union Specialized Technical Committee on

¹⁹ United Nations Environment Programme, “Responding to climate change”. Available at www.unep.org/regions/africa/regional-initiatives/responding-climate-change.

²⁰ African Union Development Agency, *Programme for Infrastructure Development in Africa (PIDA)*.

²¹ MJ Woof, “Progress for Trans-Sahara route”, *World Highways*, 8 March 2023.

²² African Union, “African integration report: the status of regional and continental integration in Africa”, paper presented at the fifth mid-year coordination meeting between the African Union, the regional economic communities and the regional mechanism, Nairobi, July 2023.

²³ ECA, “Implications of the African Continental Free Trade Area for demand for transport infrastructure and services: summary report”, presented at the fifth African Business Forum, Addis Ababa, 7 February 2022.

²⁴ African Union Development Agency, *Programme for Infrastructure Development in Africa (PIDA)*.

²⁵ *Ibid.*

Transport, Transcontinental and Interregional Infrastructure, and Energy in 2021. Little progress has been made, however, in implementing the 2033 or 2043 master plans for the network, owing to a lack of funding.²⁶ ECA continues to advocate the adoption by African countries of the Protocol to the Convention on International Interests in Mobile Equipment on Matters specific to Railway Rolling Stock, aiming to boost the continental rail network and transform underserved regions.

C. Air transport

27. The Single African Air Transport Market is one of the most important supporting instruments for effectively implementing the Agreement Establishing the African Continental Free Trade Area. Currently, 36 members of the African Union, accounting for 89 per cent of the intra-African air transport market, have joined the Market.²⁷ The Market is expected to increase the frequency of flights along existing air routes by 27 per cent and allow for gains through economies of scale of about \$500 million from passenger fares, free competition, the opening of new commercial routes, environmental protection and the development of the private sector in civil aviation.²⁸ Following the negative impact of the coronavirus disease (COVID-19) on the aviation industry, African airlines have been steadily recovering, with air cargo at 31.4 per cent over 2019 levels and air travel at 93 per cent of 2019 levels in 2023,²⁹ with important implications for enhancing regional integration, tourism and employment opportunities on the continent.

D. Information and communications technology

28. The Programme for Infrastructure Development in Africa has succeeded in the ICT sector: most ICT projects of the first Priority Action Plan of the Programme are under implementation, and 17 countries have achieved digital connectivity through optical fibre cables.³⁰ By 2023, ICT capacity had reached about 9 terabits compared with a target of 6 terabits. Despite the achievements in Internet connectivity in Africa, however, only 37.1 per cent of the African population used the Internet in 2022, compared with the global average of 67.4 per cent.³¹ Africa has not performed well in bridging the gender digital divide: in 2023, 32 per cent of the female population used the Internet compared with 42 per cent of the male population, against a global average of 65 per cent of females and 70 per cent of males.³²

29. ECA organized various editions of the Connected African Girls Coding Camp, which have enabled more than 40,000 African girls and young women to develop skills in domains that are critical for development in Africa. ECA is joining the Giga initiative and Smart Africa to connect every African school to

²⁶ African Union, “African integration report: the status of regional and continental integration in Africa”.

²⁷ African Union, *African Integration Report 2023: The Status of Regional and Continental Integration in Africa*, report presented at the fifth mid-year coordination meeting between the African Union, the regional economic communities and the regional mechanisms, Nairobi, 16 July 2023..

²⁸ ECA, “African ambassadors call for accelerated implementation of the African Continental Free Trade Area and the Single African Air Transport Market”, 25 May 2023.

²⁹ International Air Transport Association, “IATA’s “Focus Africa” to strengthen aviation’s contribution to African development”, press release No. 11, 3 April 2023.

³⁰ African Union Development Agency, *Programme for Infrastructure Development in Africa (PIDA)*.

³¹ International Telecommunication Union. “The gender digital divide”, Facts and Figures 2023 database. Available at www.itu.int/itu-d/reports/statistics/2023/10/10/ff23-the-gender-digital-divide (accessed on 15 December 2023).

³² International Telecommunications Union, “Facts and figures 2023: the gender digital divide”.

the Internet by leveraging innovative financing models and supporting government efforts to improve connectivity.

30. In May 2023, ECA convened a dialogue of stakeholders on digital identity and disruptive technology in Africa, on the margins of the annual meeting of Identity for All Africa, in Nairobi, to establish a road map for African Governments to implement policy guidelines for digital identity systems aligned with the digital transformation strategy for the continent of the African Union.

31. In addition, ECA has supported the development of regional digital policies and strategies in digital governance; data protection and cyber security; emerging technology; and digital trade. Notable examples in that regard include the ongoing work on a single digital market framework and a single African strategy for artificial intelligence, in collaboration with the African Union.

32. Through the Regional Digital Trade Regulatory Integration Initiative in Africa, launched by ECA in 2020, members of ECA have continued to be supported in strengthening their ICT regulation. Through the second iteration of a regional digital trade regulatory integration index framework,³³ ECA collected, compiled and analysed data on the digital regulatory environment in 28 African countries in two successive phases.³⁴ The findings indicated several factors inhibiting digital trade regulatory integration, including the heavy regulation of the digital trade environment and a lack of an extensive policy agenda in several areas relevant to digital trade, such as online sales, non-tariff measures and cross-border data flows.³⁵ Some of those issues will be addressed by the African Continental Free Trade Area protocol on digital trade, which is aimed at boosting intra-African digital trade by eliminating barriers through harmonized rules and standards and the promotion of the interoperable frameworks and systems necessary to facilitate such trade.

E. Energy

33. Of the 16,500 km of transmission lines expected to be delivered under the Programme for Infrastructure Development in Africa by 2040, 3,506 km had been developed by 2023, representing a 21 per cent achievement rate, to deliver 232 GW of electricity.³⁶ By 2023, 7 GW of hydroelectricity capacity had been installed, representing a 13 per cent achievement rate against the target of 54 GW by 2040.³⁷ Under the first phase of the Programme, 30 million people gained access to electricity, raising overall access to electricity to around 44 per cent.³⁸ The proportion of the world's population without access to electricity residing in Africa rose from 74 per cent before the COVID-19 pandemic to 77 per cent in 2020.³⁹ African countries can provide cheap and reliable energy to their populations by using renewable sources, including green hydrogen production.

³³ The framework was developed by ECA, the Economic and Social Commission for Asia and the Pacific and the Economic Commission for Latin America and the Caribbean.

³⁴ Phase 1: Cameroon, Chad, Gabon, Ghana, Kenya, Malawi, Nigeria, Uganda, United Republic of Tanzania, Zambia and Zimbabwe. Phase 2: Botswana, Burundi, Congo, Democratic Republic of the Congo, Egypt, Eswatini, Ethiopia, Gambia, Lesotho, Liberia, Madagascar, Mozambique, Namibia, Rwanda, Senegal, Sierra Leone and Togo.

³⁵ United Nations, *Digital Trade Regulatory Review for Asia-Pacific, Africa and Latin America and the Caribbean* (2023).

³⁶ African Union Development Agency, *Programme for Infrastructure Development in Africa (PIDA)*.

³⁷ Ibid.

³⁸ Ibid.

³⁹ Advancing energy and digital technologies for a prosperous and inclusive green industrialization (E/ECA/CPRTIIT/3/6).

34. ECA was instrumental in establishing the African School of Regulation, which aims to improve the quality of African energy regulation and policy and seeks to be a centre of excellence for acquiring practical skills relating to energy regulation and policy, with a view to producing sustainable, dependable and affordable energy in Africa.

35. In 2023, the SADC Council of Ministers approved the establishment of the Regional Transmission Infrastructure Financing Facility to leverage funding towards regional transmission projects to improve access to energy across the region. In addition, ECA and the African Export-Import Bank are developing a project to increase electricity access on the continent by strengthening regional power pools and aligning regional electricity trading with the Agreement Establishing the African Continental Free Trade Area to expand energy markets.

F. Infrastructure financing

36. The subregional financing requirements of the projects under the second priority action plan of the Programme for Infrastructure Development in Africa (for the period 2021–2030) are as follows: North Africa, \$16.5 billion; Central Africa, \$8.5 billion; West Africa, \$40.5 billion; East Africa, \$37.8 billion; and Southern Africa, \$13.8 billion.⁴⁰ Projects in the first priority action plan were financed by investment various sources, including members of the African Union and of the Infrastructure Consortium for Africa, and the private sector, and, by the end of 2020, the initial financing target had been exceeded by 20 per cent.⁴¹

37. Africa still faces, however, a massive annual infrastructure financing gap estimated between \$130 and \$170 billion.⁴² To scale up and accelerate financing for green infrastructure projects in Africa, the African Union, African Development Bank, Africa50 and other bodies launched the Alliance for Green Infrastructure in Africa on the margins of the twenty-seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in November 2022 in Sharm el-Sheikh, Egypt. Pledges to the Alliance made by African and global partners on the margins of the subsequent session, held in 2023 in Dubai, United Arab Emirates, were over \$175 million.⁴³ Other innovative financing instruments include blended finance, green, social and sustainability-linked bonds, and debt-for-nature swaps.

38. ECA has supported a sustainable debt coalition initiative that aims to increase finance for sustainable development through debt management and by proposing alternatives to debt. In addition, ECA, in collaboration with the United Nations University Institute for Natural Resources in Africa, has created Justis, an online marketplace for green energy products and services for businesses, researchers, policymakers and investors, to promote an inclusive and equitable energy transition.

⁴⁰ African Union Development Agency, *Programme for Infrastructure Development in Africa (PIDA)*.

⁴¹ Ibid.

⁴² Astrid R. N. Haas and others, *From Millions to Billions: Financing the Development of African Cities* (Abidjan, African Development Bank, 2023).

⁴³ African Development Bank, “COP28: global and African partners pledge \$175m to the Alliance for Green Infrastructure in Africa (AGIA)”, 2 December 2023.

V. Social integration

39. Regional integration is pivotal for improving health and education on the continent. By pooling resources, sharing knowledge and coordinating policies, integration fosters economies of scale, facilitates infrastructure improvements and enables joint responses to health crises. The collaborative approach enhances access to good-quality health care and education, strengthens resilience, promotes innovation and helps to ensure the equitable implementation of effective solutions for people in Africa.

40. The African Union has developed a continental strategy for technical and vocational education and training to foster youth employment, which includes a call for intra-African and regional cooperation in education and training.⁴⁴ Countries in East Africa have adopted a regional framework for qualifications in technical and vocational education and training, increasing international cooperation through a project led by the World Bank.⁴⁵

41. In the health sector, the third phase of a pharmaceutical initiative anchored on the African Continental Free Trade Area was launched in July 2023, aiming to establish a binding agreement for the implementation of a centralized pooled procurement mechanism, develop guidance documents and collectively procure up to four essential medicines in 2024. A ministerial conference will be organized in early 2024 to sign the agreement and facilitate the procurement of the medicines as a proof of concept to facilitate access to safe, good-quality and affordable medicines for people in Africa.

VI. Governance, peace and security and the regional integration nexus

42. Good governance, peace and security are fundamental to the attainment of the development goals and aspirations of the continent, including fostering deeper regional integration. Although progress has been made in some places, there are challenges with rising instability in others, such as the Sahel, exemplified by a surge in unconstitutional changes of Government.

43. In West Africa, insurgency and armed conflict continue to be combated, and the Multinational Joint Task Force, comprising Benin, Cameroon, Chad, the Niger and Nigeria, has been fighting Boko Haram since 2015. The Task Force is effective, as evidenced by the decline in the number of terrorist attacks and fatalities in the region from 8,119 in 2015 to 1,894 in 2021.⁴⁶ It is underresourced, however, which could undermine its effectiveness.

44. The Central African Republic and the Democratic Republic of the Congo are battling armed groups that present a challenge to peace and security in Central Africa. The impending accelerated withdrawal of the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo is likely to worsen an already critical situation and endanger the lives of the civilian population.⁴⁷ The Mission will be replaced by regional forces from East and Southern Africa by the end of 2023.

45. In East Africa, there are contrasting security landscapes. In Ethiopia, the Agreement for Lasting Peace through a Permanent Cessation of Hostilities,

⁴⁴ African Union, “Continental strategy for technical and vocational education and training (TVET) to foster youth employment” (Addis Ababa, n.d.).

⁴⁵ EAC, “East African countries adopt regional TVET qualifications framework”, 27 May 2022.

⁴⁶ Mariana Llorens Zabala, “Assessing the effectiveness of the Multinational Joint Task Force”, African Centre for the Constructive Resolution of Disputes, 24 February 2023.

⁴⁷ For further information, see Africa Defense Forum “Accelerated MONUSCO withdrawal could endanger Congolese”, 10 October 2023.

signed in Pretoria in November 2022, offers cautious hope as the Government implements peace with the Tigray People's Liberation Front. In Somalia, the Government is tackling insurgency with support from the African Union and the United States of America. South Sudan receives conflict prevention support under a strategy of IGAD for the period 2021–2025. In contrast, the civil war in the Sudan, which began in April 2023, has displaced 4.85 million people, with 1.17 million crossing borders to the Central African Republic, Chad, Egypt, Ethiopia and South Sudan.⁴⁸ IGAD seeks to resolve the crisis and safeguard peace in the subregion.

46. In Southern Africa, the SADC Mission in Mozambique, together with Rwanda and the United Republic of Tanzania, is shielding civilians in Cabo Delgado against an Islamist militant group. The mandate of the Mission has been expanded and the Mission has become a multidimensional force, taking on greater peacekeeping responsibilities with more troops.⁴⁹

47. Despite the number of coups that have occurred in the recent past and the continuing instability in some parts of the continent, African countries have made some progress in upholding democratic processes. Successful local and national government elections were held in several countries in 2023, including in Liberia, Madagascar and Sierra Leone, and several other elections are scheduled for 2024.⁵⁰

VII. Migration and the free movement of people

48. Since its adoption by the Assembly of the African Union in 2018, the Protocol to the Treaty Establishing the African Economic Community Relating to Free Movement of Persons, Right of Residence and Right of Establishment has received 32 signatures and has been ratified by Mali, the Niger, Rwanda and Sao Tome and Principe. It requires 15 ratifications to enter into force.

49. The African Union Commission and ECA undertook a study to assess the benefits of the free movement of people and to untangle the factors that account for the slow ratification of the Protocol.⁵¹ The benefits for trade and labour resulting from the free movement of persons have been demonstrated in East Africa, where trade within EAC rose from \$3.36 billion in 2020 to \$4.36 billion in 2021, and the number of migrant workers increased from 1.4 million in 2010 to 2.7 million in 2019.⁵² The study uncovered some significant concerns and factors affecting the ratification of the Protocol, and actions for implementation were recommended. ECA is providing support to the African Union Commission to accelerate the signature and ratification of, and accession to, the Protocol, including through a project on international migration in Africa, which is funded by Italy. The project was launched in June 2023 and is being implemented with the African Union Commission.

⁴⁸ United Nations, “Situation in the Sudan and the activities of the United Nations Integrated Transition Assistance Mission in the Sudan” (S/2023/861).

⁴⁹ For more information on conflict in Mozambique, see Rule of Law in Armed Conflicts, “Non-international armed conflicts in Mozambique”.

⁵⁰ For a calendar of elections, see the web page of the Electoral Institute for Sustainable Democracy in Africa: www.eisa.org/election-calendar/.

⁵¹ African Union and ECA, “Free movement of persons for trade: towards an accelerated ratification of the African Union Protocol to the Treaty Establishing the African Economic Community Relating to Free Movement of Persons, Right of Residence and Right of Establishment, in support of the implementation of the African Continental Free Trade Area” (Addis Ababa, October 2023).

⁵² Abebe, T., and G. Mukundi-Wachira (eds.), *The State of Migration in East and Horn of Africa Report 2022* (Geneva, International Organization for Migration, 2023).

50. ECA participated in the eighth Pan-African Forum on Migration, which was organized by the African Union Commission and partner organizations and held in Gaborone from 31 October to 2 November 2023, at which ECA disseminated the results of the study. It was emphasized at the Forum that harnessing and leveraging the gains of free movement, migration and trade in Africa provides opportunities for unlocking and optimizing the positive outcomes of the Agreement Establishing the African Continental Free Trade Area.

51. Strides have been made on the right to entry on the continent. The proportion of intra-African travel for which African citizens do not need a visa increased from 27 per cent in 2022 to 28 per cent in 2023, and the proportion for which African citizens can obtain a visa on arrival declined from 27 per cent to 26 per cent in the same period.⁵³ For African citizens who require a visa before travelling, a marginal improvement was registered, with a reduction from 47 per cent in 2022 to 46 per cent in 2023.⁵⁴ Only four African countries – Benin, Gambia, Rwanda and Seychelles – offer visa-free travel to all African citizens.⁵⁵ East Africa and West Africa accounted for 80 per cent of the top 20 African countries for visa openness.⁵⁶

52. ECOWAS has commenced preparations to launch its single visa system through a study on the processes for introducing a harmonized visa regime for the free movement of non-ECOWAS citizens within ECOWAS. In 2022, IGAD operationalized a regional migration fund to create economic opportunities and improve living conditions for migrants, refugees and host communities.

VIII. Conclusion and recommendations

53. The regional integration agenda is progressing slowly in Africa. Trade integration continues to depend on the momentum of the adoption of the Agreement Establishing the African Continental Free Trade Area. The protocols on investment, competition policy and intellectual property rights are crucial for harnessing the strengths of the African private sector to enhance the implementation of the Agreement and intra-African trade more broadly. The pharmaceutical initiative anchored on the Agreement is well placed to enhance private sector involvement in African development, in particular with the local production of medicines. To that end, the pilot countries of the initiative are encouraged to accelerate efforts towards implementing the framework for centralized pooled procurement.

54. Despite progress in monetary and financial integration, ECA members have not met the macroeconomic convergence criteria. In 2024, ECA is expected to focus its support on forecasting and policy analysis for Ethiopia, Lesotho and Mauritius. States and regional economic communities are encouraged to meet the macroeconomic convergence criteria that are prerequisites for the establishment of an African central bank.

55. Infrastructure development through the Programme for Infrastructure Development in Africa achieved mixed results. Although roads and ICT advanced, rail transport and energy infrastructure progressed little. Infrastructure financing remains a challenge. ECA will continue to work with the African Development Bank, the Global Energy Interconnection Development and Cooperation Organization and other strategic partners to promote innovative financing models, including the leveraging of public-

⁵³ African Union and African Development Bank, *Africa Visa Openness Report 2023* (Abidjan, African Development Bank, 2023).

⁵⁴ Ibid.

⁵⁵ Ibid.

⁵⁶ Ibid.

private partnerships and management tools and strengthening national capacity to develop bankable infrastructure projects. States should continue to take the necessary measures to ensure that the regulatory environment is conducive to the mobilization of sustainable financing of infrastructure by the private sector.

56. ECA remains committed to supporting the African Union Commission, regional economic communities and its members in swiftly ratifying the Protocol to the Treaty Establishing the African Economic Community relating to Free Movement of Persons, Right of Residence and Right of Establishment. ECA is finalizing a progress review on boosting intra-African trade and the eleventh edition of *Assessing Regional Integration in Africa*, the theme of which, “Bringing the continental customs union and common market about”, presents pathways for the regional integration journey of Africa and aligns with the vision to establish an African economic community.

57. ECA and regional economic communities will continue to support ECA members to implement effectively national and regional strategies for the African Continental Free Trade Area aimed at fostering industrialization and economic transformation, strengthening regional value chains and ensuring sustainable practices.
