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Review of ECA's NEPAD and Regional Integration
Division (NRID) Work Programme and
Priorities for 2010-2011

Report on activities conducted in 2008-2009

Introduction

The overall objectives of the subprogramme during 2008-2009 were to promote effective economic cooperation among member States and to strengthen the process of regional integration in Africa through enhanced intra-African trade and physical integration, with particular emphasis on infrastructure and natural resources development in line with the vision of the African Union, and to support the implementation of the New Partnership for Africa's Development (NEPAD) through strategic coordination of United Nations system-wide contribution to the implementation and success of NEPAD.

In pursuing these objectives, the subprogramme team was expected to produce two major outcomes: strengthened national capacity for policymaking in the areas of intra-African trade for development and regional integration, and increased national capacity in adopting policies and implementing programmes for infrastructure and natural resources development.

To achieve these objectives and outcomes, the subprogramme sought to implement the key activities and outputs described below:

Promotion of Regional Integration

1. The team continues to provide major intellectual support to the process of Africa's integration, and the subprogramme serves as a "think tank" for analysing, clarifying and providing solutions to a variety of issues and challenges confronting this process through the flagship publication on *Assessment of Regional Integration in Africa*. The third edition of this publication (ARIA III), which was launched in November 2008, reviewed Africa's progress towards monetary and financial integration through the activities of the Regional Economic Communities (RECs). The fourth edition (ARIA IV) focuses on the theme of enhancing intra-African trade, given the fact that over several decades, intra-African trade has consistently remained low compared to the continent's trade with the outside world. This publication (due by end 2009) evokes and addresses a number of challenges confronting intra-African trade, including those in the areas of trade facilitation, infrastructure, payment systems, and the high cost of doing business. ARIA IV also highlights the issue of informal-sector trade and the gender dimensions of intra-African trade. The publication is expected to go a long way to help improve the quality and expand the volume of intra-African trade.

2. In enhancing trade facilitation to promote intra-African trade, the subprogramme team organized a regional workshop and a study tour on trade facilitation and intra-African trade for the Eastern and Southern African subregion in Walvis Bay, Namibia, in February 2009. An eclectic group of participants including representatives from RECs like the Common Market of Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC) and the Southern African Customs Union (SACU), Corridor Management Institutions and Associations like the Walvis Bay Corridor Group, Central Corridor, and port management authorities such as Namibia Port, Tanzania Port, Luanda Port, and the Port Management Association for Eastern and Southern Africa (PMAESA) participated in the workshop. The workshop boosted their knowledge on the multifarious trade facilitation challenges in the Eastern and Southern African subregion and trained them on how those challenges could be overcome through learning from experiences and best practices. The workshop also resulted in a Final Communiqué setting out a number of recommendations for action, including harmonization and implementation of transport and trade facilitation measures including transit charges, and the removal of tariff and non-tariff barriers.

3. In June 2008, the subprogramme team, in collaboration with the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) organized the African Regional Review Meeting of the Almaty Programme of Action (APoA) in Addis Ababa, Ethiopia. The meeting was held in the context of United Nations General Assembly [resolution A/Res.61/212](#) that called for a mid-term review of the APoA in 2008, to be preceded by regional and substantive preparations. Its objectives were to assess the progress made in establishing efficient transit transport systems on the continent and to agree on measures to galvanize global partnerships to assist African landlocked and transit developing countries to effectively implement the APoA. In so doing, the meeting provided a forum for member States and partners to take stock of progress in the implementation of the APoA and renew their commitment to action.

4. Under the subprogramme, a web-based Observatory on regional integration in Africa was set up to serve as a central source of information and knowledge about regional integration within the RECs and across Africa. It is a valuable source of knowledge sharing on experiences and best practices, which in turn contribute to better coordination and harmonization of policies and programmes across the RECs. The Observatory also serves as a public website which people can visit to acquaint themselves with the evolution of Africa's integration process, and become empowered as informed active participants in the process, rather than remain passive onlookers.

5. Direct support was provided to COMESA through the 2008-2009 multiyear programme under which, the subprogramme extended technical support to COMESA in the organization of two technical meetings of National Task Teams on regional trade policy and sensitive products in April 2009 in Swaziland. Through those technical meetings, COMESA member States reached consensus on a harmonized regional trade policy and sensitive product lists, paving the way for the successful launching of the COMESA Customs Union in Victoria Falls in June 2009.

Infrastructure, Transport and Natural Resources Development

6. The economic cooperation and regional integration subprogramme team initiated and undertook activities aimed at increasing national, sub-regional and regional capacity in adopting policies and implementing programmes for infrastructure and natural resources development with a view to promoting intra-regional trade and regional integration.

Transport sector

7. Besides the organization of the African Regional Review Meeting of APoA, indicated earlier, two workshops on transport issues were organized, namely:

- (i) The Regional workshop on "Fostering Implementation of NEPAD's Spatial Development Programme and The Role of PPPs in Boosting the Links between Natural Resources and Infrastructure Development" held in Johannesburg, South Africa in July 2008 with the participation of 52 experts and policy makers from African member countries; and
- (ii) An Annual meeting/workshop of the Transport Coordination Committee of the Regional Economic Communities (REC-TCC) convened within Phase II of the Sub-Saharan African Transport Policy (SSATP) Development Plan (2008-2011) in Addis Ababa, Ethiopia, in October 2008 with the participation of 27 experts among

them representatives of 14 RECs and African regional organizations involved in transport facilitation.

Energy sector

8. Within its energy planning activities, the subprogramme team organized the Forum on “Interconnections and Electricity Access for Sustainable Development” jointly with the United Nations Department for Economic and Social Affairs (UNDESA) in Addis Ababa, Ethiopia in September 2008. The Forum was organized as part of the implementation of the Development Account Project on “Capacity Building for Inter-regional Electricity Access and Supply in Africa”. The Forum was attended by 30 energy experts representing eight intergovernmental organizations (IGOs), RECs, River Basin Organizations (RBO)s and power pools) and four African countries. Three workshops specifically designed to build capacity of the East African Plant Pool (EAPP) and the Pool des etats de l’Afrique central (PEAC) in planning power grid interconnections and developing regional electricity markets were organized during 2009.

9. A study was also undertaken to review the implementation of the NEPAD Short-term Action Plan (STAP) for energy infrastructure. The study was designed to come up with action-oriented policy recommendations on how to increase REC and member-State capacities to meaningfully contribute to energy sector development. The draft report of the study was to be peer reviewed by a group of energy experts from selected member States, RECs and power pools in May 2009.

10. The subprogramme organized the Sixth Annual Meeting of UN-Energy/Africa (UNEA) in Dakar, Senegal on 15 April 2008 to discuss and adopt UNEA’s work plan for the period 2008-2009 and renew UNEA’s Bureau for another two-year term. The meeting was organized back-to-back with the International Conference on Renewable Energies in Africa.

11. A study on a self-financing mechanism for PEAC was launched as a means of addressing the difficulties of mobilizing contributions from member utilities to its operating budget. The idea was to consider introducing a levy on electricity sales as a means of securing sustainable funding for the operating budget of PEAC.

Water sector

12. To catalyze cooperation around water resources management and enhance regional integration in Africa, support was provided under the subprogramme to the AU Commission and the following RECs:

- The Economic Community of Central African States (ECCAS) in its quest to transform the existing CICOS (Commission International du Congo, Oubangui, Sangha) into a veritable RBO for the integrated water resources management (IWRM) of the Congo Basin; What kind of support was provided? ?????
- The countries of SADC on the implementation of the 2000 SADC Revised Protocol on the management of shared watercourses, as well as on meeting the twin MDG -targets of improved water supply and safe sanitation through the organization of a training seminar;

- The AU Commission in the preparation of documents for the 11th African Union Summit held in Sharm El Sheik, Egypt, on 1 and 2 July 2008. The main theme was on water and sanitation to mark the International Year of Sanitation, within the context of the ECA-coordinated UN-Water/Africa;

13. The African Water Information Clearing House (AWICH) designed to improve international cooperation based on ready access to sound data and information in the water resources sector continued to be maintained.

14. Upon request, advisory services were provided to RBOs like the Nile Basin Initiative on technical issues related to the equitable allocation of internationally shared water resources, assessment of downstream ecological flows and environmental impact assessment of planned water resources projects, and integrated water resources management, among other things. During the period under review, the Nile Basin Initiative, specifically requested an assessment of progress in the implementation of integrated water resources management plans in the Nile Basin countries, in line with the requirements of the 2002 World Summit on Sustainable Development (WSSD). Also provided under the subprogramme were technical inputs into international events organized around water issues, such as the G-77 Ministerial Forum on Water.

15. Within the framework of inter-divisional collaboration, technical support was provided to the finalization of the design of the FSSD programme on climate change, Climate Information for Development in Africa (ClimDev-Africa) Programme, a joint ECA-AUC-AfDB programme.

Natural resources development

16. Activities undertaken to promote natural resources development and management for sustainable development included key studies to assist ECA member countries in their effort to better manage their mineral wealth. Cases in point were: (i) Land Access and the Relationship Between Land and Mineral Rights Holders; (ii) Mineral Law & Policy Framework of Burkina Faso, Guinea, Mali and Senegal; (iii) Mining and Sustainable Development: Comparative Analysis of Bolivia, Chile, Peru, Zambia and Zimbabwe; and (iv) Overview of Principal Elements of the Regimes Governing Mineral Operations in Common Law of African Countries;

17. In collaboration with the United Nations Conference on Trade and Development (UNCTAD), a workshop was organized on “Comparative Analysis of the Taxation and Investment regimes in Africa” in Addis Ababa, Ethiopia on 4 and 5 September 2009.

18. Backstopping continued to be provided for meetings of the “International Study Group (ISG) to Review Africa’s Mining Regimes.” The ISG prepared a draft African Mining Vision 2050 for discussion and adoption by the First AU Conference of African Ministers Responsible for Mineral Resources Development that was held in Addis Ababa, Ethiopia from 13 to 17 October 2008.

19. In collaboration with the AU Commission, the meeting of the African Mining Partnership (AMP) was organized in Durban, South Africa on 2 and 3 February 2009 to discuss the African Mining Vision further, to fine-tune and to adopt its final version. The Vision provides a framework for the promotion of transparent, equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development in Africa.

20. Also provided was technical support to the Southern and Eastern Africa Mineral Centre (SEAMIC).

Challenges and Lessons learned

21. The subprogramme team had based the achievement of its objectives and expected outputs on the assumption of member-State commitment to honouring their obligations under the Constitutive Act of the African Union, and steady pursuit of institutional and policy reforms at national and REC levels. As it turned out, lack of political commitment to the implementation of adopted protocols and decisions often undermined progress in certain areas. For instance, since its adoption in 2000, the Yamoussoukro Decision on an African Air Transport Policy was still not fully operational.

22. The subprogramme continues to be confronted with a number of requests for assistance from IGOs, RECs, RBOs, power pools, and transport corridors, as well as from member States. A number of requests for collaborative activities also emanate from partners such as the AU Commission, NEPAD secretariat, the World Bank, UN-Energy/Africa and UN-Water/Africa. Given its limited staff, particularly in infrastructure, and natural resources management, the subprogramme does not always find it possible to meet those demands. Recent capacity-boosting efforts have yielded the recruitment of two regional advisers in natural and water resources management respectively, so expectedly the subprogramme should be able to meet future demand.

Priorities for the biennium 2010-2011:

SECTION 17: ECONOMIC COOPERATION AND REGIONAL INTEGRATION

Major Activities Planned for 2010-2011:

(a) Servicing of intergovernmental and expert bodies (RB):

Substantive servicing of committee meetings

- Seventh session of the Committee on Regional Cooperation and Integration

Parliamentary documentation

- Reports to the Committee on Regional Cooperation and Integration:
- Progress report on the implementation of the outcomes of the mid-term review of the Almaty Programme of Action;
- Progress achieved in intra-African trade;
- Implementation of regional integration and infrastructure and natural resources development policies and programmes

Ad hoc expert group meetings

- Supporting the establishment of inter-REC free trade areas
- Assessing Regional Integration in Africa (ARIA V)
- Moving the Africa Mining Vision forward
- Assistance to IGOs: Substantive servicing of the annual United Nations Water/Africa and United Nations Energy/Africa coordinating group meetings

(b) Other substantive activities (RB/XB):

Recurrent publications

- Fifth edition of the report on Assessing Regional Integration in Africa-ARIA V (*Preparatory Activities including data collection planned for 2010 towards publication in 2011*)
- Enhancing cross-border movements of factors of production (2011)

Non-recurrent publications

- Towards achieving the Africa Mining Vision (2010)
- Biofuels development in Africa: technology options and related policy and regulatory issues (2010)
- Harmonization of free trade areas regimes among the RECs (2010)
- Regional norms for the Trans -African Highway (2010)
- Compendium of best practices in utility regulation: towards energy policy harmonization (2011)

Technical material

- Maintenance of the Observatory on regional integration in Africa

Special events:

- African Road Safety Conference (2011)

Contribution to joint outputs

- Contribution to the implementation of the Africa Mining Vision (2010)
- Contribution to the implementation of the Africa Water Vision (2010)

(c) Technical cooperation (RB/XB)

Training courses, seminars and workshops

- Training course on contract negotiation for natural resource development (2010 and 2011)
- Workshop for corridor management agencies and other stakeholders on trade facilitation issues and the promotion of intra-African trade (2010)
- Workshop on the establishment of harmonized free trade area(FTA) regimes among the RECs (2011)
- Workshop on the design of Public-Private-Partnership (PPP) agreements on infrastructure (a recommendation of the African review meeting of APoA(2010 for French speaking countries and 2011 for English speaking countries)

Fellowships and grants

- Recruitment of three fellows/interns to support the work of ECA addressing regional integration issues, infrastructure and natural resources development

Field projects

- Towards the harmonization of mineral policies, laws, regulations, standards and codes: Support to the African Union and to RECs
- Implementation of the Sub-Saharan African Transport Policy Programme (SSATP)
- Mainstreaming road safety in national policies and development plans in Africa.