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**Executive Council
Eighth Ordinary Session
16 – 21 January 2006
Khartoum, SUDAN**

EX.CL/218 (VIII)

**REPORT OF THE COMMISSION ON THE RATIONALISATION
OF REGIONAL ECONOMIC COMMUNITIES (RECs)**

(for information)

**REPORT OF THE COMMISSION ON THE RATIONALISATION OF REGIONAL
ECONOMIC COMMUNITIES (RECs)**

1. This problem is one of the major preoccupations of the Commission. And rightly so. The economic integration of the Continent appears to be the unavoidable route, not only by which to remove Africa from its isolation, indeed from its marginalisation, but also the best way by which to integrate its economies into the world economy. However, the process of economic integration of the Continent is frustrating despite the political will of the Heads of State and Government, contained in the Sirte Declaration, to take all necessary measures to achieve this very important objective to significantly improve the daily lot of African populations.
2. The process of integration in Africa faces many obstacles, among which is the proliferation of RECs, pursuing, in most cases, the same objectives. These objectives are defined essentially around the following:
 - A free trade zone;
 - a customs union;
 - a common market;
 - a monetary union;
 - an economic and monetary union.

The problem is that it is a near-impossibility to achieve the above objectives by belonging to two RECs. Thus it is unrealistic to belong to two Customs Unions as well as to two Monetary Unions.

3. The acceleration of the integration process would be a matter of chance if an appropriate and lasting solution to the configuration of RECs, considered as the locomotive, indeed, the pillars of the Continent's integration, is not found. In other words, the economic integration of the Continent will be an illusion if the existing RECs are not rationalized. It should be recalled that there are eight (8) existing RECs recognized as such by the African Heads of State and Government. In their configuration, there is institutional disorder characterized by the superposition of some of them, or by the belonging of some States to more than one of them.
4. As a step to remedy the institutional disorder which characterizes the RECs, the Commission has initiated the process of rationalizing the RECs in fruitful partnership with the ECA. The process consists of identifying all the possible scenarios of configuration. In other words, the process consists of proposing to the decision-making organs of the AU, the optimal configuration for the achievement of integration objectives. Thus 2 or 3 scenarios which are chosen by African experts would be quantified, in terms of advantages and disadvantages by the use of cost-benefit analysis. In other words, these scenarios will be quantified in terms of benefits and losses to national budgets; which may help the Heads of State and Government to take the necessary political decisions.

5. The rationalization exercise, jointly conducted with the ECA, is in progress. From the 27-28 October 2005 in Accra (Ghana), a meeting of experts of West, North and Central Africa was held (see the attached report for information). A second meeting of South and East African countries will hold soon in Nairobi, Kenya. Following these meetings, experts of the Commission and the ECA will make a synopsis of the two reports which they will submit for examination to African Ministers in charge of integration matters during a meeting that will hold in March 2006. The report to be submitted to the Ministerial Meeting will contain quantitative results of studies on scenarios considered to be optimal. Once the Ministers examine and adopt the report, the Commission and the ECA will produce a circumstantial report to be submitted to the Heads of State and Governments in July 2006.

EX.CL/218 (VIII)
Annex

**Report of the Consultative Meeting on the Rationalization of
the Regional Economic Communities (RECs) for Central,
North and West African Regions**



**African Union
Commission**



**Economic
Commission for
Africa**

**Meeting of Experts on
the Rationalization of the Regional
Economic Communities (RECs)
Ghana, Accra
27-28 October 2005**

**Report of the Consultative Meeting on the Rationalization of the Regional
Economic Communities (RECs) for Central, North and West African
Regions**

I. Introduction

a) Opening Ceremony

1. The Consultative Meeting on the Rationalization of the Regional Economic Communities (RECs) for Central, North and West African Regions was held at La-Palm Royal Beach Hotel in Accra, Ghana, from 27 to 28 October 2005.

2. The meeting was declared open by Honourable Dr. Kofi Konadu Apraku, Minister of State for Regional Cooperation and NEPAD of the Republic of Ghana, who welcomed all participants and emphasised the importance of the rationalization of the RECs in the context of Africa's economic integration and development in the globalized world. The meeting was also addressed by Dr. Maxwell M. Mkwezalamba, AU Commissioner for Economic Affairs who stressed the urgent need to accelerate regional integration in order to realise the objectives of the African Union. On his part, the Representative of the Economic Commission for Africa (ECA), underlined the efforts deployed by his Organisation in order to contribute to the rationalization process of the RECs in the continent. The texts of these statements are attached to the report for reference.

3. The meeting was attended by Experts and Officials from the following Member States from Central, North and West African Regions: Burkina Faso, Egypt, The Gambia, Ghana, Guinea, Libya, Mali, Nigeria, Sierra Leone and Tunisia. The following RECs also attended the meeting: The Community of Saharan States (CEN-SAD) and the Economic Community of Central African States (ECCAS). The Global Coalition for Africa (GCA), the African Development Bank (ADB) and other regional and intergovernmental organizations as well as civil society organisations also attended the meeting. The List of Participants is attached to this report for reference.

b) Election of the Bureau

4. After consultations, the following Member States were elected to form the Bureau for the meeting:

Chairperson:	Ghana
Vice Chairperson:	Egypt
Rapporteur:	Sierra Leone

c) Adoption of the Agenda and Organization of Work

5. After an amendment on the order of presentations, the meeting adopted its Agenda as follows:

1. Opening Ceremony
 - Opening Statement by Dr. Maxwell M. Mkwezalamba, African Union Commissioner for Economic Affairs
 - Introductory Remarks by the Representative of ECA
 - Address by Honourable Dr. Kofi Konadu Apraku, Minister of State for Regional Cooperation and NEPAD of the Republic of Ghana
2. Election of the Bureau
3. Adoption of the Agenda and Organization of Work
4. Rationalization of the RECs: Proposed Measures
5. The case for Rationalization of the RECs
6. General Framework of Rationalization of the Regional Economic Communities
7. Scenarios for Rationalization of RECs
8. The Way Forward
9. Adoption of the Report
10. Closing Remarks

6. The meeting agreed on the following working hours:

Morning: From 09:00 hrs. to 13:00 hrs.

Afternoon: From 14:00 hrs. to 18:00 hrs.

II. Presentation by UNECA: *An overview of the case for rationalization*

Summary

7. The meaning of Regional Economic Communities (RECs) rationalization needs to be seen in the context of the ultimate objective of the Abuja Treaty establishing an African Economic Community (AEC). The Abuja Treaty breaks the continent into five regional communities: Northern Africa, Western Africa, Central Africa, Eastern Africa and Southern Africa. These RECs are meant to be building blocks of the future continental common market.

8. However, instead of five regional communities, the ECA noted that there are at least fourteen economic communities within the geographical space of Africa. With the exception of the Economic Community of West African States (ECOWAS), none of them falls within the framework defined by the Abuja Treaty. Furthermore, within each of the five regional spaces, there exist many organizations with integration and/or economic bias. Thus in West Africa, ECOWAS cohabits with West African Economic and Monetary Union (UEMOA), Mano River Union (MRU) and now CEN-SAD. In Central Africa, ECCAS covers the Central African Economic and Monetary Community (CEMAC) and Economic Community of Great Lakes Countries (CEPGL) spaces. In Southern Africa, Southern African Development Community (SADC), Southern African Customs Union (SACU) and Indian Ocean Commission (IOC) now share the essential part of their integration spaces among themselves and with the Common Market for Eastern and Southern Africa (COMESA) which, in turn, extends over the whole of Eastern Africa, some states of Northern Africa and Central Africa.

9. RECs rationalization therefore implies addressing the splintering of the regional spaces, overlapping institutions, efforts duplication, resources dispersion and quarrels over legitimacy arising from the existing multiple treaties of the RECs and Sub-Regional Economic Communities (SRECs). In effective terms, rationalization means addressing the considerable constraints impinging on the RECs ability to generate and channel a sustainable collective effort towards Africa's integration.

10. Two extreme definitions of the rationalization process are proposed: the strong and weak forms of rationalization as end points of a continuum along which different models of rationalization configuration could be perceived. The strong form of rationalization involves the absorption and mergers of the existing RECs and SRECs so as to synchronize them with the five regional communities proposed under the Abuja Treaty. This requires major political decisions including ceding of sovereignty at the highest levels. The weak form of rationalization is defined as the absorption and mergers of the programmes of the RECs. This weak form supposes that each of the cooperation and/or integration organizations maintain the entirety of its current mandates and objectives. Rationalization would then be undertaken through the standardization and harmonization of strategies, programmes, sectoral projects and cooperation instruments of the institutions operating in each region.

Discussions

11. The Representative of the African Association of Universities (AAU) underlined the importance of the study on rationalization arguing that existing integration organisations do not operate within the realities on the ground. He agreed on the need of coordination at continental level, and specifically at the AU level, but wondered what instruments and measures would be put in place to make this coordination effective. Regarding the expected results, he recommended that once those instruments and measures were established, rationalization would require that redundant institutions be eliminated to leave only those that have the required technical capacity and which would operate on the basis of the principles of subsidiarity and specialization.

12. During the debate, participants noted that efforts had been made on integration but results were far from being satisfactory. The need for coordination at regional level before tackling the issue at continental level was emphasized. The question of rationalization measures was noted as critical. Participants also stressed the need for Member States to pay-up their contributions to the budgets of the RECs to enable them to fulfill their mandates.

13. It was expressed that there was need for a cost-benefit analysis by each Member State in belonging to multiple RECs.

14. In addition, participants noted the need to take into consideration other studies on rationalization of RECs that were undertaken in the past, and to factor in current developments such as the New Partnership for Africa's Development (NEPAD). Moreover, they emphasized that there was a broad range of issues that explain why countries belong to several RECs and stressed the need to distinguish between regional cooperation and regional integration.

15. Other issues that were raised included the need to clarify the modalities for rationalization in relation particularly to the specific mandate of each REC, since the RECs do not necessarily have the same mandates and therefore should not be grouped in the same category. The importance of taking into consideration the agreements that have been signed with parties outside the continent such as the European Union (EU) was also pointed out.

16. Reacting on the coordination mechanisms, the AU Commissioner for Economic Affairs indicated that a draft Protocol on Relations between the RECs and the AUC in which appropriate coordination mechanisms have been provided was ready for signing by the parties. In particular, two coordination meetings with RECs are envisaged annually to share and exchange information on joint programmes and activities. Furthermore, the AU provides support to RECs although it is limited by budgetary constraints. He clarified that the AU recognized 8 RECs while the Study of the ECA refers to 14 RECs.

III. Presentation by Global Coalition for Africa: Rationalization of Regional Integration, Institutions: Proposed Measures

Summary

17. African countries have a longstanding aspiration to establish a continent-wide political and economic union. As articulated in the Abuja Treaty establishing the African Economic Community and reaffirmed in the Constitutive Act of the African Union, the process involves the formation and strengthening of RECs.

18. A number of RECs and sub-RECs have been organized in the various regions of Africa. However, it is now recognized that there are too many regional integration institutions, with the resultant overlap of membership and duplication of mandates.

19. The Global Coalition for Africa (GCA) has studied the issue of rationalization. Recently, the GCA deployed missions of eminent persons focusing on this problem to West Africa, and Eastern and Southern Africa. The GCA's analyses, including the work of the eminent persons, leads to the following conclusions:

- i. Key stakeholders, including the private sector, should be more closely consulted, involved and mobilized in support of regional integration;
- ii. To achieve a unified and streamlined integration structure in each region, detailed and political-level organs as well as the secretariats of integration institutions should take systematic rationalization measures. Relatively more progress has been made in West Africa in this regard, but even there, more efforts need to be exerted;and
- iii. The convening of regional summits and the establishment of political-level implementation mechanisms would ensure the early launch of credible rationalization programs in each region.

20. Complimenting this presentation, one GCA Eminent Person indicated that the rationale of the process was not to abolish the existing Inter-Governmental Organizations (IGOs) but rather to ensure better harmonization and coordination of programmes and activities. He intimated that peace and security were a priority in that no development could be achieved without them. He also stressed the need to enhance integrating infrastructures, productive capacity and access to markets and to promote better exploitation of African arable land and

maximization of value addition to African agricultural products. This, therefore, calls for rationalization of RECs to make them more responsive to these needs in the global economy.

III. Presentation by UNECA: *General Framework of the Rationalization of the Regional Economic Communities*

Summary

21. The paper proposes scenarios that could be used by the African leadership to attain their wish of continental African economic union. The scenarios are described below.

a) Managing the Status Quo

22. Under this approach, nothing is done and the 14 regional economic communities continue to exist in their current forms. It is a scenario that is not recommended. The consequence of taking this approach is that it would result in the breaking up of regional markets and amplify the formation of more regional economic groupings, with overlapping mandates and duplication of efforts. Adoption of this scenario entails policy coordination and that the deliberative organs and the AUC will have to provide guidance on the criteria, modalities, norms, instruments, and timeframes for the creation of the African Economic Community.

b) Rationalization by mergers and absorptions

23. This scenario would have the rationalization process synchronized with the Abuja Treaty that partitioned Africa into five regional communities: North Africa, West Africa, Central Africa, East Africa and Southern Africa. This scenario requires the merging of the existing inter-governmental institutions in each region, their deliberative organs and their programmes and projects. Five RECs foreseen under this rationalization framework in Africa are: North Africa Economic Community (NAEC), West Africa Economic Community (WAEC), Central Africa Economic Community (CAEC), East Africa Economic Community (EAEC) and the Southern Africa Economic Community (SAEC). The implementation of this scenario would be difficult due to the complexities of the laws governing IGOs. It also requires the careful management of the redeployment of employees, and the liquidation of the assets/liabilities of the IGOs. The benefit of pursuing this scenario is that it would radically eliminate the multiplicity of integration institutions on the continent as well as hasten Africa's integration agenda.

c) Rationalization around "rooted" communities

24. This scenario is based on the dual principle of one REC per region and only one REC per country. It calls for the creation of the regional communities according to common characteristics such as geography, ethnicity, language, sociology, historical bond and others. This approach would lead to the disappearance or re-definition of the objectives of the trans-regional communities. Moreover, geographical redeployment of all the institutions would have to be carried out, including the geo-institutional repositioning of several countries, and the replacement of the membership of several blocs with association agreements. This approach is also not very flexible and is complicated as existing treaties or conventions would have to be abrogated. It has legal, economic and operational ramifications and would be difficult to implement.

d) Rationalization by division of labour

25. This rationalization framework recognizes and accepts the existence of different regional economic communities. It also divides cooperation efforts into regional and sub-regional programmes, categorizing them according to the interests of the countries in the same region. The scenario suggests that the Abuja Treaty defined RECs focus on regional programmes such as the free movement of people and goods; trade; transit transport regulations; economic and trade data; monetary cooperation and payments; funding integration; and security and conflict prevention and management while the other inter-governmental organizations would focus on the programmes that are of concern to countries in their sub-regions such as agriculture; stock-farming and fisheries; industry; transport infrastructures (energy and environmental management); enhancement of human resources; and health, social and cultural affairs. Based on the manner in which tasks and responsibilities are apportioned, this scenario is very flexible and clarifies the extent of regional integration process, without committing countries to make major political or strategic choices. Its application does not require fundamental review of the treaties. What may be needed is an inter-institutional protocol, that would define the allocation of tasks and the establishment of regional coordination structure that would serve as the interlocutor of the African Union.

e) Rationalization through harmonization and coordination:

26. This framework maintains the existence of all the current RECs with their mandates and prerogatives intact. The rationalization process concerns itself with the harmonization and coordination of trade liberalization and macroeconomic convergence policies and criteria of the current regional economic blocs. In addition, the RECs would pursue common or joint programmes in energy and transport. Although this scenario seeks to harmonize all the policies, programmes and activities of the RECs, its implementation would

require a lot of resources and time. The coordination and harmonization process calls for the review of all existing protocols, treaties and agreements and the drafting of new ones.

Presentation by the African Development Bank: Rationalization Using Variable Geometry

27. The Representative of the African Development Bank (ADB) stressed the need for deeper integration in Africa and facilitation of the integration of the continent into the global economy with the involvement of the private sector and civil society. The Bank had prepared a Regional Assistance Strategy for some RECs, which put emphasis on building capacity of the RECs to operate effectively and efficiently. The Representative also made a proposal of a variable geometry approach, which would allow a gradual movement in integration from Free Trade Areas (FTAs) to Customs Unions (CUs).

28. The Board of ADB approved a formal policy on regional integration in 2000, which broadly aims at fostering economic cooperation and deepening integration of RECs, facilitating the integration of Africa into the global economy, and creating an environment for the private sector to become an engine of growth.

29. The ADB Official presented a critique of ECA's preferred option for rationalization of the RECs based on division of labour among existing institutions. He emphasized the need for deeper integration, which requires hard political choices by member countries and proposed the variable geometry option.

30. The Variable Geometry Approach proposed by the ADB Representative entails, the progressive movement from FTA to CU in each region, simultaneous promotion of deeper integration and economic cooperation through policy convergence and enhanced cooperation in the production and supply of Regional Public Goods, use of subsidiary principles to attenuate the fears of loss of sovereignty of African governments, and putting in place compensation mechanisms based on revenue sharing formula within Customs Unions.

IV. Presentation by the African Union Commission: Scenarios for the Rationalization of Regional Groupings for Economic Cooperation and Integration

Summary

31. In Africa, economic integration came into being at independence as an expression of the willingness of the African leaders to reduce the pervasive

effects of the repartitioning of the continent. Reasons, both political (the need for solidarity in the international fora) and economic (the small market of individual states) have compelled Governments to take initiatives in this field. This led to the creation of many political and economic intergovernmental institutions of cooperation and integration.

32. Africa now has eight (8) Regional Economic Communities whose main mission is to work towards the establishment the African Economic Community.

33. The tendency for the creation of several RECs has raised many questions as to whether this is the best approach towards the speeding-up of the integration process of the continent.

34. Some of these questions are: Is it possible to speed-up the process of integration of the continent in an environment where there are many RECs? Given that all of them have more or less the same objectives, is it possible for a country to belong to two or several RECs? Is the proliferation of these RECs compatible with their mandates?

35. The document presented by the AUC attempted to answer these concerns through the scenarios outlined below.

a) First Scenario: Focal Point Community

36. This scenario calls for harmonization in each region, as defined by the Abuja Treaty, on a common entity, which will be the focal point community. All the States of a given region will prepare and implement their policies in the fields of transport, communications, industry, agriculture, energy, education, science and technology, trade, money and finance; as well as in the fields of peacekeeping and security and defence. The other regional entities will then serve as technical or specialized institutions. In other words, these countries will be required to incorporate all their integration activities within one single community. This applies to activities related to the achievement of a single trade zone; customs union, common market, monetary unions and economic and monetary union. However, this scenario makes room for cooperation relations, which are outside the framework of the above-mentioned fields.

b) Second Scenario: Infinitely Variable

37. This scenario consists of leaving the integration and sub-regional groupings as they are. It means that they will keep their own identities and operate independently, but they would be headed by the most efficient group in terms of programme and project execution.

c) Third Scenario: The Status Quo

38. This scenario represents the present situation, which based on the political willingness of the AU Member States, embodies the fact that economic communities and groupings by virtue of Resolution CM/Res.464 (XXVI) of 1976 are considered as RECs and that economic and sub-regional entities, therefore, become their specialized organs or subsidiaries with which they will enter into cooperation relations or agreements.

d) Fourth Scenario: Sectoral Approach

39. This scenario suggests a sectoral approach where integration would be done in all development sectors and under the auspices of appropriate specific continental organs. It also recommends an immediate and direct sectoral integration, without going through intermediary steps.

40. The Representative of the African Economic Research Consortium (AERC), agreed with the paper presented that multiplicity of RECs reduce the efficiency of the continental integration process. Commenting on the present RECs' configuration, the discussant observed the following:

- i. The creation and configuration of RECs were made by political authorities without the involvement of the population whose interests had to be taken into account;
- ii. It is technically impossible for a country to belong to two Customs Unions (CUs). Therefore, countries have to make a political choice of a CU that best save their interests and gives legitimacy and sustainability to the CU;
- iii. The efficiency of a REC should be sustained by its capacity to improve the economic performance of its Member States. This performance will be based on strict observance of the integration rules, which need to be enforced by an appropriate regime of sanctions for defaulting Member States;
- iv. There is need for leadership in each rationalized REC. Such a leadership would be accorded to a country in the region which has demonstrated high political commitment and high level economic performance;
- v. The RECs being considered as building blocks of the AEC, need to be constructed around a clear definition of optimal integration zones, in terms of the number of countries per REC, the degree of readiness for each country

(convergence) to join the REC and the fate of existing RECs in the optimization process;

- vi. The first scenario seems to be the most appropriate. However, it requires a clear implementation road map and political will on the part of participating Member States, supported by efficient capacity building programmes. Once the pivotal REC has been agreed upon, the other intergovernmental institutions would assume the role of specialized agencies under the principle of subsidiarity; and
- vii. The role of development partners has to be taken into account as their intervention will equally require rationalization.

General Discussion

41. Participants emphasized the importance of speeding up the rationalization process, noting however, that this be done with caution taking into account the diversity of RECs and the level of development and vital interests of concerned Member States. In this regard, it is critical to clearly define the concept of REC. The fate of existing IGOs should also be carefully thought out in order to map out their future roles in the continent's development. Indeed, experience has shown that some smaller sub-regional organizations have been very effective and their contribution should be taken into account. To this end, participants stressed the importance of carrying out a cost-benefit analysis through institutional and management audits for all RECs and IGOs, which would inform the AU Summit in July 2006 on the way forward.

42. Participants noted the efforts being made towards the harmonization and coordination of programmes and activities of sub-regional organizations citing the examples of ECOWAS/UEMOA and ECCAS/CEMAC. They observed that these efforts must be emulated by other Regions so as to speed up the integration process. They also underscored the necessity of intensive consultations among RECs in different regions so as to reach better understanding of the rationalization process. In addition, participants noted the need to mobilize adequate internal financial resources to support the consultative process within the regions to avoid depending on external sources.

43. Some participants pointed out that the concept of anchor community was particularly relevant in sectors that require strong leadership such as peace and security and NEPAD, while others advocated a more cautious approach to this option. While recognizing the integration processes enshrined in the Abuja Treaty, the meeting also took note of the recent developments, which are also

shaping the integration process such as the recent consultations of the AU Summit in Sirte, Libya, in July 2005.

44. Participants called for the revitalization of the Joint AU/ECA/ADB Secretariat to assist in the coordination and harmonization of integration and the development efforts at the continental level. In this regard, the AU Commissioner for Economic Affairs assured the meeting of the AU commitment towards the revitalization of the Joint Secretariat and indicated that there would be a meeting between the three institutions in January 2006.

45. The meeting also recognized the impact of international negotiations /commitments on the rationalization process, for example, the Economic Partnership Agreements (EPAs) between African countries and European Union (EU).

46. Participants underlined the need to look at development integration as a basis for rationalization and this entails putting emphasis on infrastructure development in terms of transport and communications inter-linkages, power pools for energy supply, pooling efforts and enhancing productive capacity for rational and optimal exploitation of natural resources.

47. Finally, the meeting commended the organizers for the quality of the documents and presentations made and requested them to solicit written comments from Member States and regional organizations with a view to enriching the report.

Recommendations

48. **The meeting adopted the following recommendations:**

- i. **Reaffirming the definition** of a REC as per the Abuja Treaty;
- ii. **Recognizing the integration processes** enshrined in the Abuja Treaty, while taking into account the recent developments shaping the integration process such as the recent consultations of the AU Summit in Sirte, Libya in July 2005;
- iii. **Urging Member States** to accelerate the implementation of the Abuja Treaty bearing in mind the Sirte Declaration of 9/9/99 which recommend among others the reduction of the timetable for integration;
- iv. **Distinguishing between** regional cooperation and regional integration;

- v. **Clarifying the modalities** for rationalization since the RECs do not necessarily have the same mandates and therefore should not be grouped in the same category;
- vi. **Speeding up** the pace of rationalization with caution taking into account the diversity and peculiarities of RECs and the level of development and vital interests of concerned Member States;
- viii. **Conducting** a cost-benefit analysis through institutional and management audits for all RECs and IGOs, including capacity building needs, which would inform the AU Summit in July 2006 on the way forward;
- ix. **Developing** a time-bound rationalization action plan with measurable indicators of progress, emulating, for example, the ECOWAS/UEMOA action plan for harmonizing and coordinating their programmes and activities as well as the mechanisms to achieve them;
- x. **Defining** the anchor community to lead the integration process in key sectors that require strong leadership such as peace and security, and NEPAD;
- xi. **Mobilizing** adequate internal financial resources to support the consultative process within the regions to avoid depending on external sources;
- xii. **Revitalizing** the Joint AU/ECA/ADB Secretariat to assist in the coordination and harmonization of integration and the development efforts at the continental level;
- xiii. **Recognizing** the impact of international negotiations /commitments on the rationalization process, for example the Economic Partnership Agreements (EPAs) between African countries and European Union (EU); and
- xiv. **Underlining** the need to look at the developmental integration as a basis for rationalization with emphasis on infrastructure development in terms of transport and communications inter-linkages, power pools for energy supply, pooling efforts and enhancing productive capacity for rational and optimal exploitation of natural resources.

Adoption of the Report

49. After some amendments, the meeting adopted its report and recommendations.

Closing Remarks

50. In his closing remarks, the AU Commissioner for Economic Affairs expressed his appreciation for the excellent work carried out by the meeting of experts. He assured participants that the Commission will take all necessary measures to ensure a close follow up of the meeting's recommendations and expressed the hope that the rationalization process will be achieved as soon as possible.

51. In closing the meeting, the Chairperson thanked the participants for their invaluable contributions, which made the meeting a successful one. He wished to all participants happy journey home and declared the meeting closed.

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