## AFRICAN UNION الاتحاد الأفريقي



# UNION AFRICAINE UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone: 251-115-517 700

Fifth Conference of African Ministers In Charge of Integration (COMAI V) Meeting of Ministers September 8-9, 2011 Nairobi, Kenya

COMAI/ MIN/RPT (V)

**REPORT** 

### I. INTRODUCTION

1. The Fifth Session of the Conference of African Ministers in Charge of Integration (COMAI V) took place on 8 and 9 September 2011, in Nairobi, Kenya.

### II. ATTENDANCE

- 2. The following Member States were present: Algeria, Angola, Benin, Botswana, Burkina Faso, Cameroon, Chad, Congo, Côte d'Ivoire, Democratic Republic of Congo (DRC), Egypt, Equatorial Guinea, Eritrea, Ethiopia, The Gambia, Ghana, Guinea, Kenya, Lesotho, Liberia, Malawi, Mali, Mauritania, Mozambique, Niger, Nigeria, Rwanda, Senegal, Somalia, South Africa, South Sudan, Tanzania, Togo, Tunisia, Zambia and Zimbabwe.
- 3. The following RECs were present: the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Economic Community of Central African States (ECCAS), and the Intergovernmental Authority on Development (IGAD)
- 4. Also represented at the meeting were the United Nations Economic Commission for Africa (UNECA) and the World Bank.

### III. OPENING CEREMONY

Statement by H.E. Mr. Erastus Mwencha, Deputy Chairperson for the African Union Commission

- On behalf of the Chairperson of the AU Commission, H.E. Dr. Jean Ping, Mr. Erastus Mwencha, Deputy Chairperson of the AUC, welcomed Ministers and their delegates to the Conference. He thanked His Excellency President Mwai Kibaki, the Government and the People of Kenya for accepting to host the Conference. He stated that the recovery from the financial and economic crises is slow and most of Africa's economies have been adversely affected by the global recession, despite the initial optimism that the global financial system would have few spillover effects on the continent.
- 6. He said that the mechanisms through which the crisis affected Africa included a contraction in global trade and a related collapse in primary commodity exports, on which many countries are dependent. Additionally, foreign investment, overseas development assistance (ODA) and migrant worker remittances decreased significantly. He, therefore, noted that issues of sovereignty and financing and many others, as applied to the continent, require urgent solutions; if we are to accelerate Africa's integration agenda. He pointed out that financial self-sufficiency is key to sustaining the integration process. In this regard, he

commended ECOWAS and ECCAS for identifying innovative sources of financing for their integration activities and programmes. He emphasized the need to implement and adhere to agreed actions, to garner sufficient political will to make bold decisions on pertinent issues of self-sufficiency in financing.

- 7. He, therefore, pointed out that the theme of the Conference 'Integration and Sovereignty' was timely and invited the delegations to thoroughly reflect on the actions to be taken to accelerate the integration process, through effective implementation of decisions and legal instruments adopted to that effect. He also invited the delegations to propose any necessary actions to be taken to achieve our common goals, which are integration and development of our continent.
- 8. He informed the Conference about the progress made on alternative sources of financing the African Union through a High Level Panel of eminent personalities, which will submit its Interim Report to the next Ordinary Session of the Assembly scheduled for January 2012 in Addis Ababa, Ethiopia and the final report at the July 2012 AU Summit. Finally he informed the Conference of the theme of the January 2012 AU Summit- 'Boosting Intra-African Trade'.

Statement by H.E. Dr. Abdoulie Janneh UN Under-Secretary-General and Executive Secretary of ECA of United Nations Economic Commission for Africa (UNECA)

- 9. H.E Dr. Abdoulie Janneh expressed sincere appreciation and warm greetings to President Mwai Kibaki and the Government and People of Kenya for the warm hospitality and excellent facilities placed at the disposal of the delegates. He stated that regional integration is a necessity for Africa due to the benefits of a larger and more coherent economic space. Dr. Janneh said that Africa has long since realized the importance of regional integration as can be seen from the creation of Regional Economic Communities from as far back as the 1970s as well as the adoption of various instruments like the Lagos Plan of Action, the Abuja Treaty establishing the African Economic Community and most recently the Constitutive Act of the African Union.
- 10. Dr. Janneh also noted that progress is being made to fast-track regional integration in Africa This is evidenced by common policies and programmes spanning arrangements for trade liberalization, macroeconomic convergence, and monetary and financial integration, creation of regional power pools, river basin commissions, free movement of people and commitment to improving governance and ensuring conditions for peace and security in the continent. In the area of trade, he recalled that Ministers of Trade agreed to fast-track the establishment of a Continental Free Trade Area building on the landmark decision of EAC, COMESA, and SADC to come together to create a single Free Trade Area embracing 26 countries.

- 11. He said that intra-Africa trade remains abysmally low at about 10% compared to rates of up to 60% in Europe while the pace of movement towards FTAs remains uneven. Infrastructure deficits remain a major challenge with limited financing for regional projects while free movement of people across Regional Economic Communities is barely existent. He stressed that Africa should not be discouraged by this situation but realize that integration is an on-going process to which the continent should lend momentum, by continuing to debate on the nature of the integration that it wants while taking inspiration from other experiences and tackling existing and emerging challenges.
- 12. Referring to the theme of the conference which is "Integration and Sovereignty" he stressed that there is an inverse relationship between deeper regional integration and national sovereignty and that the ultimate objective of regional integration is to enable African countries to benefit from economies of scale, reduce transactions costs and use trade as an engine of growth and development. However, he said that this would require greater transboundary cooperation, joint projects and programmes for investment and trade facilitation, and adoption of common standards and codes.
- 13. He invited Member States to demonstrate political commitment to the MIP and provide maximum support to RECs and the AUC including giving them the required authority and resources to implement agreed programmes and projects. Finally, he drew the attention of the Conference on the imperatives of capacity building and the generation of predictable and sustainable funding for the attainment of integration.

Opening remarks by, H.E. Honourable Mr. Mwai Kibaki, President of the Republic of Kenya delivered on his behalf by the H.E. Honourable Mr. Stephen Kalonzo Musyoka, Vice President of Kenya and Minister of Home Affairs

- 14. The President acknowledged the good economic performance of Africa over the past decade, largely explained by pragmatic policies, hard work and regional integration efforts, and noted that projections show that the five fastest growing economies in the word in the next decade will be in Africa. He, therefore, encouraged Member States to take concrete steps to consolidate these gains and enhance the integration agenda as a means of attaining growth and development. This will require the adoption and implementation of practical recommendations that take into account socio-economic and political realities in the continent.
- 15. He furthermore welcomed initiatives geared towards enhancing the integration agenda, including the Minimum Integration Programme. He, however, reminded the Conference that integration is a process, which must be achieved gradually and in stages. He underscored the importance of variable geometry in the integration process, highlighting the different stages attained by different RECs.

He particularly noted the success of the EAC, COMESA and SADC Tripartite Arrangement which is a major boost to the continental integration agenda and he called upon other regions to emulate.

- 16. He stressed the need to identify political and social impediments to the integration process, discuss them in the spirit of mutual support and and recommend appropriate measures. He also encouraged Member States to take the necessary steps to accede to the relevant instruments such as those operationalising the three Financial Institutions and implement existing decisions, protocols and treaties.
- 17. In concluding he also underlined the need to enhance cooperation among African States without losing sight of the globalization phenomenon and to ensure maximum benefits are derived from our partnerships with the rest of the world with particular emphasis on the benefits of South-South cooperation.

### IV. COMPOSITION OF THE BUREAU

18. The meeting constituted its Bureau as follows:

i. Chairman: Kenya (East Africa)

ii. First Vice-Chairman: Cote d'Ivoire (West Africa)

iii. Second Vice-Chairman: Zimbabwe (Southern Africa)

iv. Third Vice-Chairman: Algeria (North Africa)

v. Rapporteur: Cameroon (Central Africa)

### V. ADOPTION OF THE AGENDA

- 19. The meeting adopted the following Agenda:
  - i. Opening Ceremony
  - ii. Election of the Bureau
  - iii. Adoption of the Agenda and Organization of Work
  - iv. Panel Discussion on the Theme of the Conference
  - v. Activity Report of the Outgoing Chairman of COMAI
  - vi. Consideration of the Report of the Meeting of Experts
  - vii. Any Other Business
  - viii. Adoption of the Report of the Meeting of Ministers
  - ix. Consideration and Adoption of the Draft Declaration of the Ministers
  - x. Date and Venue of the Next Session of the Conference, and
  - xi. Closing Ceremony

### VI. PROCEEDINGS

a) Presentations and Panel Discussion on the Theme of the Conference: 'Integration and Sovereignty'

Summary of presentation by Honourable Mr. Wycliffe Ambetsa Oparanya, Minister of State for Planning, National Development and Vision 2030, Kenya.

- 20. In his presentation, H.E. Mr. Wycliffe A. Oparanya, recalled that integration has been part of Africa's development strategy from the immediate post-independence period under the Organisation of African Unity (OAU), although the main focus of the OAU had been decolonization and political liberation of the Continent. He underscored that the choice of the theme for this year's Conference is premised on the fact that African Member States have regularly expressed a desire for stronger, deeper and a more accelerated form of integration, as articulated in the Abuja Treaty (1991) establishing the African Economic Community (AEC).
- 21. He recalled the slow pace of integration and invited Member States to make irrevocable commitments beyond rhetoric to accelerate the implementation of decisions and other legal instruments. He highlighted the issue of financing the integration process and underscored the need for countries to identify non-traditional financing sources to ensure sustainable funding of activities and programmes of the Union. Concerning the issue of rationalization, the Minister stressed the need for RECs that have not done so, to harmonise their activities and programmes while also emulating the experiences of the Tripartite Arrangement.
- 22. Finally, he emphasised that the management of regional public goods such as energy, water, environment, health need to be depoliticized and entrusted to supranational institutions at the regional and continental levels. Furthermore, he stressed that the core issue at stake is that African Member States cannot fully integrate without sacrificing aspects of their sovereignty for the common goal.

### Summary of presentation by H. E. Dr. Joram Biswaro

23. In his presentation, H. E. Dr. Joram Biswaro, noted that integration and sovereignty are interdependent and not mutually exclusive. He also observed that when countries decide to integrate they must be willing to cede some aspects of their sovereignty and abide by the contractual obligations that this involves. He emphasized that in this era of globalization Africa needs to make bold decisions to integrate in order to participate more effectively in the international arena and the global financial and trading system.

24. He highlighted the poor implementation of decisions, protocols and legal instruments hampering the integration process and identified a number of factors, which have given rise to this state of affairs. In addition, he stressed that the lack of infrastructure, poor information flow, limited linkages between agriculture and industry which are needed to add value to African raw materials, inadequate movement of factors of production especially people and goods are leading to low levels of intra-African trade. Lastly, he observed that the Tripartite Arrangement and its replication by other Communities could help address some of these challenges.

### Summary of the presentation by Dr. Adams Oloo

- 25. In his presentation, Dr. Oloo defined integration as the shifting of national activities to a new center, which is undertaken by sovereign nations as a sovereign act. In this regard, it is not that sovereign powers are being taken away but rather that the nations involved have agreed to cede some powers. He then went on to outline four imperatives/drivers of integration, which are the following: 'affection', 'gains/benefits', 'threats' and 'hegemonic power'.
- 26. With regard to 'affection', it is predicated on the principle that Africans belong together, love each other and cooperate on mutually agreed goals and objectives. Concerning the 'gains', it takes the view that countries enter into integration arrangements because of the expectation of economic gains and other benefits. However, if countries feel there are no benefits, they pull out. With the 'threats', it is premised on countries feeling that they have a common threat for which they pool their security efforts. The 'hegemonic power' imperative is based on one single hegemonic power forcing other states to join.
- 27. Dr. Oloo underscored the need for Member States to be clear on whether they want to cede some of their sovereignty in order to attain integration objectives. In this regard, he stressed the importance of countries enshrining in their constitutions integration objectives and in this respect involving people, parliaments and the judiciary with a view to buying into what can become legally binding decisions. Furthermore, the presenter observed that political will and political interest are not synonymous and that the latter is measurable.

### **Discussions**

28. During the discussion that ensued, the Conference appreciated the quality of the presentations and made several observations. It has, therefore, recognized that the process of integration is complicated but necessary, in light of the challenges of globalization. Furthermore, that the fear of dominance by larger States and the prospect of more responsibilities for those States need to be taken into account. It was also emphasized that artificial divisions and identities are undermining the pace of integration in Africa. In this regard, the Conference pointed out that

common threats such as hunger, poverty and climate change, should be a motivation for deeper and accelerated integration.

- 29. With respect to the issue of implementation of decisions and legal instruments, the Conference raised the issue of the possible need to enforce sanctions on Member States that do not comply with agreed actions, while also leaving a possibility for harsher penalties for countries that repeatedly do not comply. Furthermore, it was also stressed that to accelerate integration efforts must be focused on supporting Least Developed Countries (LDCs) to undertake structural reforms to graduate to middle-income status.
- 30. The Conference noted that integration and sovereignty are complementary to each other and that the integration process should proceed in a gradual and incremental manner. In this regard, emphasis should be put on the importance of laying the foundations of integration through strengthening the economy of Member States and building the necessary infrastructure, which plays an important role in the acceleration of the integration process.
- 31. The Conference stressed upon the need to focus more on the achievements and opportunities that have been registered so far in integration within the regions. In this regard, best practices and experiences occurring in the different regions need to be highlighted and shared so as to accelerate the implementation of the MIP. The Conference emphasized the importance of addressing linguistic barriers and promoting African languages to encourage integration. Finally, the Conference underscored the importance of developing multinational programmes and projects in areas such as water, energy, environment and health as well as focus on fighting cross-border pandemics such as HIV/AIDS, Ebola, rift valley fever and yellow fever.
- 32. The Conference also highlighted the importance of assisting Least Developed Countries improve their economies in the context of accelerating the integration process. In this regard, the Conference requested the Commission, in collaboration with UNCTAD and UNECA, to develop a sustainable and effective growth and development strategy to graduate countries from Least Developed Countries (LDCs) status

### Recommendations

- 33. After having discussed the theme, the Conference recommended the following:
  - 1) Integration and Sovereignty
  - a) Member States are called upon to reconsider the notion of sovereignty in the light of globalization realities that call for continental integration;

- b) Member States are invited to ensure the effective implementation of decisions and legal instruments adopted at the regional and continental levels;
- c) Member States, AUC, and RECs are called upon to promote African languages to encourage integration;
- d) Member States are also called upon to accelerate the integration process by empowering regional and continental institutions in specific fields in which there has been consensus and initiate, in this regard, actions to:
  - i) Encourage free movement of persons, goods, services and capital:
  - ii) Accelerate the ratification and effective implementation of the legal instruments adopted within the framework of the integration process; and
  - iii) Encourage intra-African partnerships.
- e) The Member States, the AUC and the RECs are called upon to develop multinational programmes and projects in areas such as water, energy, environment and health as well as focus on fighting cross-border pandemics such as HIV/AIDS, Ebola, rift valley fever and yellow fever; and
- f) The AUC and RECs are called upon to develop an effective policy harmonization and coordination framework.

### 2) Assistance to Least Developed Countries (LDCs)

The AU Commission, in collaboration with UNCTAD and UNECA, should develop a sustainable and effective growth and development strategy to graduate African countries from Least Developed Countries (LDCs) status

### b) Activity Report of the Outgoing Chairman of COMAI

34. The Activity Report of the Outgoing Chairman of COMAI, H.E. Mr. Louis Paul Motaze, Minister of Economy, Planning and Physical Development of Cameroon, was presented by H.E. Mrs. Ruth Tedebe, Secretary of State at the Ministry of Foreign Affairs and African Integration in Chad. In her presentation, she recalled all the activities carried out by the Member States, the AUC and the RECs as well as by the Stakeholders in conformity of recommendations of the Fourth Session of the Conference of African Ministers in charge of Integration.

### c) Consideration of the Report of the Meeting of Experts

35. The Conference considered the Report of the Meeting of Experts and made the following recommendations:

### Status of Integration in Africa:

- i. Member States are called upon to domesticate legal instruments and take into account regional and continental integration programmes and projects in their planning process;
- ii. Member States, are encouraged to include in their legislation a commitment in favour of the integration process;
- iii. Member States are encouraged to accelerate the removal of obstacles to free movement of persons, goods, capital and services across the continent;
- iv. The AUC should devote one of the twice-yearly AU Summits to economic development and integration;
- v. The RECs should make presentations on the implementation of their activities at all meetings of COMAI; and
- vi. The AU Commission should present a report on the status of integration during AU Summits and take into account the potential opportunities and benefits of integration.

# Implementation of Recommendations from the Fourth Conference of African Ministers in Charge of Integration (COMALIV)

- Member States are called upon to respond to the requests made by the AU Commission for information on the implementation of recommendations of COMAI:
- ii. The AU Commission should draw-up a list of outstanding recommendations that have not been implemented by Member States and send reminders to Member States through their Permanent Representatives to the AU Commission in Addis Ababa, Ethiopia;
- iii. The AU Commission should come up with a Pan-African Policy Framework on its partnerships by basing itself on the ongoing work which evaluates existing partnerships, defines the strategic interests of the Continent, reassesses all Africa's cooperation arrangements, and determines the costs, strategic gains and maximum benefits from its partnerships; and
- iv. Member States are called upon to designate focal points to work regularly with the AU Commission concerning the implementation of the decisions on integration.

### First MIP Action Plan

The AUC should expedite the submission of the revised MIP Action Plan for adoption to the AU Policy organs and develop a Follow-Up and Evaluation Mechanism of the Action Plan.

### Study on the Quantification of Scenarios on the Rationalization of the RECs

Other RECs are called upon to draw inspiration from the Tripartite Arrangement between EAC, COMESA and SADC and take advantage of the progress made in

the area of monetary integration by CEMAC and UEMOA; and

36. The Conference took note of the Study on the Quantification of Scenarios on the Rationalization of RECs.

### VII. ANY OTHER BUSINESS

37. Under this item no issue was raised.

### VIII. CONSIDERATION AND ADOPTION OF THE REPORT

38. The Conference adopted its report with amendments.

### IX. CONSIDERATION OF THE DRAFT MINISTERIAL DECLARATION

39. The Conference considered and adopted its Declaration.

### X. DATE AND VENUE OF THE NEXT SESSION OF THE CONFERENCE

40. The date and venue of the next Conference will be determined by the AU Commission after consultations with the Member States.

### XI. CLOSING CEREMONY

Tribute to the H.E. Dr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs

- 41. On behalf of the Conference, H.E. Honourable Wycliffe Oparanya, Minister of Planning, National Development and Vision 2010 of Kenya, paid a vibrant tribute to H.E. Dr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs, whose second term of office will be coming to an end in April 2012. Doing so, he indicated that it was indeed fitting and worthy to pay tribute to the Commissioner who was attending the Conference of Ministers in charge of Integration for the last time, for the remarkable work undertaken in the Department of Economic Affairs under his leadership, particularly matters pertaining, to regional integration, including amongst others:
  - i. The institutionalization and the organization of five COMAI Conferences;
  - ii. Elaboration of the roadmap for the process of realizing the African Central Bank; the African Investment Bank and the African Monetary Fund;
  - iii. The elaboration of the Minimum Integration Programme and its Implementation Plan for the first phase;

- iv. Upgrading of the Statistics Unit in his Department to that of a Division;
- v. Development of the Charter on Statistics and its implementation strategy;
- vi. Integration of NEPAD into the structures and processes of the Africa Union and the appointment of its Chief Executive Officer (CEO);
- vii. Enhancement of Africa's international cooperation in the framework of the G8 and G20:
- viii. Annual convening of the Congress of African Economists to reflect on key economic issues on the Continent;
- ix. Publications such as the 'African Integration Review' which gives an opportunity to African scholars and academicians to reflect on integration matters;
- x. Regular review of the status of implementation of MDGs in collaboration with Member States and other partners; and
- xi. Joint publication, with pan-African partners, of amongst others: Assessing Regional Integration in Africa (ARIA), the Economic Report on Africa (ERA); the African Statistical Year Book and Assessing the Progress of MDGs in Africa.
- 42. He pointed out the significant role played by Dr. Mkwezalamba in promoting a close working relationship between the African Union Commission and the RECs, as demonstrated with the twice yearly AU-REC-ECA-AfDB Coordinating Committee Meeting and the signing of a new protocol, revised in 2008, on relations between the AU and the RECs. He stressed, that these achievements are a clear manifestation of his commitment towards the attainment of Africa's development objectives and for this we are truly thankful. We wish our brother all the success in his future endeavours as a servant of the continent. We are also hopeful that the work, which he started, will be continued wherever he goes.

### Closing statement

- 43. H.E. Dr. Maxwell Mkwezalamba, AU Commissioner for Economic Affairs, on behalf of H.E Dr. Jean Ping, Chairperson of the AU Commission, in his closing remarks thanked the Government of Kenya for agreeing to host COMAI V as well as Member States for having honoured the invitation. He expressed his satisfaction for the quality and richness of the discussions that characterized the deliberations.
- 44. He indicated to the Conference that once the Recommendations are endorsed by the AU Heads of State and Government, it would result in significant strides in the implementation of the continent's integration and development agenda and thus contribute to the realization of the Abuja Treaty objectives as well as meeting the objectives of the African Union
- 45. He took this opportunity to invite the Member States, the RECs and other stakeholders to support the current ongoing efforts by the AU Commission to identify innovative sources of financing, underlining the limitations of the current

- system of funding the Union, which derives mainly from contributions from Member States and Development Partner.
- 46. Lastly, he thanked the Conference for the tribute paid to him and expressed his profound gratitude, to H.E Honourable Minister of State, Wycliffe Oparanya, his Permanent Secretary Dr. Edward Sambili as well as all staff of the Kenyan Ministry of Planning, National Development and Vision 2010 of Kenya for the efforts made to make the Conference a success.
- 47. Taking the floor, the Chair of the Conference expressed his gratitude to all the delegations for the frank and cordial atmosphere which characterized the deliberations and led to the success of the Conference. Following this, he delivered a statement on behalf of H.E Honourable Raila Odinga, EGH, MP, Prime Minister of the Republic of Kenya, who was unable to attend the Conference, The Prime Minister, appreciated the quality of the deliberations and the conclusion reached by the Conference, which he underlined had served as a platform to reflect on Africa's economic and political integration process. He invited the delegations to resolutely continue their efforts to realize the dream of a united and integrated Africa.
- 48. He acknowledged, in this respect, the lengthy discussions that took place on the theme of the Conference, which resulted in demystifying some of the fears related to integration and sovereignty and hoped that Member States now appreciate the need for sharing some aspects of their sovereignty with supranational bodies for common goals.
- 49. He furthermore underscored that Africa cannot remain isolated from the changes taking place in the World and that the recent global financial and economic crisis and the current sovereign debt crisis in Euro zone should serve as a motivation for African Union Member States' to strengthen and deepen their integration, taking advantage of the opportunities that can arise in terms of skills, expanded markets and the continent's population of 1 billion inhabitants. He said that Africa's population of about 1 billion inhabitants provides a good opportunity for larger markets for goods and services, development and exchange of skills which will be exploited for sustainable economic growth and development and that this is only possible if integration in the continent becomes a reality.
- 50. Before closing the Conference, he highlighted the need to develop a follow up and evaluation mechanism for the Minimum Integration Programme (MIP) in order to speed up the integration process and invited the Member States, the AU Commission and other stakeholders to exert efforts and make the necessary sacrifices to implement the MIP as well as the recommendations of COMAI V,

### XII. VOTE OF THANKS

- 51. A Vote of Thanks was delivered, on behalf of the Conference, by H.E. Dr. Badara Aliou Macalou, Minister of the Malians in the Diaspora and African Integration. The Minister expressed his gratitude and appreciation to H.E. President Mwai Kibaki, his Government and the hospitable people of Kenya for the quality of the reception accorded to all the delegations, the warm treatment received since their arrival in Kenya, as well as all the facilities put at their disposal, which had significantly contributed to the success of the Conference.
- 52. Finally, Minister Macalou expressed the willingness and determination of all the countries to do their utmost for the effective integration of our continent.

Specialized Technical and representational Agencies

Permanent Mission of the African Union in Brussels

2011-10-14

# Report and the Declaration of the Fifth Conference of African Ministers in charge of Integration (COMAI V) held in Nairobi, Kenya from 5 to 9 September 2011

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