



Economic Commission for Africa
Southern Africa Office



CEDIR-UEM

A FRAMEWORK FOR MAINSTREAMING REGIONAL INTEGRATION IN NATIONAL DEVELOPMENT PLANS IN THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY (SADC)



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Centre for Studies on Regional Integration
of the Eduardo Mondlane University

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OVERVIEW

1.1 REGIONAL INTEGRATION PROCESS

The Southern African Development Community (SADC) has a number of Legal Instruments in place (Treaties, Protocols, Memoranda of Understanding, Charters, Declarations, Regulations, Guidelines, etc.) and strategic plans such as the Regional Indicative Development Strategic Plan (RISDP), the blueprint for development, and the Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation (SIPO), which together spell out the objectives of the regional integration (RI) agenda. **The major milestones of the SADC regional integration agenda include the creation of a SADC Free Trade Area (FTA) by 2008, a Customs Union (CU) by 2010 and a Common Market by 2015.** Since its inception in 1980, the sub region has concluded over 20 protocols and signed MOUs in all sectors to facilitate the process of regional integration. The objectives and scope of, and institutional mechanisms for, co-operation and integration are spelt out in each of these protocols. The programmes to be pursued by member States at the national level are developed from key intervention areas outlined in these protocols and projects to be implemented are identified as key tasks or interventions. Member States' commitment to pursue these can be indicative of how they are proactively moving forward to implement these areas at the national level. The majority of policymakers and politicians of member States consider the SADC RI process as key to their effective participation in the global economy and the new development paradigm. The benefits of this process depends very much on effective "mainstreaming" of the RI agenda into national development plans (NDPs) as set up in the RISDP.

1.2 TYPES OF REGIONAL INTEGRATION

RI arrangements take a variety of forms:

In principle, countries forming a RI arrangement can start with any of these forms as depicted in Box 1 below. Most begin by removing impediments to trade among themselves. They may then progressively introduce deeper and wider integration mechanisms.

Box 1: TYPES OF REGIONAL INTEGRATION

Preferential trade area: an arrangement in which members apply lower tariffs to imports produced by other members than to imports produced by non-members.

Free trade area: a preferential trade area with no tariffs on imports from other members. Preferential and free trade areas both allow members to determine tariffs on imports from non-members.

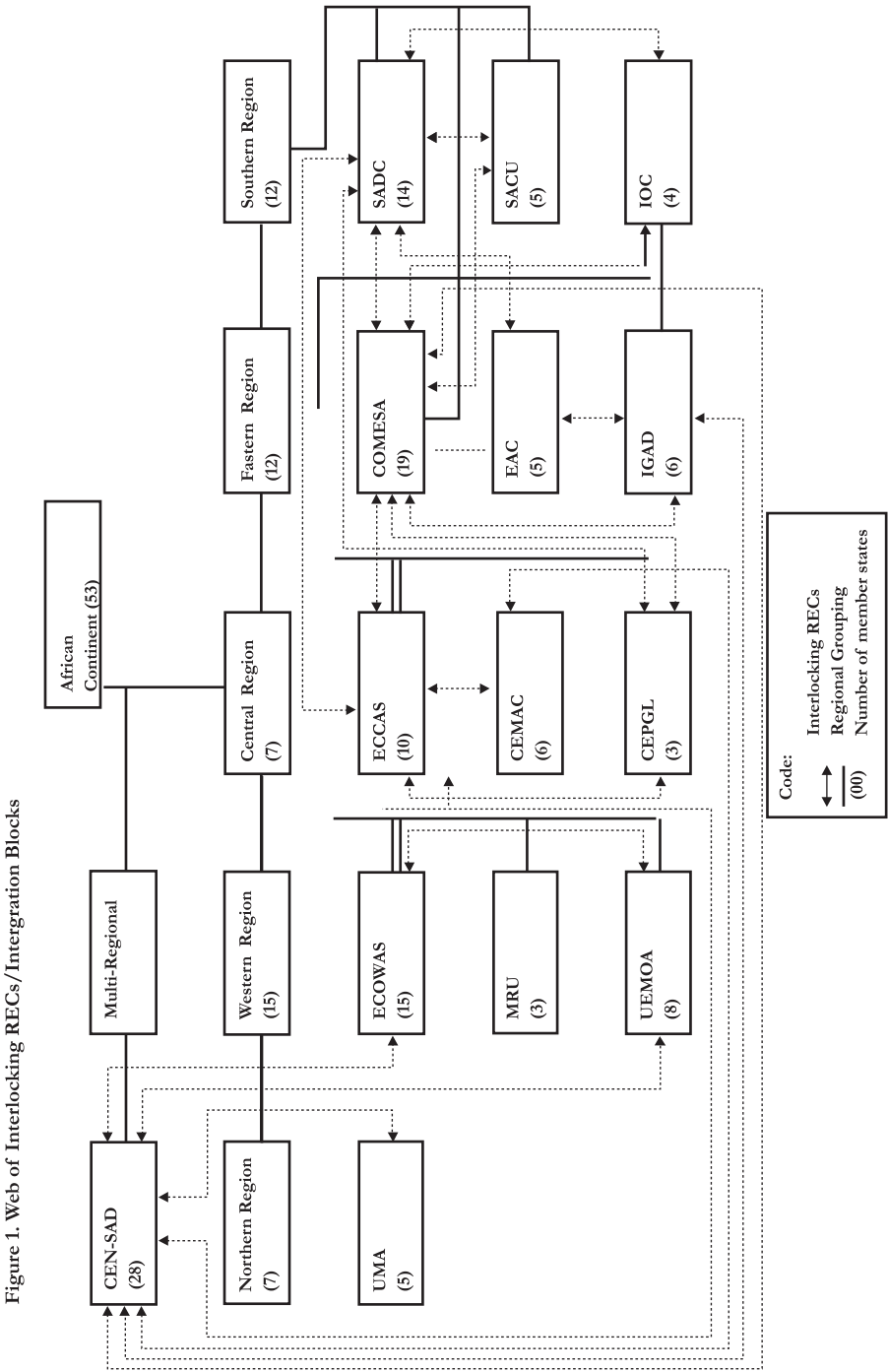
Customs union: essentially a free trade area except that members must impose common tariffs on non-members. Members may also cede sovereignty to a single customs administration.

Common market: a customs union that also allows free movement of factors of production (such as capital and labour) across national borders within the integration area.

Economic union: a common market with unified monetary and fiscal policies, including a common currency.

Political union: the ultimate stage of integration, where members become one nation. National governments cede sovereignty over economic and social policies to a supranational authority, establishing common institutions and judicial and legislative processes.

Currently, there are 14 interlocking Regional Economic Communities (RECs) and integration blocks in Africa (figure 1).Eight are recognized by the African Union (AU) as the main building blocs of the Union.



Almost all of them have full economic union as a target. Most were established as a response to the stagnation of economic development of individual countries on their own. This was mainly a result of the small national markets and weak production structures presenting formidable constraints to economic growth. Political instability and widespread conflict had aggravated the situation. The rationale for integration included the benefits to the people of the member countries through trade creation, greater economies of scale based on profitable competition, increased investment and optimization of free movement of resources, comprehensive cooperation, peace and security and improved bargaining power.

The mainstream model adopted in most cases was cooperation to form a preferential trade area to be developed in subsequent steps to a free trade area, customs union, common market and eventually an economic union. Not much emphasis seems to have been placed on analysis at the country levels to determine the economic rationale of belonging to any particular grouping. It has been argued that profitable economic integration can be realized among countries with little foreign trade in proportion to their domestic production and a greater portion of the existing foreign trade being undertaken among potential members of the intended community.

There is insufficient evidence to show that such economic pre-conditions have been met in the establishment of most RECs. It is against this backdrop that ECA in collaboration with the University of Eduardo Mondlane (UEM), Mozambique was prompted to develop a framework that provides guidelines to domesticate RI in SADC countries, and, specifically mainstream RI in NDPs.

1.3 WHAT IS MAINSTREAMING OF REGIONAL INTEGRATION?

The process of mainstreaming refers to the systematic integrating of the objectives and related initiatives of the RI as well as the process of *creating the ownership* of the agenda *into the overall national development plans, poverty reduction strategies* and in the society in order to attain the “*popular legitimacy*” necessary for the success of regional integration. More broadly, the concept of mainstreaming RI initiatives should contribute ultimately to economic growth, poverty alleviation and overall socio-economic development.

The “mainstreaming” process has two interrelated components. The institutional one which concerns the ratification of agreed protocols, setting up of the institutions for the management of the regional integration agenda, the translation of integration goals in national plans, the implementation of agreed programs, and the harmonization and unification of national legal systems.

The second component refers to the process of domestication of the regional integration agenda, which means introducing “a certain way of thinking and acting into the mainstream and to let it develop into a natural behaviour in order to penetrate and lead to change of mentality in the mainstream”. The regional perspective should be integrated in all areas, programs and activities of the national institutions in such a way that it should no longer be considered an issue reserved to high level committees (Head of State, Ministers, Senior officials) but should become part of the national concern in the society, public and private sector institutions and a duty to all the community and its citizens.

“Mainstreaming SADC Regional Integration Agenda into National Development Plans” is not merely including the SADC issues in documents to satisfy a mandate, but actually considering what SADC regional integration agenda issues are, prioritizing them, formulating, implementing and monitoring adequate policies and structural reforms needed, and setting up core institutional responsibilities.

Regional integration initiatives do require a large degree of public management and implementation at the national level. Without an absolute commitment to implementation at the national level, there can be little progress at the sub-regional level.

If member States proclaim a strong political commitment for integration, then they should demonstrate it at the national level through serious measures and actions to implement and be seen to implement REC decisions. In this context, member States are expected to ensure efficient coordination between the objectives and instruments of regional integration and national economic policy making, and speedily ratify and implement decisions, agreed protocols and instruments in a timely manner. .

These are among some of the key responsibilities of member States participating in regional integration initiatives to ensure the success of these initiatives. However, owing to a variety of problems including capacity deficits, and resource constraints such responsibilities are not always fulfilled. While some progress is being made and opportunities exist in member States of SADC to mainstream RI into their national development plans, several and serious challenges exist that are to a large extent responsible for slowing the overall RI process.

Mainstreaming RI in NDPs is defined as integrating RI/development linkages into national development planning processes and their outputs, such as Poverty Reduction Strategy Papers (PRSPs), Millennium Development Goal (MDG) strategies, and collective peace and security. It involves establishing the links between economic and social development and RI, and identifying the policies and programmes to bring about better pro-poor growth. It is targeted at influencing national plans, budget processes, sector strategies and local level implementation — reflecting the need to integrate the valuable contribution of RI to improved livelihoods, increased economic security and income opportunities, especially for the poor.

The overall aim is to establish enduring institutional processes within government, from national to local levels, and within the wider stakeholder community, to domesticate RI, focusing on the government bodies responsible for implementation and strengthening the roles of such bodies and of non-governmental actors.

Broadly speaking, a RI arrangement is a preferential (and usually reciprocal) agreement (or mechanism or scheme) among a group or groups of countries involving the reduction or elimination of barriers to economic and non-economic transactions and interactions. Such arrangements are primarily differentiated by how discrimination is applied to non-members and by the depth and breadth of integration stipulated.

1.4 THE CHALLENGES OF MAINSTREAMING REGIONAL INTEGRATION IN NATIONAL DEVELOPMENT PLANS

A key challenge in RI is the low implementation of integration arrangements by African countries arising from lack of the necessary institutional mechanisms for achieving their objectives. This is often evident in inconsistencies between national legislation and integration commitments and in the absence of strong enforcement mechanisms.

Mainstreaming RI at the national level can also be hampered by a variety of national-level problems, including limited implementation of treaties; lack of coordinating bodies; failure to pay full contributions, failure to implement treaties and protocols; limited participation of civil society organizations (CSOs); giving priority to national projects vis-à-vis integration projects; and taking unilateral decisions without consulting RECs. Overcoming these challenges can help enhance the efficiency and effectiveness of RI institutions.

The efficiency and effectiveness of institutions at the national level can also be compromised if:

- The rights and duties of member States are not clearly defined in treaties
- The structure and objectives of the integration arrangement do not reflect the specific conditions of the member countries
- Regional-level decision-makers are not accountable to the people who are expected to benefit from integration arrangements
- There is no body that is responsible for monitoring and evaluating the progress of member States and their RECs towards their ultimate objectives
- There are no sanctions against those member States who fail to implement signed treaties and protocols, or who deliberately delay implementation of protocols.

2. MAINSTREAMING REGIONAL INTEGRATION IN NATIONAL DEVELOPMENT PLANS AND PROGRAMMES: A SUGGESTED FRAMEWORK

Based on experience to date, successful domestication of RI requires a programmatic approach, adapted to national circumstances. This framework seeks to address this need as follows:

First, it presents the importance of RI within the member States of RECs ("Why RI should be domesticated"). It outlines key reasons why RI should not be placed on the periphery of development thinking and planning - the "growth and equity" debate¹ by deepening the understanding of National Development Plan-RI linkages and the importance for socio-economic development.

Second, it examines the extent to which RI has been domesticated in SADC member states and elsewhere in Africa.

Third, it examines the national policy-making process in order to identify potential entry points for mainstreaming RI in NDPs including national budget priorities. Thus, the Frameworks presents "how RI can be domesticated"

Finally, the resulting frameworks allows us to identify capacity gaps in domesticating RI and how to build these capacities for this process.

This framework has five phases (which are listed from page 10 to 29) and there is typically a cluster of tasks needed for each phase—for which a range of analytic or process tools can be utilized. The initial steps are focused on identifying the key national development-RI linkages as well as the relevant governance and institutional factors that affect policy and planning decision-making. From the outset, the focus needs to be on engagement with the finance and planning agencies responsible for economic development policy, "making the case" in the policy-making process on the basis of the contribution of RI to socio-economic development. It is also vital to understand the relevant government, donor and civil society processes that shape how development priorities are set and which institutional actors have the key roles and may be willing to "champion" domestication of RI. Combining these, the mainstreaming process can start with raising awareness, stimulating stakeholder engagement and focusing on the key entry points into the economic development planning process.

RI affects growth through interregional technology diffusion symbolized by knowledge spillovers generated at home and spreading to the partner countries. Spillovers flow from the leader to the follower. Following integration, the lagging country has access to a bigger stock of knowledge that fosters an increase in its rate of growth and extends the diversity of its products. Trade in goods - or in FDI - and flows of ideas are two faces of the same coin. We show that the progressive decrease in transaction costs through the phasing out of barriers to trade together with product imitation can foster growth and convergence in the member countries.

¹ *That growth is necessary but not sufficient. Growth can only be sustained when all parts of society contribute to, participate in, and benefit from growth. Hence, equitable growth contributes to human development and in turn human development contributes to growth and to equity.*

Phase 1: MAKING THE CASE: UNDERSTANDING NATIONAL DEVELOPMENT (ND)-RI LINKAGES AND THE IMPORTANCE FOR SOCIO-ECONOMIC DEVELOPMENT.

Understanding the ND-RI linkages and their importance for socio-economic development requires preliminary assessments of the policy and ND-RI context, including the related institutional and capacity development needs. In addition, this knowledge needs to be shared through awareness-raising and partnership building, by “making the case”.

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>1.1 Preliminary assessments: the policy processes</p> <ul style="list-style-type: none"> <i>Institutional and governance context:</i> Undertake an assessment of the political and governance factors affecting national policy making and the positioning of ND-RI issues within government, including the capacity of RI and planning agencies and influence of RI stakeholders. <i>National development, sector and local strategy processes:</i> Fully take stock of the existing country situation—including national RI policy and planning exercises, as well as the existing National Planning process. <i>Key policy making process steps and entry points:</i> Map out the expected steps in the national planning process, such as a Public Expenditure Review, a PRSP or MDG strategy or a Medium Term Expenditure Framework (MTEF) and identify opportunities for influencing participants to consider RI-NDP linkages. Identify best available entry point into the planning process, such as redrafting of PRSP, a Public Expenditure Review or launch of a national consultation process. <i>Stakeholders and “champions”:</i> Explore options for engaging with stakeholders and with planning processes through government or donor “champion” motivated to influence the process. 	<p>Public Expenditure Review, PRSP, MDG strategy Medium Term Expenditure Framework (MTEF)</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce SADC, COMESA NGOs, CSOs, Donor Agencies, Partners and Stakeholders and “champions” understood and documented for mainstreaming RI in National Development Plans</p>	<p>Institutional and governance context National development, sector and local strategy processes; Key policy making process steps and entry points</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>1.2 Preliminary assessments: the ND-RI linkages</p> <ul style="list-style-type: none"> <i>RI process:</i> Fully take stock of the existing country situation - including previous RI analytical work. <i>ND-RI linkages and trends</i> – review of relevant plans and policies: Ensure the diagnosis of key ND-RI linkages is aligned with key poverty reduction and growth priorities – such as agriculture, water and sanitation, energy, tourism, etc. 	<p>Public Expenditure Review, PRSP, MDG strategy Medium Term Expenditure Framework (MTEF)</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce SADC, COMESA NGOs, CSOs, Donor Agencies, Partners including ECA, AfDB</p>	<p>Previous and existing RI process and ND-RI linkages understood and documented</p>
<p>1.3 Preliminary assessments: the economic contribution of RI</p> <ul style="list-style-type: none"> <i>Contribution of RI to economic development and pro-poor growth:</i> Undertake an analysis of key contributions of RI to trade, poverty reduction, growth, peace and security, making full use of existing studies and evidence. Commission additional studies targeted at key RI milestones and potential areas of economic contribution. Ensure studies deliver robust evidence framed in terms relevant to economic planning. 	<p>National Vision/ Strategy, Development Plan</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce SADC, COMESA NGOs, CSOs, Donor Agencies, Partners including ECA, AfDB</p>	<p>Cost benefit analysis of RI understood, documented and publicized</p>
<p>1.4 Awareness-raising and partnership building</p> <ul style="list-style-type: none"> <i>Identify opportunities for effective awareness-raising and partnership building</i> aimed at policy makers and the wider public. Disseminate the results of the assessments, and develop media programmes (e.g. radio, television) targeted at various stakeholders. Organize field visits and exchange programmes for specific groups of stakeholders. Build national consensus and commitment 	<p>National Vision/ Strategy, Development Plan</p>	<p>Media Field visits and exchange programmes</p>	<p>Information on awareness- raising and partnership building on TI widely publicized, understood consensus reached by stakeholders</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>1.5 Institutional and capacity development</p> <ul style="list-style-type: none"> Assess institutional and capacity development needs with respect to domesticating RI: Take account of existing capacity assessments and RI focused at institutional strengthening programmes and if needed carry out preliminary institutional capacity assessment in order to target efforts to bring finance/ planning and RI agencies into an effective working relationship – focusing on understanding of ND-RI linkages and their importance to the economy, as well as the political and institutional process to be influenced. 	<p>Sector Plans</p> <p>Ministry Operational Plans</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce SADC, COMESA</p> <p>NGOs, CSOs, Donor Agencies, Partners including ECA, AFDB</p>	<p>Reports on status and gaps in capacity and plans on capacity building</p>

Phase 2 : ASSESSING THE STATUS OF DOMESTICATING REGIONAL INTEGRATION IN REGIONAL ECONOMIC COMMUNITIES

The success of RI in Africa depends on national and sub regional capacity. Weak national institutions seriously hamper effective cooperation and integration. Thus, national mechanisms for economic cooperation and integration need to be well equipped and structured to ensure that integration measures are effectively implemented.

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>2.1 Institutional setup and management of RI at the national level</p> <p>Even though most African countries belong to more than one REC, only a few have a ministry dedicated solely to RI. Most countries cite that the diverse scope of the integration agenda has compelled them to designate more than one Ministry to serve as RI focal points</p> <p>The Ministries of Foreign Affairs, Planning, Trade and Commerce, and Finance are the main ministries that assume the role of coordinating the integration agenda in a number of countries.</p> <p>In many African countries, RI does not go beyond signing treaties and protocols. The objectives of the treaties are not integrated at the right time or with the requisite commitment in NDPs or in the sectoral programmes of appropriate line ministries.</p> <p>The inability to translate REC goals into budgets and national plans can also be attributed to lack of commitment to integration. Similar constraints also confront the integrating of REC goals into national programmes. Thus, the institutional setup for achieving RI should be assessed.</p>	<p>Budgetary and Donor Allocations</p> <p>Public Expenditure Review,</p> <p>Medium Term Expenditure Framework (MTEF)</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce</p> <p>SADC, COMESA</p> <p>NGOs, CSOs,</p> <p>Donor Agencies, Partners including ECA, AFDB</p> <p>National SADC Committee</p>	<p>Reports on status, structure and operations of national RI institutions</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>2.2 Implementation record of agreed programmes</p> <p>While the institutional setting for integration at the multilateral level is important, as primary stakeholders, the member countries have an important role to play in ensuring that commonly agreed policies are implemented at the national level. The implementation record of elements of agreed trade policies at the national level varies, but overall a lot remains to be done. For example, in a number of instances, only a few countries have reduced tariffs to levels agreed to by their RECs. Several countries are still implementing tariff reductions that are supposed to have been completed long ago—an indication of a lagging integration agenda slowed by inaction at the national level. There are also huge problems in removing non-tariff barriers—major impediments to increasing intra-African trade.</p> <p>However, more progress has been made in harmonizing customs documentation and nomenclature, with many countries completing the required alignment of customs procedures and documentation with REC norms.</p> <p>There is also some progress on the movement of people across borders within RECs. Many countries have abolished entry visas for all or some REC members, or do grant visas with the same duration of stay for citizens from member countries. Thus assessment of implementation of agreed programmes be regularly undertaken.</p>	<p>SADC and COMESA Summit and other meetings</p> <p>SADC and COMESA Protocols and Reports, other relevant documents</p> <p>National SADC Committees</p>	<p>National SADC Committee</p> <p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce</p> <p>SADC, COMESA NGOs, CSOs, Donor Agencies, Partners including ECA, AfDB</p>	<p>Ratified Protocols and Agreed Plans</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>2.3 Involve Legislative processes in integration matters</p> <p>RECs have protocols that lay out practical steps for implementing their treaties. Because the treaties merely set out broad areas of agreement and general objectives, principles and commitments, to implementing instruments are needed. It slows the implementation of agreed programmes when members of a REC fail to sign or ratify a treaty or to submit a ratified treaty in a timely fashion. Delays in signing and ratification make it more difficult for RECs to make progress on their treaty provisions. For instance, many if not all trade liberalization schemes in Africa have been rescheduled.</p> <p>Countries use different mechanisms to ratify international agreements. In many African countries the legislature alone ratifies treaties and protocols. Because legislative timetables and agendas vary by country, ratifications under multiple memberships may be impossible to coordinate for these countries. Other countries either require both the parliament and the Head of State to ratify treaties and protocols or allow the cabinet alone to ratify protocols. Another problem in the ratification process is lack of expertise, often in translating treaties and protocols into national laws. The differential costs and benefits that accrue to member countries from particular protocols could also affect the speed of ratification. For example, small island countries have little interest in signing and implementing protocols on rail, road, or inland water transport.</p> <p>Past integration initiatives' failure to realize the expected gains from such protocols in a timely manner may explain overlapping membership and duplication, especially if countries join multiple RECs because some are seen to display greater competence and speed in some areas than others.</p> <p>These issues call for expediting ratification of protocols</p>	<p>Parliamentary Committees Cabinet meetings National SADC Committees</p>	<p>Heads of State National SADC Committees Parliament Heads of State Judiciary</p>	<p>Available capacity to interpret protocols Number of countries with Ratified Protocols</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>2.4 Fulfilling financial obligations to the RECs</p> <p>RECs usually depend on assessed contributions from their member countries for their operations. Many countries cite limited resources as the main reason for not honoring their assessed contributions fully and in time. In terms of the methods of assessing contributions, the method based on equal contributions appears to be the least popular. A number of countries support a method based on country GDP, denoting capacity to pay. Many RECs are compelled to turn to external sources of financing to supplement limited assessed contributions from member States. The financing gap is larger for countries belonging to more than one REC. So, unless integration institutions and programmes are rationalized, RECs will still struggle with ambitious mandates from their treaties and protocols that inevitably lead to an unhealthy financial situation.</p> <p>However, to gain a sounder financial footing, some RECs such as ECOWAS have explored self-financing mechanisms based on a levy on imports from third countries. COMESA has also established the COMESA Fund, which is yet to become fully operational. The prime objective of these self-financing initiatives is to make the economic integration process more financially solid and the RECs less dependent on member countries and external sources. The mechanisms aim to mobilize more substantial and regular resources to cover budgets of the secretariats, provide funds for compensating loss of revenue arising from trade liberalization programs, and financing regional programs and projects, etc. Therefore, governments and RECs should ensure reliability of financing RI.</p>	<p>SADC and COMESA Summit and other meetings</p> <p>Budgetary and Donor Allocations</p> <p>Public Expenditure Review,</p> <p>Medium Term Expenditure Framework (MTEF)</p>	<p>National SADC Committee</p> <p>Ministries of: Regional Integration; Foreign Affairs;</p> <p>Economic Planning;</p> <p>Trade/Commerce</p> <p>SADC, COMESA NGOs, CSOs, Donor Agencies, Partners including ECA, AfDB</p>	<p>SADC Fund in operation</p> <p>Contributions to SADC operations timely and fully paid up</p> <p>Funds available for compensating loss of revenue and financing regional programmes.</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>2.5 Engage The private sector as a partner</p> <p>Before the economic reforms of the mid-1980s African governments and nongovernmental organizations drove RI initiatives. The private sector was not seen as a partner in development that could be relied on to foster economic growth. Today the role of the private sector in RI is growing. Because production is no longer predominantly the responsibility of governments, the private sector and nongovernmental institutions must implement the changes in production that stem from integration agreements.</p> <p>One area where the private sector can have a positive impact is political decision-making at the national and regional levels. A well-organized private sector can participate in policy formation, provide advice to governments, and lobby for continued implementation of positive reforms.</p> <p>By providing human and financial resources for regional projects, the private sector creates jobs, increases market size, and induces positive externalities, including technological spillovers.</p> <p>By removing the key constraints to increasing the size and efficiency of the private sector, RI facilitates the formation of larger markets through trade liberalization and harmonization and increases the potential scale of business and profit opportunities. Macroeconomic policy harmonization across most RECs reduces economic uncertainty and risk, stimulating private sector activity. The banking sector in some RECs can also benefit from increased competition and knowledge sharing, which creates a conducive environment for financial intermediation through efficient resource mobilization and allocation. Both of these outcomes benefit the private sector as well.</p> <p>In terms of promoting dialogue with the private sector, countries use a variety of mechanisms including periodic consultative meetings and seminars. Organization of trade fairs and study tours is also a common practice to stimulate private sector participation in the integration process</p>	<p>National SADC Committees</p> <p>SADC and COMESA Summit and other meetings</p> <p>Trade fairs, Study tours, Consultative meetings</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce</p> <p>NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AfDB</p>	<p>Private Sector on Board RI programmes, meetings</p> <p>Implementation of Public Private Partnership programmes /projects related to RI</p> <p>Trade fairs and study tours</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>2.6 Involving civil society in regional integration</p> <p>Democratizing regionalism is critical for African governments to build a popular base for RI. Governments and intergovernmental organizations so far have generally monopolized the dialogue on integration. Nonetheless, there is emerging recognition of the need to involve civil society in the process (e.g. African Union's June 2001 and 2002 meetings on civil society involvement in Africa's integration).</p> <p>Countries need to use trade fairs, seminars and training, and periodic meetings with civil society to discuss integration issues. National debates are not widely used, but debates in parliament are more common. An integration process that involves civil society stands a much better chance of success than one that is led by governments alone. Unless the people are aware of RI goals and activities and become interested in their success, the RI process will face difficulties in terms of ownership and public support.</p>	<p>Political meetings</p> <p>National SADC Committees</p> <p>SADC and COMESA Summit and other meetings</p>	<p>NGOs, CSOs, Donor Agencies, Partners including ECA, AfDB</p> <p>Cabinet</p>	<p>CSOs on board RI programmes, meetings</p> <p>National debates involving CSOs</p>

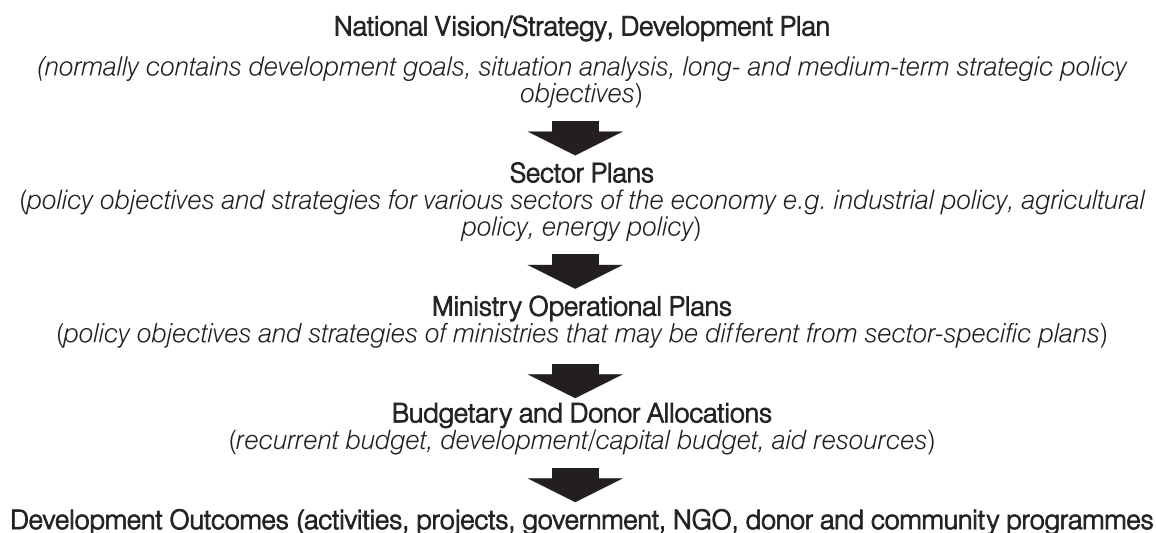
Phase 3: NATIONAL PLANNING PROCESS AND ENTRY POINTS FOR REGIONAL INTEGRATION

In all Member States there exists a hierarchy of national policies. Located at the apex of national policies, the national vision or strategy is a durable statement of intent formulated on the basis of nationwide consultations and consensus that is intended to inspire present and future generations. Hence, national visions should normally not be jettisoned by changes in government and are broadly stated to allow accommodation of changing economic circumstances.

National visions typically span a number of decades and provide a long-term perspective within which national short to medium-term plans are formulated. Where national visions exist, their medium-term policy vehicle is often the national development plan. In addition to the national plan, countries often single out sectors for which a sector-specific vision and core strategies might be warranted because of their strategic nature or because they present special challenges for development. At the operational level, ministries might also put in place action plans and detailed operational frameworks that establish the foundations to enhance and improve service delivery and programmatic implementation. The financing vehicle for all these levels of national policy, often by way of an annual budget cycle, are budgetary and donor allocations encompassing recurrent and capital components. At each of the policy levels, the policy process generates development outcomes in the form of activities and projects to be implemented either by government singly or jointly with other development actors, the private sector and civil society.

Generally, the linkages between the different levels of policy are as depicted in Figure 1. Each level of the national policy hierarchy offers an opportunity or entry point for incorporating RI into the formulation of the medium-term national developing plan and the national budget, these being the major entry points for RI mainstreaming. It is important to recognize that the existing linkages between the different policy levels might be weak, so that mainstreaming should ideally target all levels of policy formulation and implementation.

Figure 1: Linkages between Different levels of policy



Phase 4: ENGAGEMENT WITH THE NATIONAL DEVELOPMENT PROCESSES

Mainstreaming RI in NDPs involves direct engagement with the national economic development planning process in order to ensure RI is incorporated into the process and the outcome (such as PRSP or MDG strategy) in support of poverty reduction and socioeconomic development. This requires an alignment with the governance processes shaping policy and the tactical use of institutional measures such as sector working groups, stakeholder engagement and donor coordination—leading to identifying appropriate improvements to the resulting RI planning framework. These will include strategic and sector-specific targets, options for RI programmes in support of those targets and initial measures to incorporate RI in national development process.

An integrated framework of the RI agenda is built on five principles: it is country driven, it is comprehensive as it must include structural reforms, it is meant to be focused on medium long term strategies, it must be result oriented and coordinated with partners. The rational to integrate the framework into national development plan is that these are features shared with any development plan.

Mainstreaming RI requires country-specific evidence, sustained engagement with national development planning and policy processes – such as preparation of the PRSP or MDG strategy as well as institutional and capacity development.

ACTIVITIES		Entry Points	Responsible Institution	Indicators of Achievement
4.1	Sustained engagement with national development planning and policy processes	National Vision, Strategy + Sector Plans + Development Plan + Ministry Operational Plans	Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce	RI Cost Benefit Analysis + other economic analytical Reports
4.1.1	<i>Country-specific evidence</i>	Budgetary + Donor Allocations	NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AFDB	
	<ul style="list-style-type: none"> <i>Undertake country-specific studies on RI process:</i> Launch extensive analytical studies illustrating the contribution of RI to the national economy, such as cost-benefit analyses. Undertake country-specific economic analyses: Quantify the contribution of RI to the country's economy, through revenues, trade, job creation, and the direct use of the resources by the population. By demonstrating the multiple values of the RI, expressed in monetary and broader non-market terms, economic analyses provide evidence to persuade key decision makers that RI will help them achieve key development goals, such as wealth creation, poverty reduction, adaptation to global challenges, and other measures of human-well being. 	Public Expenditure Review, Medium Term Expenditure Framework (MTEF)		

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>4.1.2 Influencing policy processes</p> <ul style="list-style-type: none"> <i>Establish working mechanisms:</i> Put working arrangements in place that will contribute to the national planning process, such as thematic working groups, stakeholder meetings, donor coordination mechanisms, working paper preparation, liaison with the drafting team – helping the RI agency to engage effectively with the finance or planning ministry and with key sector ministries. Align the mainstreaming effort to the current government process: Government processes such as the preparation of a Public Expenditure Review, a PRSP or an MDG Strategies can be effective entry points in mainstreaming RI. Assess the timetable, steps in the process, role of key actors, intended outputs and how they will be used. Domestication of RI should be targeted so as to achieve appropriate influence. <i>Use integrated assessment methods (e.g. Cost Benefit Analysis):</i> Apply assessment methodologies, to determine the priority to socio-economic goals of ND-RI linkages, the cost-effectiveness of the implementation strategies and the sustainability or coherence of sector programmes. <i>Identify systemic and sectoral priorities:</i> Integrate ND-RI linkages into the socio-economic development strategies such as PRSPs and MDGs, identifying the priority RI activities to be included in the implementation plan – including sector specific as well as systemic strategies that contribute to the overall goals of poverty reduction and growth. <i>Set targets:</i> Ensure that ND-RI linkages and their contribution to PRSP or MDG goals are translated into specific targets that are included in the plan or document. <i>Integrate RI into sectoral and local strategy processes:</i> Establish relationships with the key sector and local agencies in order to raise their awareness of the ND-RI linkages of greatest priority to their sector and how these should be reflected in the PRSP, MDG Strategy, sector or local policy. 	<p>National Vision, Strategy + Sector Plans + Development Plan + Ministry Operational Plans</p> <p>Budgetary + Donor Allocations</p> <p>Public Expenditure Review,</p> <p>Medium Term Expenditure Framework (MTEF)</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce</p> <p>NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AfDB</p>	<p>RI Cost-Benefit-Analysis + other economic analytical Reports</p> <p>Analytical Reports showing ND-RI linkages and their contribution to PRSP or MDG goals</p> <p>RI incorporated into sectoral and local strategy processes</p> <p>Priorities and targets for ND-RI incorporated in Sectoral Plans</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
4.1.3 Policy interventions and programme development <ul style="list-style-type: none"> • <i>Develop implementation strategies:</i> Identify the implementation measures of greatest value to socio-economic development including the PRSP or MDG process, free movement of people etc. • <i>Develop policy reforms:</i> Elaborate policy-level measures designed to create incentives for achieving improved ND-RI outcomes including legislation, fiscal measures, protocols and other instruments aimed at encouraging fast tracking of RI process. • <i>Develop and budget for systemic and sectoral interventions:</i> Design programmes to be implemented by RI or sectoral agencies and local bodies. 	<p>National Vision, Strategy + Sector Plans + Development Plan +</p> <p>Ministry Operational Plans</p> <p>Budgetary + Donor Allocations</p> <p>Public Expenditure Review,</p> <p>Medium Term Expenditure Framework (MTEF)</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/</p> <p>Commerce, Immigration</p> <p>NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AFDB</p>	<p>New Policies which reflect ND-RI linkages in Development strategies e.g. PRSP, MDG process</p> <p>Timely implementation of RI milestones programmes</p> <p>Budgets for implementation of RI programmes</p>
4.1.4 Institutional and capacity development <ul style="list-style-type: none"> • <i>Develop tactical capacity building:</i> Target agencies with continuing responsibility for ensuring RI measures are taken forward once the planning process is complete. • <i>Develop demonstration projects:</i> Illustrate on the ground the contribution of RI to the economy while strengthening the institutions and the national capacity. 	<p>National Vision, Strategy + Sector Plans + Development Plan + Ministry Operational Plans</p> <p>Budgetary + Donor Allocations</p> <p>Public Expenditure Review,</p> <p>Medium Term Expenditure Framework (MTEF)</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce</p> <p>SADC, COMESA</p> <p>NGOs, CSOs, Donor Agencies, Partners including ECA, AFDB</p>	<p>Reports on status and gaps in capacity and plans on capacity building</p> <p>RI demonstration projects.</p>

Phase 5: BUILDING NATIONAL IMPLEMENTATION CAPACITY

This final, most sustained phase of domesticating RI is focused on developing capacity for government and civil society actors to follow through from successfully influencing the National development Plan process or similar planning framework to implementation. The implementation options include budget decision making, launching sector strategies and programmes as well as local-level implementation initiatives. Also, capacity is needed for ensuring that RI investments in support of socio-economic development can be financed through domestic resource mobilization. A sustained effort is needed to embed an understanding of the key ND-RI linkages into future government decision making and implementation—with the involvement of planning and finance ministries as well as key sectoral agencies.

The success of Africa's integration agenda is primarily the responsibility of member States through the efforts of the RECs, national mobilization and support from partners. Member States need effective institutions both at the regional and national levels if they are to make significant headway in fulfilling their RI objectives, and thereby be more empowered to engage in an increasingly competitive global economy. RECs and their member States have to cope with ambitious mandates entrusted to them in their treaties and protocols. This requires strengthening their capabilities to plan, implement and manage their integration policies and programs both at the sub-regional and regional levels.

Effective mainstreaming of RI at the national level requires certain functional capacities including strong legal and institutional systems. These include capacities for:

- Policy development, forward planning and problem solving
- Harmonization of national laws and administrative rules with regional agreements and programs (either by replacement of national instruments with regional instruments or adoption of identical instruments for all partners)
- Control over implementation
- Monitoring, enforcement and feedback
- Public information, consultation, consensus building
- Resource mobilization

At the level of central administration of member States, the key capacity needs largely correspond to the areas indicated above. An appropriate degree of competencies in these areas is imperative to assure achievement of the RI goals agreed among the member States. In some situations, a process to readjust capacities in order to respond to these functional requirements is unavoidable. To this end, the conduct of needs assessment surveys of national machineries for implementing and following up on RI will be useful in order to identify institutional and human resource capacity gaps and appropriate reform and training programmes. The following are steps needed in building capacity for mainstreaming RI in NDPs.

ACTIVITIES		Entry Points	Responsible Institution	Indicators of Achievement
5.1	Policy development, forward planning and problem solving The first key function for member states is to ratify the protocols once they are approved by the summit. Ratification normally requires the assent of the parliament of the relevant member state.	National Vision, Strategy + Sector Plans + Development Plan + Ministry	Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce,	New Policies which reflect ND-RI linkages in Development

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>Member states have to set up the key institutions required for implementation of the RI agenda. These should be instituted as high-level and high-profile policy-making and consultative bodies, with the express mandate to guide domestic implementation processes, developing policies, planning and efficient control processes. As to composition, they should consist of the most senior public officials and financial institutions, CEOs, as well as selected representatives of private sector financial institutions.</p> <p>Build capacity: member states should deliberately and systematically build human resources that will allow them to participate with confidence in an integrated regional economy. This will take time, but will not happen without planning and the allocation of resources.</p> <p>Statistical agencies: the agencies within member states that collect and collate economic and financial information will certainly play a significant role in the implementation of the RI agenda. In particular, they will have to be involved with the setting and application of regional information standards.</p>	<p>Operational Plans Budgetary + Donor Allocations</p> <p>Public Expenditure Review, Medium Term Expenditure Framework (MTEF)</p>	<p>Immigration NGOs, CSOs,</p> <p>Private Sector, Donor Agencies, Partners including ECA, AFDB</p>	<p>strategies e.g. PRSP, MDG process</p> <p>Key institutions required for implementation of RI capacity development strategy</p> <p>Timely implementation of RI milestones /programmes</p> <p>Statistical Agencies strengthened and providing regional statistics and information standards</p>
<p>5.2 Harmonization of national laws and administrative rules with regional agreements and programs (either by replacement of national instruments with regional instruments or adoption of identical instruments for all partners)</p> <p>The first step here is to consider the objectives of the various protocols, the obligations imposed on member States and the institutions, processes and resources that would be necessary to implement the objectives. The implementation of the RI agenda requires massive regulatory changes so member States should prepare the research and policies necessary to underpin them.</p>	<p>Budgetary + Donor Allocations</p> <p>Public Expenditure Review, MTEF</p>	<p>Judiciary, Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce, Immigration</p>	<p>National laws and administrative rules harmonized with regional agreements and programs</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>However, opportunities to effect change will arise and these should be utilized. Member States should prepare the research and policies necessary to support regulatory change. An essential step on the way to reform is for member States to assess where they are in relation to key RI agenda objectives. At the very least this should entail participation in multilateral processes seeking to build SADC-wide information platform.</p>			
<p>5.3 Control over implementation</p> <p>Whereas the multilateral processes will coordinate, set standards and targets and assist the key implementation tasks upon which the eventual success of the integration agenda depend on how it will be performed at member state level. It is also at member state level where the highest risks of economic integration are present. At national level, a focal issue is the theoretical and practical treatment of sequencing economic reforms. It is necessary that regional technical teams are established to assist member States with implementing the agenda.</p>	<p>National Vision, Strategy + Sector Plans + Development Plan + Ministry Operational Plans</p>	<p>Judiciary, Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce, Immigration</p> <p>SADCNGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AFDB</p>	<p>Regional technical teams available to assist member States to implement RI agenda</p> <p>Political will and ownership of RI agenda</p>
<p>5.4 Monitoring, enforcement and feedback</p> <p>The ongoing monitoring and evaluation (M&E) of the agenda implementation should be a core SADC Secretariat function. Member States should be required to report to the Integrated Committee of Ministers regarding the implementation of the RI agenda on a regular basis. All member States must be present at the proceedings of the various multilateral processes, to participate in them, and to perform the national follow-up tasks agreed upon at the multilateral level. It is at these technical processes where key decisions are made, information exchanged and where member States get the opportunity to draw on regional resources.</p>	<p>National Vision, Strategy + Sector Plans + Development Plan + Ministry Operational Plans</p>	<p>SADC Secretariat</p> <p>SADC Ministerial Committee</p> <p>SADC National Committee</p>	<p>M&E evaluation reports reflecting implementation of agreed tasks</p> <p>Proceedings of Integrated Ministerial and SADC National Committees as well as multilateral level meetings</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>5.5 Public information, consultation, consensus building</p> <p>The RI agenda does not deal with one particular public function. It involves various public and private functions cutting across various public institutions and private sector bodies. These need to be coordinated at member State level. In addition, member States need to assess how the implementation of the protocols is likely to affect their economies and their social and political environment. Based on this they should develop a strategy on how to utilize the opportunities and mitigate risks.</p> <p>It is critical for member States to communicate much more proactively to the various stakeholders within their countries about the RI agenda. At the same time, they need to draw in the private sector. Private sector interests in especially the financial sector will be closely affected by the implementation of the economic protocols. Amongst others, the competitive environment in domestic economies is likely to change. Domestic industries and financial institutions should prepare themselves for this change</p>	<p>Media</p> <p>National SADC Committees</p> <p>SADC and COMESA Summit and other meetings</p> <p>Trade fairs, Study tours, Consultative meetings</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce</p> <p>NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AFDB, and other financial institutions</p>	<p>All stakeholders well informed of RI agenda and their role in it</p> <p>Strategies for RI using opportunities and mitigation measures in place</p>
<p>5.6 Resource mobilization</p> <p>It is important to undertake an assessment of the current ability of each member State to implement the various obligations imposed by the protocols and the agenda. An appropriate degree of competencies in these areas is imperative to assure achievement of the RI goals agreed among the member States. Most of the SADC member States do not have sufficient resources to fully fund their participation in the regional economic integration process. The failure to mobilize external resources or support from other member States will therefore retard the implementation agenda process. The facilitation and funding of training at regional level is already happening in various areas (trade, customs etc.)</p>	<p>Budgetary + Donor Allocations</p> <p>Public Expenditure Review,</p> <p>Medium Term Expenditure Framework (MTEF)</p> <p>Macro-economic, institutional, financial and monetary integration</p>	<p>Judiciary, Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce, Immigration</p> <p>SADC, NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AFDB</p>	<p>Adequate budget allocated for RI agenda</p> <p>RI milestones implemented as planned</p> <p>Macro-economic, institutional, financial and monetary integration indicators</p> <p>Developed and functional data collection and management.</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>This must be extended as the harmonization process picks up speed. The implementation of the RI agenda function requires proper funding. Without continuing resourcing, especially from donor agencies, the programmes of a number of the technical committees would grind to a halt.</p> <p>These capacities-building activities of the framework are further elaborated in a separate framework on mainstreaming the SADC RI agenda into university curricula.</p> <ul style="list-style-type: none"> • <i>Develop indicators:</i> Assess RI targets for macroeconomic, institutional, financial and monetary integration and strengthen capacity to use such indicators in the relevant bodies. • <i>Strengthen data collection and management:</i> ND-RI and other relevant indicators are only useful if underlying data are collected, processed, shared and stored in a sustained manner, allowing for monitoring of emerging issues, trends, and the impact of policy • <i>Integrate ND-RI indicators with existing monitoring systems:</i> Ensure that RI development and sectoral indicators are built into the poverty monitoring system, and collaborate closely with the statistics office and other relevant bodies. 	<p>National Statistics M&E</p>		<p>ND-RI indicators in M&E</p>
<p>5.7 Budgeting and financing for regional integration</p> <p><i>Engage in budgeting process:</i> Work with the relevant agencies which need to engage in the budgeting process, including Public Expenditure Reviews, to ensure the priority ND-RI measures with potential to deliver poverty reduction and growth are funded. Work with the finance ministry to improve their capacity to value the contribution of RI to socio-economic development and revenue.</p>	<p>Budgetary + Donor Allocations Public Expenditure Review, MTEF</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AFDB , and other financial institutions</p>	<p>Reports on Public Expenditure Reviews M&E reports reflecting budget, investment strategies and contribution of RI to public finance</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p><i>Develop a RI investment strategy and financing options</i> – including improving the domestic financial base for RI institutions: Strengthen capacity in RI, planning/finance and sectoral bodies to develop and implement financing strategies for RI investments, with particular attention on improving longer-term domestic resource mobilization for RI investments.</p> <p><i>Address the contribution of RI to public finances:</i> Strengthen capacity of RI, planning/finance and sectoral agencies to track and forecast the contribution of RI to public finances and how this can be improved, e.g. monitoring of RI process.</p>			
<p>5.8 Policy and programme implementation</p> <p>Collaborate with sectoral and local bodies to strengthen ND-RI implementation measures: Work with key sector and local agencies to build capacity to identify and mainstream ND-RI linkages within their work and take account of the value of RI sector-based strategies for poverty reduction and growth, e.g. through integrated economic-RI analysis.</p>	<p>National Vision, Strategy + Sector Plans + Development Plan + Ministry Operational Plans</p>	<p>Judiciary, Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce, Immigration</p> <p>SADC, NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AFDB</p>	<p>Reports on MDGs, Sectoral strategic actions, integrated economic-RI analysis and implementation of ND-RI programmes</p>
<p>5.9 Institutional and capacity development</p> <p><i>Incorporating ND-RI in government planning processes:</i> Build mechanisms for longer-term engagement between RI, finance/ planning and sectoral and local bodies to ensure an enduring incorporation of RI issues in planning, budgeting, sector programmes and local-level implementation.</p> <p><i>Prepare a capacity building strategy:</i> Develop a comprehensive capacity building strategy addressing longer-term capacity needs for assessments and analysis, mainstreaming RI into policy processes, policy interventions and programme</p>	<p>National Vision, Strategy + Sector Plans + Development Plan + Ministry Operational Plans</p> <p>Budgetary + Donor Allocations</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce</p> <p>NGOs, CSOs, Private Sector, Donor Agencies,</p>	<p>National, Sectoral and Multi-lateral Agency Reports</p> <p>National M&E reports</p> <p>High-level donor/ Government /Private Sector</p>

ACTIVITIES	Entry Points	Responsible Institution	Indicators of Achievement
<p>development, budgeting, financing, implementation and monitoring. Build on institutional and capacity development needs and experience gathered in previous phases.</p> <p><i>Make the capacity building strategy operational:</i> Adapt the strategy to the needs of the various governmental actors and other stakeholders. Organize workshops, on-the job training, and share best practices, case studies, and other tools.</p>	<p>Public Expenditure Review, MTEF</p>	<p>Partners including ECA, AFDB, and other financial institutions</p>	<p>Meeting/ Workshop reports</p> <p>ND-RI incorporated in government planning</p> <p>Capacity built and operational</p>
<p>5.10 Stakeholder engagement and in-country donor coordination</p> <p>Mainstreaming RI into national development planning requires the engagement of as many Stakeholders as possible both from the state (RI, finance and planning bodies, sector and local agencies, the statistics office, and the parliament) and non-governmental actors (academia, civil society, the private sector, the media, and the general public).</p> <p><i>Engage stakeholders:</i> Throughout the process, support stakeholder engagement, ensuring that the views of the poor are fully represented. Ensure that non-governmental actors have fair access to official processes and information – to enable them to engage in economic planning. Strengthen the capacity of these actors to influence and monitor investment in RI programmes.</p> <p><i>Ensure donor coordination:</i> Beginning with the early stage of the process, engage with in-country donors, through donor coordination mechanisms established to address assistance with PRSP or equivalent process and to coordinate support to the RI agenda. Build and embed support for domesticating RI in donor groups working on different sectors.</p>	<p>National Vision, Strategy + Sector Plans + Development Plan + Ministry Operational Plans</p> <p>Trade fairs, Study tours, Consultative meetings</p>	<p>Ministries of: Regional Integration; Foreign Affairs; Economic Planning; Trade/Commerce</p> <p>NGOs, CSOs, Private Sector, Donor Agencies, Partners including ECA, AFDB and other financial institutions</p>	<p>All stakeholders involved in RI process: finance and planning bodies, sector and local agencies, the statistics office, and the parliament) and non-governmental actors (academia, civil society, the private sector, the media, and the general public).</p> <p>Coordinating mechanism available and operational</p>

3. KEY PRINCIPLES OF COUNTRY LED REGIONAL INTEGRATION PROCESS

First and foremost, RI initiatives do require a large degree of public management and implementation at the national level. Without an absolute commitment to implementation at the national level, there can be little progress at the sub-regional level. Doing nothing or too little to implement agreed programs at the national level can severely hamper the integration agenda. The RECs, which constitute the building blocks for African integration, are as strong or as weak as the members that constitute them.

If member States proclaim a strong political commitment for integration, then they should demonstrate it at the national level through serious measures and actions to implement and be seen to implement REC decisions. In this context, member States are expected to ensure efficient coordination between RI objectives and instruments and national economic policy-making, and speedily ratify and implement decisions, agreed protocols and instruments in a timely manner. Member States also have other obligations to fulfil in terms of completing missing transport links attributed to the country as part of cross-border physical networks, adhering to agreed robust macro-economic policy convergence parameters, and encouraging or institutionalizing parliamentary and public debate on integration at the national level by developing a coherent national strategy to ensure that all groups—including civil society, the private sector, political parties, parliamentarians, and immigration and customs officials—are fully consulted and participate in formulating and implementing RI policies. These are some of the key responsibilities of member States participating in RI initiatives, to ensure their success. However, owing to a variety of problems including capacity deficits and resource constraints, such responsibilities are not always fulfilled.

Other principles of domesticating RI should involve consideration of the following:

- *Find the right entry point:* The key government agencies and other stakeholders need to come together around a strategic “entry-point” in the policy-making process – such as a PRSP review, the formation of a new PRSP or MDG-based national development strategy, or the start of the budget allocation process.
- *Find a “champion”:* Often, there needs to be a “champion” within the planning, finance, or RI agency who gives visibility to ND-RI issues and brings other government actors together in order to make a serious effort to domesticate RI tailored to the specific government machinery in the country.
- *Ensure the commitment of the planning or finance team:* Mainstreaming efforts need to be centred on the agency responsible for the PRSP or MDG strategy or on the finance ministry responsible for the budget process, both in terms of influencing the planning process and the sector and local-level implementation processes that follow.
- *Provide country-specific evidence:* Governments need to gather evidence of the contribution of RI to economic development and pro-poor growth in a manner relevant to the key goals and priorities of PRSPs or MDG strategies– thus, making the case for mainstreaming. It is critical to strengthen the national data collection, and analysis capacity.

- *Perform integrated policy appraisals:* Planning and finance agencies need to apply integrated policy appraisals to PRSP or MDG strategies, such as cost-benefit analysis, in order to incorporate RI systematically. Similarly, sectors need to carry out CBA and progress analysis of their key policies and strategies.
- *Engage key sector agencies:* To achieve a result which can be sustained beyond the planning document, it is crucial to engage with the key sectors whose programmes are important in addressing ND-RI concerns.
- *Consider the RI Ministry capacity:* Governments need to recognize that the capacity of the RI Ministry should be taken into account in deciding how best to focus mainstreaming efforts, as in many cases it may lack the experience or resources to address the contribution of RI to growth and poverty reduction.
- *Acknowledge the need for sustained support:* Governments, with support from donors, need to have a realistic view of the time frame and high transaction costs for effective mainstreaming and related capacity building in order to ensure follow through to budgeting and implementation.

CONCLUSIONS AND RECOMMENDATIONS

Up to now, the SADC integration process has focused on the economic aspects, paying less attention to legal and institutional components. In a sense, this is understandable as the primary objective of integrating the economies is to increase the citizen's welfare, which depends very much on how much each member State gains in term of economic efficiency. RI allows small economies to avoid the marginalization from the world economy, to overhaul the problems of small domestic markets and of concentration of exports in few products, and to quicken the process of industrialization and growth of the economy. In fact, considerable progress has been made in attaining reasonable levels of economic growth in the region. Most countries have recorded positive growth for five consecutive years. However, the level attained in economic growth falls short of the regional target set at 7.0 per cent for 2008. Real GDP increased on average by 5.9 per cent in 2007, virtually the same growth rate that was attained in 2006. As well, in terms of "trade creation", little has been achieved, as the majority of the exports of the countries, but for South Africa, are concentrated in a few products not relevant for other States of the region.

Nonetheless, economic integration does not necessarily secure an economic gain, as it can bring about market instability stemming from the structural adjustments needed for successful integration. Unlike national markets which tend to be supported by domestic regulatory and political institutions, regional markets are only "weakly embedded". To build a sound economic integration process, the economic integration must be accompanied by a regional monopolies authority, a regional lender of last resort, regional regulators, regional safety nets, and on the political side, an agreed form of democracy. Regional markets must rest on sound governance, otherwise the economic costs will overcome the benefits and the RI project will lose popular legitimacy, as an unstable economy will seldom gain the popular support. All these aspects affect member States as they call for deep changes in the economic, social, political, and legal structures

SADC member States consider the RI process a sound development strategy that will convey prosperity and allow poverty reduction, avoiding isolation. In the world economy, integrated markets are dominant and international institutions are more sensitive to the interest of these markets than to the specific interests of a single market.

To foster integration and turn it into the leverage for development, members States have to come out with clear mainstreaming strategies for domesticating the SADC RI agenda into the NDPs, as the key implementation tasks will be performed at member State level. SADC institutions can and will coordinate and assist member States in the RI implementation. The final result will depend mainly on the commitment of member States to the focal areas of theoretical and practical sharing of responsibilities and inclusion of all sectors of civil society in the process. Member States have to define the key functions that need to be performed at different levels of governance and the institutional capacity building needed to implement the RI agenda. Furthermore, the success of RI in all its aspects (legal, economic, political and institutional) will be facilitated if all sectors of the society are made aware of the objectives, processes, costs and benefits involved.

Among the matters that countries need to consider at the national level to demonstrate their commitment to implementing the agreed RI programmes at the national level are:

- Setting up integration ministries, relevant subnational structures and appointing a coordinator all with full powers and capacities to coordinate and to mobilize the society and enforce the country's responsibilities towards the REC integration agenda. Such responsibilities include:
 - Paying assessed contributions regularly and in full
 - Implementing agreed programmes on tariff and non-tariff reduction and on free movement in full and on schedule
 - Ratifying REC protocols without undue delay and fully implementing provisions contained therein
 - Completing missing transport links attributed to the country as part of cross-border physical networks
 - Adhering to agreed policy convergence parameters
 - Putting an end to conflicts
 - Respecting the OAU Charter on Human Rights and People Rights
 - Institutionalizing parliamentary and public debate on integration
 - Fully participating in all REC policy and technical meetings at the required levels
 - There will be a need for the country to set up a national task force including representatives from the private sector and civil society to map out a strategy to fulfil the above responsibilities and mobilize public support for its effective participation in the REC and AU integration processes.
 - The country also needs to take measures to adapt capacities for fulfilling its RI commitments at the national level in order to avoid the risk of capacity deficits, leading to ineffectiveness and inability to implement commonly agreed programmes.

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