# 16. Development: African Union and Region [149]

"We will continue to support the African Union and regional economic communities to fully implement their action plans, including the Minimum Integration Programme of the African Union."

- G8 Declaration: Renewed Commitment for Freedom and Democracy

#### **Assessment:**

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada		0	
France		0	
Germany			+1
Italy		0	
Japan		0	
Russia		0	
United Kingdom			+1
United States			+1
European Union			+1
Average Score		+0.44	

# **Background:**

At its outset in 1963, member states of the Organization of African Unity agreed to coordinate and cooperate in order to improve the quality of life of their peoples. This commitment has developed into a vision for an African Economic Community. This Community is expected to be established through Regional Economic Communities (RECs), and later through the Minimum Integration Program (MIP), which will co-ordinate the REC's harmonization program.

The MIP was established in order to achieve the objectives of the Abuja Treaty, and has since been elaborated on by the AU Commission. The Abuja Treaty, signed in Abuja, Nigeria on 3 June 1991, notes that this process was expected to take a period of 34-40 years and go through six stages. In 1999, however, the Sirte Declaration declared the need for a shorter timeline. This need was met with the creation of the African Union in 2002.

In July 2002, the African Union was charged with coordinating an accelerated integration program, later subsumed under the New Partnership for Africa's Development (NEPAD).

Although the RECs have similar integration programs under NEPAD, they have adopted individual approaches and goals according to their particular challenges. As a result, the RECs have had differing degrees of success in realizing this vision for an economic union.

<sup>&</sup>lt;sup>1889</sup> Minimum Integration Programme, African Union Commission, June/July 2010. Date of Access: 8 February 2012.

 $<sup>\</sup>frac{http://www.africaunion.org/root/ua/Annonces/2010/EA/MIP/MIP\%20Big\%20Doc\%20English\%20Version\%20Web.pdf$ 

<sup>&</sup>lt;sup>1890</sup> Minimum Integration Programme, African Union Commission, June/July 2010. Date of Access: 8 February 2012.

 $<sup>\</sup>frac{\text{http://www.africaunion.org/root/ua/Annonces/2010/EA/MIP/MIP\%20Big\%20Doc\%20English\%20Version\%20Web.pdf}{\text{\%20Web.pdf}}$ 

<sup>&</sup>lt;sup>1891</sup> Minimum Integration Programme, African Union Commission, June/July 2010. Date of Access: 8 February 2012.

The G8 continues to support these goals, reaffirming its commitment "to support the African Union and regional economic communities to fully implement their action plans, including the Minimum Integration Programme of the African Union", 1892 at the Deauville Summit of May 2011. To this end, the G8 has declared its support for increased coordination between the REC's and the AU, the implementation of trade corridors, and policy reforms for increasing regional trade and improving infrastructure through the implementation of the MIP. 1893

## **Commitment Features:**

For full compliance, member states must foster policies and strategies that support the MIP's main objectives, which are to: (1) bolster ongoing economic initiatives between the REC's and identify the measures likely to accelerate the integration in specific sectors or priority areas, (2) help the RECs to identify and implement the priority activities with a view to attaining the six integration stages defined in article 6 of the Abuja Treaty, and (3) develop and implement other support measures to facilitate the creation of a single market around the key sectors. 1894

The Abuja Treaty's six integration steps are: 1895

- 1. Strengthening of existing RECs as well as establishing them where they do not otherwise exist
- 2. Stabilizing Tariff Barriers and Non-Tariff Barriers, Customs Duties and internal taxes. Strengthening sectoral integration and encouraging coordination and harmonization.
- 3. Establishing a Free Trade Area through the gradual removal of Tariff Barriers and Non-Tariff Barriers
- 4. Coordination and harmonization of tariff and non-tariff systems among various RECs with a view to establishing a Customs Union
- 5. Establishment of an African Common Market, the adoption of common monetary, financial and fiscal policies
- 6. Consolidation and strengthening of the structure of the African Common Market

http://www.africaunion.org/root/ua/Annonces/2010/EA/MIP/MIP%20Big%20Doc%20English%20Version

<sup>%20</sup>Web.pdf
1892 G8/Africa Joint Declaration Shared Values, Shared Responsibilities (Deauville) 27 May 2011. Date of Access: 20 December 2011. http://www.g20-g8.com/g8-g20/g8/english/the-2011-summit/declarations-andreports/declarations/shared-values-shared-responsibilities-g8-africa.1320.html

<sup>1893</sup> G8/Africa Joint Declaration Shared Values, Shared Responsibilities (Deauville) 27 May 2011. Date of Access: 20 December 2011. http://www.g20-g8.com/g8-g20/g8/english/the-2011-summit/declarations-andreports/declarations/shared-values-shared-responsibilities-g8-africa.1320.html

<sup>&</sup>lt;sup>1894</sup> Minimum Integration Programme, African Union Commission, June/July 2010. Date of Access: 8 February 2012.

http://www.africaunion.org/root/ua/Annonces/2010/EA/MIP/MIP%20Big%20Doc%20English%20Version %20Web.pdf

<sup>1895</sup> Treaty Establishing the African Economic Community, Information Technology Centre for Africa (Abuja) 3 June 1991. Date of Access: 22 December 2011. http://www.uneca.org/itca/ariportal/abuja.htm

**Scoring Guidelines:** 

Scoring	Scoring Guidennes.		
-1	Member state has not supported the African Union or regional economic communities by adopting ANY policies aimed at: (1) fostering economic initiatives between the REC's, (2) helping African countries prioritize their activities with a view towards attaining economic integration as outlined in Article 6 of the Abuja Treaty, or (3) fostering the development of other support measures to facilitate the creation of a single market.		
0	Member state has supported the African Union and regional economic communities by adopting policies aimed at ONE or TWO of the following: (1) fostering the economic initiatives between the REC's,(2) helping African countries prioritize their activities with a view towards attaining economic integration as outlined in Article 6 of the Abuja Treaty, or (3) fostering the development of other support measures to facilitate the creation of a single market.		
+1	Member state has supported the African Union and regional economic communities by adopting policies aimed at EACH of the following: (1) fostering the economic initiatives between the REC's, (2) helping African countries prioritize their activities with a view towards attaining economic integration as outlined in Article 6 of the Abuja Treaty, and (3) fostering the development of other support measures to facilitate the creation of a single market.		

Lead Analyst: David Kepes

## Canada: 0

Canada has partially complied with its commitment to support the African Union and regional economic communities to fully implement their action plans, including the Minimum Integration Programme.

On 9 December 2011, Canada identified the World Trade Organization's (WTO) Aid for Trade (AFT) program as critical to achieving regional economic integration within Africa. This aligns with the objective of assisting African countries to prioritize their activities with a view towards attaining economic integration as outlined in Article 6 of the Abuja Treaty.

On 18 November 2011, Minister of International Cooperation Beverley J. Oda announced CAD200 million in funding towards 23 new projects spanning sectors including Child and Youth, Food Security, and Sustainable Economic Growth across the RECs. Minister Oda confirmed that seven of these projects are multi-country and aimed at increasing the capacity of African Regional Technical Centres, which could help bolster regional trade. Regional trade.

The Canadian International Development Agency (CIDA) has furthermore sustained engagement in programs geared towards trade policy reforms and sustainable growth in Africa. In 2008, CIDA had pledged to increase expenditures to the Enhanced Integrated Framework for Trade-

<sup>&</sup>lt;sup>1896</sup> 2011 Report of The Development Working Group, Government of Canada (Ottawa) 9 December 2011. Date of Access: 8 January 2012.

http://www.canadainternational.gc.ca/g20/summitsommet/2011/DWG\_20111104.aspx?view=d

<sup>&</sup>lt;sup>1897</sup>Canada announces new initiatives for Africa, Canadian International Development Agency (Ottawa) 18 November 2011. Date of Access: 8 January 2012. <a href="http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/HEL-1118135631-Q8D">http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/HEL-1118135631-Q8D</a>.

Table 1898 Canada announces new initiatives for Africa, Canadian International Development Agency (Ottawa) 18 November 2011. Date of Access: 8 January 2012. <a href="http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/HEL-1118135631-Q8D">http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/HEL-1118135631-Q8D</a>.

related Technical Assistance by CAD19.2 million over a 5 year period, until 2013. 1899 On 11 January 2012, CIDA reported that it was on track to meet this target. 1900

Canada has contributed to helping African countries prioritize their activities with a view towards attaining economic integration, and has supported increased capacity in multi-country infrastructure that can play a role in expediting regional economic integration. However, Canada has not implemented new measures directly addressing the six integration stages defined in article 6 of the Abuja Treaty, or made new contributions to existing trade-oriented programs. As such, Canada has been awarded a score of 0.

Analyst: Ceecee Lu

## France: 0

France has partially complied with its commitment to supporting regional economic integration within Africa.

On 7 July 2011, France's Development Agency (AFD) announced that it would contribute EUR350 million to fund 17 projects largely anchored in infrastructure and agriculture, 13 of which are located within Africa and which may contribute to reinvigorating regional economic growth and trade. 1901

On 12 September 2011, an AFD subsidiary announced that its Investment and Support Fund for Business in Africa (FISEA) had contributed to increasing investment capital to fund the Mombasa-Kampala rail line by USD70 million. 1902

On 15 December 2011, the AFD partnered with the United Nations Industrial Development Organization (UNIDO) to finance the initiatives of the African Agribusiness and Agro-industry Development Initiative (3AID). 1903 It was in the form of a EUR150,000 agreement aimed at bolstering wealth creation and food security. 1904

http://www.proparco.fr/site/proparco/cache/bypass/lang/en/Accueil PROPARCO/regionalwebsite/Proparco-afrique-

australe/ctnscroll ActualitesList/6 6?engineName=search&requestedCategories=tech news to ProparcoA friqueAustrale\$\$\$AfriqueCOAM\$\$\$MultiPays.

afd/communiques?cache=bypass&requestedYear=tech year 2011.

<sup>&</sup>lt;sup>1899</sup> MDG 8 – Develop a Global Partnership for Development, Canadian International Development Agency (Ottawa) 17 August 2011. Date of Access: 8 January 2012. http://www.acdi-cida.gc.ca/acdi-cida/ACDI-

CIDA.nsf/eng/JUD-1318137-HHX.

1900 Aid Effectiveness Agenda, Canadian International Development Agency (Ottawa) 11 January 2012. Date of Access: 8 February 2012. http://acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/FRA-825105226-KFT. <sup>1901</sup> Board of Directors Meeting: €350m pledged for developing countries, French Development Agency (Paris) 7 July 2011. Date of Access: 9 January 2012. http://www.afd.fr/cache/bypass/lang/en/home/presse-

afd/communiques/ctnscroll\_ActualitesList/6\_12?requestedYear=tech\_year\_2011.

1902 PROPARCO supports the rehabilitation of rail line Mombasa-Kampala, Proparco Group – French Development Agency (Paris) 12 September 2011. Date of Access: 9 January 2012.

AFD and United Nations Industrial Development Organization support African agribusiness and agroindustry development, France Development Agency (Paris) 15 December 2011. Date of Access: 9 January 2012. http://www.afd.fr/lang/en/home/pays/mediterranee-et-moyenorient/geo/turquie/jahia/Jahia/home/presse-

afd/communiques?cache=bypass&requestedYear=tech\_year\_2011.

1904 AFD and United Nations Industrial Development Organization support African agribusiness and agroindustry development, France Development Agency (Paris) 15 December 2011. Date of Access: 9 January 2012. http://www.afd.fr/lang/en/home/pays/mediterranee-et-movenorient/geo/turquie/jahia/Jahia/home/presse-

On 17 January 2012, PROPARCO, a financial institution owned by the AFD, announced a USD150,000 grant to Maris Capital Advisors through FISEA to help stabilize and rebuild post-conflict countries such as South Sudan, Kenya, Mozambique, Angola, Sierra Leone, Liberia and Zimbabwe. The focus will be on supporting the existence and growth of SMEs in those regions. Moreover, on 21 February 2012, PROPARCO announced a USD10 million loan to HFC Bank Ghana Limited to aid its growth strategies. 1906

France has invested in key sectors which will ensure the success of regional economic integration. However, it has not directly addressed the six stage creation process of an African common market or REC initiatives. As such, France is awarded a score of 0.

Analyst: Ceecee Lu

## Germany: +1

Germany has fully complied with its commitment to foster policies and strategies that support the Minimum Integration Programme's (MIP) main objectives.

In June 2011, Germany provided more than EUR1.8 billion in funding to the World Trade Organization (WTO)'s Aid for Trade. The German Aid for Trade strategy is geared towards helping developing African countries integrate into regional and international trade relations, particularly by improving export and supply capacity in the private and agricultural sectors. 1908

In November 2011, the German Federal Ministry for Economic Cooperation and Development (BMZ) launched the country's new development policy strategy "Minds for Change - Enhancing Opportunities." To promote development and private sector growth in Africa, Germany intends to invest in microfinance and in sound financial systems, and regards African countries with positive growth rates as "sources of impetus and inspiration for the entire region." Germany will also advise, finance, and support investment projects in small and medium sized enterprises while promoting an integrated approach to education for qualified local personnel. [911]

Proparco/News\_PROPARCO/ctnscroll\_ActualitesList/6\_12

 $\underline{http://www.bmz.de/en/publications/type\_of\_publication/special\_publications/Minds\_for\_Change.pdf.}$ 

<sup>&</sup>lt;sup>1905</sup> PROPARCO supports reconstruction of post-crisis sub-Saharan countries (France) 17 January 2012. Date of Access: 1 May 2012.

http://www.proparco.fr/cache/bypass/lang/en/Accueil PROPARCO/Publications-

Another operation for PROPARCO in the banking sector in Ghana 21 February 2012. Date of Access: 1 May 2012. http://www.proparco.fr/cache/bypass/lang/en/Accueil\_PROPARCO/Publications-Proparco/News PROPARCO/ctnscroll ActualitesList/6 6.

<sup>&</sup>lt;sup>1907</sup>Aid for Trade in German Developmental Policy, Federal Ministry for Economic Cooperation and Development. (Berlin) 2011. Date of Access: 3 January 2012.

http://www.bmz.de/en/publications/type\_of\_publication/strategies/Strategiepapier308\_07\_2011.pdf.

1908 Gudrun Kopp applauds progress on implementation of WTO Aid for Trade initiative, Federal Ministry

for Economic Cooperation and Development. (Berlin). 18 July 2011. Date of Access: 3 January 2012. <a href="http://www.bmz.de/en/press/aktuelleMeldungen/2011/July/20110726\_pm\_126\_venro/index.html">http://www.bmz.de/en/press/aktuelleMeldungen/2011/July/20110726\_pm\_126\_venro/index.html</a>

<sup>&</sup>lt;sup>1909</sup>Minds for Change-Enhancing Opportunities, Federal Ministry for Economic Cooperation and Development (Berlin) November 2011. Date of Access: 3 January 2012.

http://www.bmz.de/en/publications/type\_of\_publication/special\_publications/Minds\_for\_Change.pdf. Minds for Change-Enhancing Opportunities, Federal Ministry for Economic Cooperation and

Development (Berlin) November 2011. Date of Access: 3 January 2012. http://www.bmz.de/en/publications/type of publication/special publications/Minds for Change.pdf.

<sup>&</sup>lt;sup>1911</sup> Minds for Change-Enhancing Opportunities, Federal Ministry for Economic Cooperation and Development (Berlin) November 2011. Date of Access: 3 January 2012.

According to the Deutsche GesellschaftfürInternationaleZusammenarbeit (GIZ), the BMZ is also working to support the East African Community (EAC) integration process to expand and intensify economic integration. <sup>1912</sup> Germany played an important role in drawing up the EAC Development Strategy 2011-2016, as well as in creating a common market and common currency in East Africa.

In January 2012, German Development Minister Dirk Niebel sat down to talk with Somali Transitional Federal Government to focus on issues relating to shaping development cooperation between the two countries. Germany pledged EUR6.3 million for emergency relief projects, including EUR1.1 million for a food aid project in Banaadir, EUR3.0 million for the United Nations Food and Agriculture Organization (FAO), and a grant of 100,000 euros for the work of the SOS Children's Villages organization. <sup>1913</sup>

Furthermore, in January 2012, the BMZ adopted a ten point programme for Rural Development and Food Security. <sup>1914</sup> The ten point programme will contribute to economic development in Africa by contributing to eliminating subsidies, mainstreaming food security, encouraging responsible financial market investment, and supporting the development of private-sector initiative as well as the development of value chains in primarily rural region. <sup>1915</sup>

Germany is thus awarded a score of +1 for complying with its commitment to support the African Union and regional economic communities to fully implement their action plans, including the Minimum Integration Programme of the African Union.

Analyst: Ray Khan

## Italy: 0

Italy has partially complied with its commitment to foster policies and strategies supporting the MIPs main objectives.

On 20 June 2011, Italy reached a bilateral agreement in which Togo's debt to Italy, totaling EUR9.53 million, was cancelled. This strengthened Togo's position within global markets and increased its capacity to trade with other African Union nations.

On 28 November 2011, Italy pledged EUR73 million for projects in Tunisia aimed to promote and strengthen the business capacity of Small to Medium Enterprises. Such a pledge was met through the provision of a line of credit, which Italy declared a donation. <sup>1917</sup>

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http://www.bmz.de/en/zentrales\_downloadarchiv/themen\_und\_schwerpunkte/laendliche\_entwicklung/Tenpoint\_Programme\_for\_Rural\_Development.pdf

1916 Cooperation: Italy cancels Togo debt, Italian Ministry of Foreign Affairs, 20 June 2011. Date of access:

<sup>1916</sup>Cooperation: Italy cancels Togo debt, Italian Ministry of Foreign Affairs, 20 June 2011. Date of access: 9 January 2012.

 $\frac{http://www.esteri.it/MAE/EN/Sala\_Stampa/ArchivioNotizie/Approfondimenti/2011/06/20110620\_Coopera\_zioneTogo.htm.$ 

Support to the EAC integration process, Deutsche GesellschaftfürInternationaleZusammenarbeit (Eschborn). Date of Access: 2 January 2012. <a href="http://www.gtz.de/en/weltweit/afrika/35118.htm">http://www.gtz.de/en/weltweit/afrika/35118.htm</a>

1913 Dirk Niebel in Somalia for talks on development and security, Federal Ministry for Economic Cooperation and Development. (Mogadishu). 4 April 2012. Date of Access: 27 April 2012

<a href="http://www.bmz.de/en/press/aktuelleMeldungen/2012/April/20120401">http://www.bmz.de/en/press/aktuelleMeldungen/2012/April/20120401</a> pm 84 Somalia/index.html

1914 Food security requires stable, functioning agricultural markets, Federal Ministry for Economic Cooperation and Development. (Berlin). 24 April 2012. Date of Access: 27 April 2012.

<a href="http://www.bmz.de/en/press/aktuelleMeldungen/2012/April/20120424">http://www.bmz.de/en/press/aktuelleMeldungen/2012/April/20120424</a> pm 100 agrarmaerkte/index.html

1915 Ten-Point Programme for Rural Development and Food Security, Federal Ministry for Economic Cooperation and Development. January 2012. Date of Access: 27 April 2012.

<a href="http://www.bmz.de/en/zentrales">http://www.bmz.de/en/zentrales</a> downloadarchiv/themen und schwerpunkte/laendliche entwicklung/Ten-

On 4 April 2012, the Organization for Economic Cooperation and development (OECD) released a report indicating that Italy's Official Development Assistance (ODA) for 2011 increased by 33 per cent. The report concluded that Italy's ODA increase was due in part to am increase in debt forgiveness grants, which contributes to alleviating fiscal pressure on the regional economic framework in which SME's are operating. 1918

As these initiatives are not focused on the process set out in the Abuja Treaty, but do encourage regional trade by bolstering local business capacities and supporting measures conducive to the creation of a single market, Italy has been awarded a score of 0.

Analyst: Tshweu Moleme

# Japan: 0

Japan has partially complied with its commitment to support the African Union (AU) and RECs in implementing their actions plans, notably through supporting measures aimed at facilitating regional economic growth and integration.

On 10 June 2011, at the Forty-sixth Annual Meeting of the African Development Bank, Deputy Director-General of the Ministry of Finance's International Bureau Daikichi Momma reiterated Japan's belief that "international development finance institutions should cooperate in supporting the sustainable and inclusive growth of the countries in the region." 1919 Deputy Director-General Momma also stated Japan's intent to launch phase two of its Enhanced Private Sector Assistance for Africa (EPSA) initiative. EPSA's first phase lasted from 2006-2010, making "significant contributions to the development of economic infrastructure and to the support of small and medium-sized enterprises (SMEs) in African countries."1920

The Japanese government intends to determine, in consultation with the African Development Bank's management, "what measures should be taken to enable the EPSA to produce development effects at a higher level than before for fostering and promoting the private sector in Africa.",1921

<sup>1917</sup> Cooperation: €73 million for SMEs in Tunisia, Italian Ministry of Foreign Affairs, 28 November 2011. Date of access: 9 January 2012.

http://www.esteri.it/MAE/EN/Sala Stampa/ArchivioNotizie/Approfondimenti/2011/11/20111128 Coopera zione Tunisia PMI.htm.

1918 Italy show increase in aid assistance. Date of access: 9 April 2012.

http://www.oecd.org/document/3/0,3746,en 21571361 44315115 50058883 1 1 1 1,00.html

1919 Statement by Mr. Daikichi Momma Deputy Director-General, International Bureau, Ministry of Finance, and Temporary Governor for Japan at the Forty-sixth Annual Meeting of the African Development Bank and the Thirty-seventh Annual Meeting of the African Development Fund, Ministry of Finance Japan (Lisbon) 9-10 June 2011. Date of Access: 13 February 2012.

http://www.mof.go.jp/english/international\_policy/mdbs/afdb/afdb110609.pdf

1920 Statement by Mr. Daikichi Momma Deputy Director-General, International Bureau, Ministry of Finance, and Temporary Governor for Japan at the Forty-sixth Annual Meeting of the African Development Bank and the Thirty-seventh Annual Meeting of the African Development Fund, Ministry of Finance Japan (Lisbon) 9-10 June 2011. Date of Access: 13 February 2012. http://www.mof.go.jp/english/international\_policy/mdbs/afdb/afdb110609.pdf

Statement by Mr. Daikichi Momma Deputy Director-General, International Bureau, Ministry of Finance, and Temporary Governor for Japan at the Forty-sixth Annual Meeting of the African Development Bank and the Thirty-seventh Annual Meeting of the African Development Fund, Ministry of Finance Japan (Lisbon) 9-10 June 2011. Date of Access: 13 February 2012. http://www.mof.go.jp/english/international\_policy/mdbs/afdb/afdb110609.pdf

On 26 January 2012, Parliamentary Senior Vice-Minister for Foreign Affairs Ryuji Yamane announced that' the Fifth Tokyo International Conference on African Development (TICAD) will be held in Tokyo from 1-3 June 2013. In terms of Japan's policy for expanding development assistance, trade, and investment, Vice Minister Yamane declared that Japanese efforts remain actively centered on the TICAD process, the economic pillar of which declares that "infrastructure development, including road networks construction and energy sector development, is critical to economic integration."

On 21 February 2012, in a joint press statement between Japan and the Republic of Mozambique, Prime Minister Yoshihiko Noda "expressed his commitment to continue to assist Mozambique's development efforts including the implementation of the PROSAVANA project and infrastructure development in the Nacala Corridor Development." The Nacala Road Corridor falls within the Southern African Development Community's (SADC) priority projects and also constitutes one of NEPAD's transport sector interventions, targeting "trade corridors without borders and barriers to reduce delays and costs at border crossings." The Nacala Corridor is thus meant to "promote regional economic and socio-economic integration." The Nacala Corridor is

Japan has contributed to supporting measures aimed at promoting regional economic integration as outline in Article 6 of the Abuja Treaty, but has failed to prioritize or otherwise foster measures to facilitate trade between the REC's or the creation of a single market. For its partial compliance, Japan is thus awarded a score of 0.

Analyst: David Kepes

#### Russia: 0

Russia has partially complied with its commitment to support the African Union and regional economic communities to fully implement their action plans.

On 15-16 December 2011, the Russian-African business forum was held in Ethiopia. <sup>1928</sup> The forum organized by the Russian Coordinating Committee on Economic Cooperation with Sub-Saharan Africa and the Russian Chamber of Commerce and Industry (RFCCI) was attended by about two hundred participants, "including businessmen and higher officials from Russia,"

G8 Research Group: 2011 G8 Deauville Final Compliance Report, 18 May 2012

Message by Mr. Ryuji Yamane, Parliamentary Senior Vice-Minister for Foreign Affairs of Japan on the Occasion of the Twentieth Ordinary Session of the Executive Council of the African Union, Ministry of Foreign Affairs (Japan) 26 January 2012. Date of Access: 13 February 2012.

http://www.mofa.go.jp/region/africa/au/message1201e.html

Message by Mr. Ryuji Yamane, Parliamentary Senior Vice-Minister for Foreign Affairs of Japan on the Occasion of the Twentieth Ordinary Session of the Executive Council of the African Union, Ministry of Foreign Affairs (Japan) 26 January 2012. Date of Access: 13 February 2012. <a href="http://www.mofa.go.jp/region/africa/au/message1201e.html">http://www.mofa.go.jp/region/africa/au/message1201e.html</a>

Building on the Achievements of TICAD – Priority Areas, Tokyo International Conference on African Development. Date of Access: 13 February 2012. http://www.ticad.net/practice.shtml

<sup>&</sup>lt;sup>1925</sup> Joint Press Statement Between Japan and the Republic of Mozambique, Ministry of Foreign Affairs (Japan) 21 February 2012. Date of Access: 4 May 2012.

 $<sup>\</sup>underline{http://www.mofa.go.jp/region/africa/mozambique/pdfs/meeting1202\_01.pdf}$ 

<sup>&</sup>lt;sup>1926</sup> Multi-Nacala Corridor Project (Mozambique), African Development Bank Group, 2012. Date of Access: 4 May 2012. <a href="http://www.afdb.org/en/projects-and-operations/project-portfolio/project/p-z1-db0-039/">http://www.afdb.org/en/projects-and-operations/project-portfolio/project/p-z1-db0-039/</a>

Multi-Nacala Corridor Project (Mozambique), African Development Bank Group, 2012. Date of

Multi-Nacala Corridor Project (Mozambique), African Development Bank Group, 2012. Date of Access: 4 May 2012. http://www.afdb.org/en/projects-and-operations/project-portfolio/project/p-z1-db0-039/

Russia-Africa Business Forum, Russian Ministry of Foreign Affairs 1 December 2011. Date of Access: 16 February 2012. http://www.mid.ru/brp 4.nsf/0/188D4BADEA45D06D4425795A00577257.

Ethiopia and other African countries". The forum agenda included issues of trade, economic, scientific, technological and investment cooperation "with a focus on launching promising joint projects in such areas as energy, industrial production, high technologies, transport and agriculture". 1929 Russian President's special representative for cooperation with African countries Mikhail Margelov stated that Russia can offer products "in the military, geological exploration and energy spheres". 1930

On 13 January 2012, Russian State Corporation "Bank for Development and Foreign Economic Affairs", which is the presiding organization in the Coordinating Committee on Economic Cooperation with Sub-Saharan Africa (Afrocom), launched a special web portal devoted to Russian-African economic relations. The portal is "a practical instrument that allows businessmen to post on-line business information, commercial and export proposals" and is designed "for effective interaction between Russian and African business communities". 1931 On 6 February 2012, the annual meeting of the Coordinating Committee on Economic Cooperation with Sub-Saharan Africa took place in Moscow. 1932 The Committee is «a nongovernment organization which helps to form foundations for infrastructure of business ties with African countries and promote interaction between the state and business in African countries». 1933 It is comprised of more than 120 Russian organizations and companies, including state companies and representatives of the ministries. The working plan of the Committee for 2012 was adopted at the meeting. 1934

Russia has complied with its commitment to fostering the development of measures to facilitate the creation of a single market, but it has not bolstered initiatives between the RECs and has not helped African countries prioritize their activities. Thus, Russia has been awarded a score of 0.

Analyst: Vitaly Nagornov

# United Kingdom: +1

The United Kingdom has fully complied with its G8 commitment to foster and promote increased economic integration in the African Union, within the scope of priorities the AU outlined in the Abuja Treaty Process. It has set new development targets, many of which concentrate solely on the goal of economic integration throughout key trade corridors in Africa.

On 18 July 2011, Prime Minister David Cameron issued a statement calling for African free trade. "I believe a big part of the answer is free trade within Africa. Freer trade in Asia gave Korea space to grow. African countries, by and large, haven't exploited opportunities to trade

Russian Chamber of Commerce and Industry (RFCCI). 6 February 2011. Date of Access: 15 February 2012. www.tpprf.ru/ru/news/about/index.php?id 12=36575

<sup>&</sup>lt;sup>1929</sup> The First Russia-Africa Business Forum launched. December 16, 2011. Date of Access: 15 February 2012. http://www.mfa.gov.et/Press Section/publication.php?Main Page Number=6265

<sup>1930</sup> Russian companies interested in minerals development in Africa - Russian envoy. Date of Access: 15 February 2012. http://en.rian.ru/business/20111216/170299886.html.

<sup>1931</sup> Vnesheconombank Launches a Site of the Coordinating Committee on Economic Cooperation with Sub-Saharan Africa (Afrocom). Date of Access: 15 February 2012. http://www.veb.ru/en/press/news/arch\_news/index.php?id\_19=28685

<sup>1933</sup> Vnesheconombank Launches a Site of the Coordinating Committee on Economic Cooperation with Sub-Saharan Africa (Afrocom). Date of Access: 15 February 2012. http://www.veb.ru/en/press/news/arch\_news/index.php?id\_19=28685

www.tpprf.ru/ru/news/about/index.php?id 12=36575

with each other. It is time for that to change." <sup>1935</sup>Cameron indicated that Britain will invest more than GBP160 million by 2015. <sup>1936</sup>

On 19 December 2011, Britain indicated that it had completed several economic and trade related objectives in Sierra Leone. By the end of the year, the country had reduced the time it took to register a business by 50% and the price by 90%, thanks to the Reducing Administrative Barriers to Investment (RABI) scheme, a joint venture between Britain and the International Finance Corporation, part of the World Bank Group. The Department for International Development (DFIF) also indicated that as a result of the program, Sierra Leone had reformed its tax system significantly, rising from 160<sup>th</sup> to 76<sup>th</sup> in the paying tax element of the World Bank Index. 1938

On 1 January 2012, DFID announced that it had completed a series of structural reforms and goals, including the promotion of pro-development free trade agreements which aim to support an African Free Trade Area. 1939

Thus, the United Kingdom has been awarded a score of +1 because its policies have contributed to economic initiatives between RECs, prioritizing economic integration activities and fostering measures to facilitate the creation of a single market.

Analyst: David Kepes

#### **United States:** +1

The United States has fully complied with its commitment to foster policies and strategies that support the Minimum Integration Programme's (MIP) main objectives.

In September 2011, the United States hosted trade talks with delegations from the Common Market for Eastern and Southern Africa (COMESA), the largest regional economic community (REC) in Africa and an important US trading partner. Held under the US-COMESA Trade and Investment Framework Agreement (TIFA), the purpose of this meeting was to further advance their cooperative partnership on bilateral trade and investment issues. During his opening remarks at the talks, U.S. Trade Representative Ron Kirk noted that "regional economic integration is a powerful engine for growth and development, which is why the United States has long supported COMESA and other regional economic communities in Africa."

<sup>1935</sup> David Cameron, The time has come for African free trade, The Guardian (London) 18 July 2011. Date of Access: 16 February 2012, <a href="http://www.guardian.co.uk/world/2011/jul/18/africa-free-trade-david-cameron">http://www.guardian.co.uk/world/2011/jul/18/africa-free-trade-david-cameron</a>

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1936 David Cameron, The time has come for African free trade, The Guardian (London) 18 July 2011. Date of Access: 16 February 2012, <a href="http://www.guardian.co.uk/world/2011/jul/18/africa-free-trade-david-cameron">http://www.guardian.co.uk/world/2011/jul/18/africa-free-trade-david-cameron</a>

Tight We're getting there: How UK aid is rebuilding business and investment in Sierra Leone, Department for International Development (London) 19 December 2011. Date of Access: 16 February 2011, http://www.dfid.gov.uk/Stories/Case-Studies/2011/Were-getting-there/

We're getting there: How UK aid is rebuilding business and investment in Sierra Leone, Department for International Development (London) 19 December 2011. Date of Access: 16 February 2011. http://www.dfid.gov.uk/Stories/Case-Studies/2011/Were-getting-there/

<sup>1939</sup>January 2012 Monthly Update, Department for International Development (London) 1 January 2012. Date of Access: 16 February 2012. <a href="http://www.dfid.gov.uk/Documents/DFID-SRP-January12.pdf">http://www.dfid.gov.uk/Documents/DFID-SRP-January12.pdf</a>

Ambassador Kirk Lauds Common Market for Eastern and Southern Africa for Advancing Regional Economic Integration, Strengthening Trade Relationship, Office of the United States Trade Representative (Washington, D.C.). September 2011. Date of Access: 2 January 2012. <a href="http://www.ustr.gov/about-us/press-office/press-releases/2011/september/ambassador-kirk-lauds-common-market-eastern-and-0">http://www.ustr.gov/about-us/press-office/press-releases/2011/september/ambassador-kirk-lauds-common-market-eastern-and-0</a>

1941 Ambassador Kirk Lauds Common Market for Eastern and Southern Africa for Advancing Regional Economic Integration, Strengthening Trade Relationship, Office of the United States Trade Representative

G8 Research Group: 2011 G8 Deauville Final Compliance Report, 18 May 2012

On 28 November 2011, the White House released a statement reiterating the United States' commitment to "increase economic growth and integration in the Middle East and North Africa," and confirmed that the United States "will also jointly promote best practices that support trade, investment, and job creation and deepen intra-regional trade and integration [in Africa]." 1942

On 27 March 2012, officials from the United States and Tunisia met in Tunis to explore steps to stimulate trade and investment between themselves and with other partners in the Middle East/North Africa (MENA) region. Specifically, at a meeting of "the bilateral Trade and Investment Framework Agreement (TIFA) Council, the governments built on the efforts of bilateral working groups formed last autumn when they re-launched the TIFA process. Talks focused on strategies to bolster bilateral trade and investment ties, to strengthen business confidence and in particular to enable small and medium sized enterprises to find new business opportunities in U.S., Tunisian and other regional markets."1943

The United States supports market integration within and amongst Africa's REC's and has taken steps to expedite this integration, notably through it's meeting with COMESA and the work done by the USADF. The United States is thus awarded a score of +1.

Analyst: Ray Khan

# European Union: +1

The European Union has fully complied with its commitment to foster policies and strategies supporting the MIPs main objectives.

On 27 May 2011, the European Union issued a memo confirming the significance of the Joint Africa-EU Strategy. 1944 The memo stressed the importance of, amongst other key issue areas, "regional economic integration, reaching from policy making to implementation, from institutions to best practices and procedures. It spans across a number of priorities, such as trade agreements, trade in goods and services, harmonisation and cooperation regarding sanitary and phyto-sanitary rules."1945

On 8 July 2011, the European Union released the final declaration of the 26th Meeting of the ACP-EU Economic and Social Interest Groups. 1946 A section of this declaration was dedicated to better implementing the Economic Partnership Agreements (EPA) between the EU and African

(Washington, D.C.). September 2011. Date of Access: 2 January 2012. http://www.ustr.gov/about-us/pressoffice/press-releases/2011/september/ambassador-kirk-lauds-common-market-eastern-and-0

<sup>&</sup>lt;sup>1942</sup> Joint Statement: EU-US Summit, Office of the Press Secretary, The White House (Washington, D.C.) 28 November 2011. Date of Access: 8 February 2012. http://www.whitehouse.gov/the-press-

office/2011/11/28/joint-statement-us-eu-summit.

1943 United States and Tunisia Discuss New Approaches to Foster Trade and Investment, Office of the United States Trade Representative (Tunis) 27 March 2012. Date of Access: 5 May 2012. http://www.ustr.gov/about-us/press-office/press-releases/2012/march/united-states-and-tunisia-discussnew-approaches-fos

<sup>1944</sup> The Joint Africa-EU Strategy, European Union (Brussels) 27 May 2011. Date of Access: 15 February

http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/11/351&type=HTML

The Joint Africa-EU Strategy, European Union (Brussels) 27 May 2011. Date of Access: 15 February 2012.http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/11/351&type=HTML

<sup>1946</sup> Promoting Sustainable and Inclusive Development: 26<sup>th</sup> Meeting of the ACP-EU Economic and Social Interest Groups, European Economic and Social Committee (Brussels) 7 July 2011. Date of Access: 15 February 2012. http://www.eesc.europa.eu/resources/docs/26-acp-eu-meeting-final-declaration en.pdf.

states, benefits of which include but are not limited to building regional markets, strengthening regional trade, and encouraging "countries to determine their own development strategies and the pace and sequences of reform decisions." Specifically, the declaration demanded measures to "ensure the successful implementation of the EPAs" including "the restructuring of ACP industries in order to ensure production diversification, economic resilience and increased levels of exports of processed products, development of infrastructure, modernisation of agricultural sectors, human resources development, improvements to administrative and economic governance and reforms of rules of origin." 1948

On 3 December 2011 in Cameroon, DG Trade and the EU's Delegation in Cameroon hosted a one-day seminar "for over 200 businesspeople, civil servants, parliamentarians and civil society representatives from the Central African region, as well as European investors." The first region-wide seminar targeting African business people directly, stakeholders "looked at the state of play of regional negotiations" and focused on how to "put the EPA to work for their businesses." 1950

On 27 January 2012, the EU adopted a Communication highlighting that trade-led growth is essential for inclusive and sustainable development. Specifically, in outlining the EU's trade and development priorities for the next decade, the Communication calls for "the rapid conclusion of Economic Partnership Agreements with African countries based on a shared commitment to a trade and development partnership as well as a pragmatic approach to remove remaining obstacles to negotiating and implementing these agreements." <sup>1951</sup>

The EU has helped foster regional economic trade, has encouraged the RECs to identify their priority activities, has voiced its commitment to facilitating the implementation of these activities, and has developed support measures to facilitate market integration. The EU is thus awarded a score of  $\pm 1$ .

Analyst: Tshweu Moleme

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<sup>1947</sup> Economic partnerships, The European Commission (Brussels) 15 February 2012. Date of Access: 15 February 2012. <a href="http://ec.europa.eu/trade/wider-agenda/development/economic-partnerships/">http://ec.europa.eu/trade/wider-agenda/development/economic-partnerships/</a>

Promoting Sustainable and Inclusive Development: 26<sup>th</sup> Meeting of the ACP-EU Economic and Social Interest Groups, European Economic and Social Committee (Brussels) 7 July 2011. Date of Access: 15 February 2012. <a href="http://www.eesc.europa.eu/resources/docs/26-acp-eu-meeting-final-declaration\_en.pdf">http://www.eesc.europa.eu/resources/docs/26-acp-eu-meeting-final-declaration\_en.pdf</a>. <sup>1949</sup> Doing Business with Europe: how your business can benefit from the Central Africa-EU EPA,

European Commission (Cameroon) 3 December 2011. Date of Access: 15 February 2012. http://trade.ec.europa.eu/doclib/press/index.cfm?id=770

Doing Business with Europe: how your business can benefit from the Central Africa-EU EPA, European Commission (Cameroon) 3 December 2011. Date of Access: 15 February 2012. http://trade.ec.europa.eu/doclib/press/index.cfm?id=770

EU highlights trade-led growth as central to modern development agenda, European Commission (Brussels) 27 January 2012. Date of Access: 4 May 2012. http://trade.ec.europa.eu/doclib/docs/2012/january/tradoc 148999.pdf