

New Report on Assessing Regional Integration in Africa Features intra-African Trade at the ADB Annual Meetings.

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Addis Ababa, 08 June 2010 (ECA) - "Africa's ultimate development depends on the success of its regional integration efforts", according to United Nations Under Secretary General and ECA Executive Secretary Mr. Abdoulaye Jannet.

Mr. Jannet made the remark while launching the fourth Report on Assessing Regional Integration in Africa (ARIA IV) in Abidjan (Cote d'Ivoire).

The report, titled "Enhancing intra-African trade" was launched during the annual meetings of the African Development Bank (AfDB) as a side event organized under the umbrella of the Coalition for Dialogue on Africa (CoDA). The launch took the form of a high level policy discussion led by the Chair of the Board of CoDA and former President of Botswana, Mr. Festus Mogae. The Chairperson of the African Union Commission Mr. Jean Ping; and the President of the African Development Bank (AfDB) Mr. Donald Kaberuka; attended the launching ceremony.

In his statement, Mr. Mogae commended the high quality and the comprehensive nature of ARIA IV. He urged African countries to tap into the wealth of knowledge and information contained in the report to design policies that would increase trade among themselves.

According to ARIA IV, over 80 percent of Africa's total exports are still destined for Europe, Asia and America; and a comparable percentage of the continent's imports are also obtained from the same markets. ARIA IV concludes that a focus on regional integration is critical to accelerate the transformation of Africa's fragmented economies, expand markets and widen the economic space.

While addressing the CoDA Board members and other participants, Mr. Jannet expressed his concern with regard to the low level of intra-African trade.

"On average over the past decades, intra-African trade has hovered around 10-12 percent of Africa's total trade (while) "40% of North American trade is with other North American countries, and 63% of trade by countries in Western Europe is with other Western European nations."

He concluded that broad developments devoted by ARIA IV to trade facilitation show the imperative of cross border cooperation.

ARIA IV underscores that the poor state of trade related infrastructure is a major obstacle to intraregional trade. "The continental transport costs are among the highest in the world with those of landlocked countries accounting for up to 70% of the value of the exports", reads the report.

The low rate of Africa's road access is also in point. This rate is only 34 per cent compared with 50 per cent in other geographical zones.

ARIA IV therefore urges African countries to drastically improve the quality and quantity of physical infrastructure in order to lower the costs of doing business and increase competitiveness and the volumes of intraregional trade.

Background

ARIA is a biannual report jointly prepared by ECA, AUC and AfDB. The first Report ARIA I, published in May 2004 provided a comprehensive and holistic assessment of the status of regional integration in Africa. ARIA II, released in May 2006 examined the burning issue of the rationalization of the multiplicity of integration groupings and their attendant overlapping memberships. Published in 2008, ARIA III tackled the issue of macroeconomic policy convergence. ARIA IV was launched in Abidjan, Cote d'Ivoire May 24th.

Facilitating and enhancing the process of economic cooperation and integration in Africa is a core component of ECA's mandate. To fulfill this mandate, ECA has conducted several studies to identify constraints and other factors affecting the integration process and assist member countries in articulating and implementing progressive policies and strategies.

CoDA is a key independent forum that promotes dialogue and advocacy on issues of importance to Africa's development in the global context. Regional integration being a priority area of its engagements, CoDA Board has chosen to participate in the launch of ARIA IV to contribute to the on-going debate, advocate greater transboundary cooperation and also promote well-functioning

institutions of integration.

:: [Statement by Mr. Abdoulie Janneh](#), UN Under-Secretary-General and Executive Secretary of ECA

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