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1.0 INTRODUCTION

The structural change in the world economy towards increased formation of trading blocs has created a new general framework which African states will be able to deal with only when they themselves become more committed to expanding their mutual economic, and thus also political, cooperation.

Economic cooperation, which is the primary concern here, can take place within the framework of regional integration or regional cooperation. The process of integration involves the dismantling of inter-state restrictions on the movement of goods, services and factors of production and actual integration means a situation in which these obstacles are completely or partly removed. Regional integration occurs when integration concerns only a group of countries. The process of integration is at its most advanced in the European Community. Depending on the extent of integration, one can distinguish between a preference area, free trade area, customs union, common market and economic or monetary union.

In contrast to integration, economic cooperation involves attempts aimed at the removal of other obstacles to economic relations within the grouping (for example improvements in transport and communications structures) and all other attempts to improve cooperation and the management of common resources and greater interdependence of the economies.

After a brief presentation of the historical development of the idea of regional integration and cooperation, this paper will concentrate on a survey of the regional organizations which exist at present. As the number of organizations is so great that it poses problems, even for experts, only the most important can be considered here. The problems facing these regional organizations will then be considered and a comparison will be made of the relative success of integration and cooperation. The document ends with consideration of the role of the European Union in supporting this development.

The main purpose of this paper is to provide information on the level of integration and cooperation in the economic field reached thus far in Africa. By drawing attention to the problems it is hoped that a contribution will be made to the discussion on further development.

1.1. Historical development of the idea

During the colonial period in Africa, because of the sharing out of the continent among the European powers, there were still relatively large and coherent economic areas. In economic terms these individual areas also had strong links with the colonial powers. During the process of decolonization and state formation these previously existing economic areas were broken up and sub-regional transport of goods and passengers became much more difficult than prior to independence. The need for regional cooperation did not therefore have to be discovered as an idea and had in fact been an accepted fact for the last thirty years. There was full awareness of the significance of regional cooperation in overcoming the obstacles to development caused by a small state structure. The attention of African states was constantly drawn to this concept by others, for example the United Nations' Economic Commission for Africa. Since 1975 the Lomé Conventions between the EC and the ACP States have paid particular attention to support

for regional cooperation, with a special title devoted to it. In the financial protocol, for example, appropriations are specifically set aside to finance regional trade development programmes.

Against this background regional cooperation became a central aspect of the Lagos action plan, adopted in April 1980 at the first extraordinary economic summit of the Heads of State and Government of the Organization of African Unity (OAU). It contains the guidelines for an African development strategy for the period from 1980 to 2000. During the first decade of this period the main aim was to strengthen the sub-regional communities. The goal for the next decade was greater integration between these communities, joint projects and harmonization of finance and monetary policies. In addition suitable measures were to be adopted to clear the way for the establishment of an African Economic Community by the year 2000. The OAU General Secretary was given the task of coordinating the implementation of this action plan.

These ambitious objectives met with failure, however, very early on because of a number of problems. It was finally agreed in June 1991 in the Abuja Treaty (which entered into force in 1994) that there would be a 34 year period after entry into force of the treaty before the final establishment of the economic community. It was divided into six stages:

- strengthening of existing regional economic communities and their establishment in regions which had previously not had such organizations (this stage was to last no longer than five years after entry into force of the treaty);
- stabilization of the finance system in relation to intraregional trade (eight years);
- establishment of a free trade area at the level of each individual regional economic community (ten years);
- coordination and harmonization of tariff and non-tariff provisions between the various regional economic communities (two years);
- setting up of an African Common Market (four years);
- setting up of the African Economic Community (five years).

Despite these provisions, there are a vast range of other organizations of an extremely varied nature in Africa.

2.0 THE VARIOUS REGIONAL GROUPINGS

Preliminary remarks: Most of these organizations can be described as very 'fragile'. They are constantly restructuring, consolidating, expanding, growing and disbanding. It is therefore very difficult to describe the situation at any given time. In addition there are problems generally in obtaining information.

There are also frequently major differences between what was agreed by the member states, i.e. laid down in writing, and what actually happens in reality. Thus the question of the extent to which an organization is operational or in fact exists only on paper is also too controversial to be dealt with in detail here.

The survey which follows should be seen in the light of these reservations:

Efforts were made to select the 'most important' organizations from among the vast number. The criterion for the importance of the organizations was how well known they were.

2.1 North Africa

ARAB MAGHREB UNION (AMU)

Members: Algeria, Libya, Morocco, Mauritania, Tunisia

Foundation: It was founded on 17 February 1989 in Marrakesh, Morocco by the Heads of State of the five member states. The idea of a regional organization covering the whole Maghreb can basically be traced back to the time of the anti-colonial war and in this context it occurred repeatedly in political initiatives for the foundation of an organization. The initiatives failed until a completely new economic situation arose after 1986 following the accession of Spain and Portugal to the EC.

Aims: Protection of the economic interests of the Maghreb states; promotion of economic and cultural cooperation between the Member States; stepping-up of mutual trade as essential to integration and the creation of a Maghreb economic area. A phased plan adopted in 1991 provides for the establishment of a customs union by 1995 and the development of a common market by the year 2000.

Structure: The highest body is the Presidential Council, with the presidency rotating on an annual basis. There is also a Consultative Council (with 100 members, 20 from each Member State; since 1994 there have been 30 per Member State), a judicial body and a secretariat.

Activities: Projects in different policy areas are used to work towards the creation of an economic area. The Arab Cooperation Council is trying to draw the members of the AMU and the Gulf Cooperation Council into a Common Arab Market along the lines of the EC.

Recent developments: The sixth AMU summit was held in Tunis, Tunisia on 2 and 3 April 1994. The meeting had been planned for 1993, but was postponed on several occasions. The meeting stressed the need to continue working towards the goal of unity of the Maghreb states. The 1989 Treaty was amended to the effect that the member states would each send 30 instead of 20 representatives to the Consultative Council. It was also decided to set up an agency for youth tourism and a sports union. A total of 11 cooperation agreements were signed including the decision to establish a free trade area.

The sixteenth meeting of Foreign Ministers in November 1994 was also attended by an Egyptian delegation, which thus demonstrated its wish that the AMU should provide a starting point for a larger union with additional African and Arab states.

On 10 January 1995 the Finance Ministers signed a protocol setting out the plans for the harmonization of taxes and the establishment of a free trade area.

Doubts arose as to the future of the organization when Libya announced on 30 January 1995 that it did not wish to take over the presidency from Algeria. The background to this move is the UN sanctions against Libya which are now also applied by some AMU member states.

The doubts were strengthened by recent problems when, at a meeting of the Foreign Ministers of Algeria, Tunisia and Mauritania on 31 January 1996, there was consultation on Morocco's call for a suspension of the activities of the Maghreb Union. Algeria in particular was against this view.

CONFERENCE OF SAHARA STATES

Members: Algeria, Libya, Mali, Mauritania, Niger, Chad

Foundation: The idea of the creation of an organization was developed in 1976 at a meeting of the Heads of State of Algeria, Libya and Mali. The other states joined later.

Aims: The main aim is to increase cooperation between the in political, economic, technical, cultural and social fields.

Structure: The conference has no fixed structures. Plans for the creation of a permanent organization did not meet with agreement. The highest authority is to be the summit of Heads of State held every two years. The Foreign Ministers are to meet in the interim. In addition several committees were set up to deal with practical aspects of cooperation.

Activities: Differing political views, the situation in Libya and other reasons have meant that the conference has been inactive for years.

2.2 West Africa

In West Africa the problem of overlapping organizations is particularly severe. According to a report by Abbas Bundu, the Executive Secretary of ECOWAS, in 1990 there were about 40 groupings of which three had economic integration as their aim (ECOWAS, UMOA, CEAO). The question arises as to the justification for the smaller organizations which are mostly completely subsumed in ECOWAS. In the case of UEMOA it is often pointed out that it relates to the Francophone states of the region. Because of its long history the Entente Council continues to serve as in the past, and depending on interests, as the forum for discussing policy between the member states.

THE FRANC ZONE

As the Franc zone covers states in Central Africa as well as East and West Africa, they will be listed below.

Members: West Africa: Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal, Togo (=states of the former UMOA, now UEMOA, see below)

Central Africa: Cameroon, Central African Republic, Congo, Gabon, Equatorial Guinea (since 1 January 1985), Chad (=states of the UDEAC)

East Africa/Indian Ocean: Comoros. In addition to France itself, the overseas departments and territories and Mayotte and Saint-Pierre-et-Miquelon belong to the Franc zone.

Foundation: The Member States are France's former colonies, although some have left the zone (Vietnam, Laos, Cambodia, Guinea, Algeria, Morocco, Tunisia, Madagascar, Mauritania). The CFA Franc was created in December 1945 after the major devaluation of the French franc following liberation. The value of the CFA Franc against the French franc remained unchanged over a period of more than 40 years between 1948 and 1994.

Structure: The Franc zone has the following issuing institutes:

- the Banque de France for France and Morocco;
- the Institut d'émission des départements d'outre-mer for the overseas departments and Saint-Pierre-et-Miquelon;
- the Institut d'émission d'outre-mer for the overseas territories and Mayotte;
- the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO) for West Africa;
- the Banque des Etats de l'Afrique centrale (BEAC) for Central Africa;
- the Comoros Central Bank.

Activities: The fundamental elements have remained the same ever since the Franc zone has existed: free movement of capital within the Franc zone, France providing a convertibility guarantee, fixed exchange rate against the French franc and joint reserves.

Most recent developments: Because of the turbulence in the European monetary system and the continuing flight of capital from the zone, the BCEAO and the BEAC decided on 1 August 1993 to halt the repurchase of the CFA Franc outside the franc zone. This basically meant withdrawal of the convertibility of the CFA Franc outside the zone. After that time there was speculation about a devaluation.

At the end of a two day summit in January 1994 which was also attended by representatives of France and the IMF, an announcement was made of a 50% devaluation of the CFA against the French franc and the Comoros Franc was devalued by one third. Since 12 January 1994 the value of the various francs has been as follows:

- the Franc of the Communauté financière africaine, issued by the BCEAO: CFA Franc 1 = FF 0.01
- the Franc of the Coopération financière en Afrique Centrale, issued by the BEAC: CFA Franc 1 = FF 0.01
- the Comoros Franc: Comoros Franc 1 = FF 0.0133...3

This devaluation followed months of intense pressure from France and the IMF. A World Bank study had shown that the overvaluation of the CFA Franc between 1986 and 1991 had led to a reduction in the competitiveness of the states in the Franc zone. Production fell by 0.2% annually whilst in comparable states outside the Franc zone GDP rose on average by 4.5%.

Following the devaluation there was considerable unrest in the capitals of the member states. The states reacted with a whole range of measures, including the introduction of price controls, price setting, tax reductions (for VAT and income tax) and an increase in producer prices for coffee and cocoa. France and the IMF decided to give increases support to the states of the Franc zone.

The last two years have produced economic growth. In 1995 growth in the Franc zone was 4.6% as opposed to 1.1% in 1994. The inflation rate was curbed after a temporary rise following devaluation.

For the immediate future the question arises as to the fate of the CFA Franc with the start of economic and monetary union in the European Union.

A communiqué from the Finance Ministers of the Francophone states in April 1996 stressed that the introduction of a single European currency would not have any effect on the privileged relations between France and the states of the Franc zone.

ECONOMIC COMMUNITY OF WEST AFRICAN STATES (ECOWAS)

Members: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo

Foundation: The treaty setting up the Community was signed on 28 May 1975 initially by 15 states, in Lagos and entered into force at the end of 1976. Cap Verde became a member of the Community in 1977. In 1981 a protocol was adopted on mutual assistance on defence matters.

Aims: Economic cooperation and development are to be promoted. The standard of living of the population is to be raised, economic stability increased and maintained and relations between the member states improved. A contribution is also to be made to progress and development in Africa.

Structure: The highest organ is the Conference of Heads of State and Government which meets once a year. The presidency rotates between the member states. The conference formulates the policy guidelines and takes binding decisions for all the other organs. The Council of Ministers, composed of two representatives for each member state, meets twice a year and monitors the implementation of decisions. A Tribunal is responsible for interpreting the treaty and settling disputes. Several commissions deal with the various specialist areas. The ECOWAS Fund is intended to finance loss of income caused by the treaty and projects. However its operation is affected by the poor approach to payment of the member states. The proportion paid by the individual members are derived from their GNP and per capita income. At the 1991 meeting of the Conference of Heads of State and Government in Abuja the establishment of a parliament was proposed. The Secretariat is headed by an Executive Secretary who is elected for a four year period of office and can be re-elected for only one further term.

Financing: The member states' contributions to the Fund, the Secretariat and the budget are graded and based on GNP and per capita income. The amended Treaty of 1993 makes provision for a community tax. Finance is also provided through loans and bilateral and multilateral

development aid. In March 1993 a budget of approximately US\$ 14.9 million was approved for the 1993 financial year.

Activities: The long-term aim of economic and political integration of the states of West Africa is to be encouraged through cooperation in all economic sectors and in political, social and cultural matters and through gradual steps towards integration.

Customs Union: The aim is the dismantling of all duties and other obstacles to trade between the member states and the establishment of a common external customs tariff. Since 28 May 1979 no member has been allowed to increase duties on products from other member states. A free trade area for unprocessed agricultural products and craft products was established in May 1981. The 1983 timetable for the liberalization of trade provides that the more developed state should reduce their trade barriers more quickly than the less developed. By mid 1991 duties on a total of 90 goods produced in the community had disappeared.

Cooperation on monetary policy: To date a number of studies have been carried out on a limited convertibility and the establishment of an ECOWAS Monetary Zone. There are plans for a West African Monetary Zone and a West African Clearing House. The single monetary zone is to be created by 2000.

Cooperation extends to areas such as energy, industry, agriculture, natural resources, health, travel (an ECOWAS achievement which is very important to the individual citizen is the right to stay up to 90 days in another member state without a visa. Freedom of movement and freedom of establishment have gradually been extended in three phases. There are however still problems in implementing this provision), transport, communications (one of ECOWAS' greatest successes is its telecommunications programme. Telephone connections between the capitals of the member states have been improved as a result), social matters and regional peace and stability.

Recent developments: The most significant political action was the intervention of a Community peace-keeping force (ECOWAS Monitoring Group, ECOMOG) in August 1990 in the civil war which has been raging in Liberia since 1989. ECOWAS attempted repeatedly in subsequent years to contribute to the ending of this conflict by holding peace conferences and through other measures.

At the 16th summit on 22-24 July 1993 in Cotonou, Benin the conflict in Liberia and the role of the Community once again dominated the discussion. The meeting ended with the signing of an amended Community treaty. It laid increased emphasis on political questions, in particular in the area of conflict prevention and resolution. A Community tax was also introduced in order to prevent future financial crises which had resulted in the past from poor payment of contributions by Members. It was also decided to set up a regional Parliament, an Economic and Social Committee and an ECOWAS Court of Justice.

The 17th summit of Heads of State and Government was held in Abuja, Nigeria on 6 and 7 August 1994. It was deplored that as yet only six member states had ratified the amended Treaty and that there were still major arrears of payments of Member States' contributions which had

led to severe operational problems. A protocol was adopted on the creation of a regional parliament, but no timetable was set. An agreement on the extradition of criminals was also adopted. At the summit it was announced that the annual rate of growth of the ECOWAS states was well below expectations. Members were encouraged to redouble their efforts.

The 18th ECOWAS summit was held from 29 to 30 July 1995 in Accra, Ghana. The Heads of State and Government expressed their concern at the decline in economic growth and the growing debt burden of the member states. They decided to strengthen regional integration and economic development. The civil war in Liberia was also a key subject as in past years.

The amended Community Treaty, signed at the 16th summit, entered into force on 30 July 1995.

The devaluation of the CFA Franc also exposed the West African members of the monetary union to considerable upheaval. The regional organizations also changed as a result. The West African Monetary Union (UMOA) became the West African Economic and Monetary Union (UEMOA). The Economic Community of West Africa (CEAO) decided to transfer to the new UEMOA.

ECONOMIC COMMUNITY OF WEST AFRICA (CEAO)

Members: Benin, Burkina Faso, Côte d'Ivoire, Mali, Mauritania, Niger, Senegal. Guinea and Togo have observer status.

Foundation: The CEAO was founded in 1974. The first regional economic organization in this area (Union Douanière des Etats de l'Afrique Occidentale, UDAO) was founded in 1959 in view of the impending independence of the Francophone African states. It was replaced in 1966 by the UDEAP (Union Douanière des Etats de l'Afrique de l'Ouest). The background to all these restructurings was in particular the conflict between Senegal and Côte d'Ivoire.

Aims: The main aim was the establishment of a free trade area. The development of the region was to be furthered by two development funds.

Structure: The conference of Heads of State met once a year as the highest decision-making organ. The Council of Ministers (mostly Finance Ministers), which was held at least twice a year dealt with specialist questions. The Secretariat was headed by a General Secretary elected for four years.

Financing: Initially financing was provided only through direct payments from the member states, with Côte d'Ivoire and Senegal providing one third of the contributions. After a financial crisis in 1989 it was decided to impose a solidarity levy of 1% on imports from non-member states.

Activities: Efforts were made to promote trade and harmonize tariffs. All trade barriers were lifted for unprocessed raw materials. In 1984 import duties were harmonized. Joint

infrastructure projects, in particular for rural water supplies, were financed by international donors. Special instruments were:

- the Development Fund: members paid in a contribution related to their share of intra-community trade and this was used to compensate trading losses and for development projects;
- the Solidarity and Intervention Fund for Economic Development: this fund was to be used to undertake special development projects in the poorer member states. Because of the embezzlement of CFA F 6.5 billion, the fund lost half its reserves in 1984 and was in severe payment difficulties;
- the regional cooperation tax: introduced in 1976 to stimulate trade in industrial products within the community and unlike all other taxes and duties amounted to preferential treatment.

Recent developments: In March 1994 the Heads of State, meeting in Ouagadougou, Burkina Faso, decided to dissolve the CEAO and to transfer it into the newly formed UEMOA.

WEST AFRICAN MONETARY UNION (UMOA)

Members: Benin, Burkina Faso, Mali, Côte d'Ivoire, Niger, Senegal, Togo

Foundation: The UMOA was founded in May 1962 by Côte d'Ivoire, Dahomey (now Benin), Mali, Mauritania, Niger, Senegal, Upper Volta (since 1984, Burkina Faso). The UMOA is derived from the Institut d'Emission de l'Afrique Occidentale Française et du Togo founded in 1955 with the colonial currency of the CFA Franc (= Franc des Colonies Françaises d'Afrique) and is thus of colonial origin. After independence of the states the CFA was renamed the Communauté financière africaine. A new agreement, which replaced the 1962 treaty, was signed on 14 November 1973.

Aims: The main aims of the UMOA were maintaining the currency structures linked to the French franc and the achievement of free movement of capital.

Structure: The Conference of Heads of State is the highest organ and determines policy guidelines. The Council of Ministers meets twice a year.

Activities: Its fundamental elements have remained the same since 1955: free movement of capital in the zone, guarantee of convertibility from France and a fixed exchange rate with the French franc.

Recent developments: On 1 August 1994 the seven member states formally ratified a treaty setting up the UEMOA which replaces the UMOA.

WEST AFRICAN ECONOMIC AND MONETARY UNION (UEMOA)

Members: Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal, Togo

Foundation: The UEMOA is the successor organization of the UMOA. The agreement setting up the organization was ratified on 1 August 1994. The organization was set up to deal with the adverse effects of the devaluation of the CFA Franc in January 1994 and to strengthen integration. The devaluation led to price increases and in some states, especially Gabon and Senegal, to violent unrest in the industrial districts. The governments of the states concerned are trying to bring the unrest to an end through a series of measures such as tax reductions on certain everyday products.

Aims: The aims are the implementation of provisions concerning the common currency and support for the member states in the effective use of monetary resources.

The organization is seeking to create a tax policy and legal climate which will assist economic activities, including a customs union, freedom of establishment and free movement of capital and harmonization of taxation policy. The introduction of an investment code and a harmonized trade law are also objectives.

Structure: The Council of Ministers is a common organ for the UEMOA and the Central Bank of the West African States (BCEAO). A Commission, a Parliament and a Court were established for the first time.

Decisions still have to be taken, however, on the division of powers between the Central Bank and the newly created Commission.

Activities: It has set up the BCEAO and the West African Development Bank. It also adopted provisions relating to the following areas: financial relations with third countries, organization and monitoring of loans, banks, measures against counterfeit money.

The states also decided to introduce a customs union. A transitional programme in the form of a preference system is to start on 1 July 1996. By 1 January 1998 a common external tariff is to be introduced.

The seven member states agreed in May 1996 to levy an import duty of 0.5% on goods from third countries (PCS = Prélèvement Commun de Solidarité). The revenue is to benefit any loss of income of the three UEMOA landlocked countries - Mali, Niger and Burkina Faso. The duty is also intended to help finance joint institutions and programmes.

Recent developments: An initial summit of Heads of State and Government of the UEMOA was held at the end of May 1996 in Ouagadougou, Burkina Faso.

Jacques Santer, the President of the EU Commission, who was present assured member states of further support in the transition to their planned customs union.

The European Union plans to make a contribution either through a general regional budget or through targeted technical and organizational support for the newly created UEMOA Commission. It has already made available a sum of ECU 3.8 million for research into the setting up of a multilateral monitoring system to observe the economic development of the UEMOA states.

The UEMOA will be open to neighbouring countries either through membership or association. Guinea Bissau has already requested membership, to which the seven member states have agreed in principle. Ghana has apparently also expressed an interest in closer links.

Relations still have to be developed between UEMOA and the UDEAC, the Central African countries of the Franc zone. These countries have made less progress in their efforts to achieve regional integration.

ENTENTE COUNCIL (CE)

Members: Benin, Burkina Faso, Côte d'Ivoire, Niger, Togo

Foundation: The CE was founded in 1959 before formal independence from France. The current member states are the five former French colonies in West Africa.

Aims: The political aims of the initial period have in recent years receded more and more in favour of economic goals. Development policy objectives are among the most significant.

Structure: The treaty establishing the organization did not create a formal organizational structure. The Council, comprising the Heads of Government, Presidents of Parliaments and their deputies and the relevant specialist ministers, meets twice a year. The Fonds d'Entraide et de Garantie des Emprunts du Conseil de l'Entente is responsible for implementing projects and providing guarantees for investors. In 1992 it had funding of about CFA F 1750 million. The Communauté Economique du Bétail et de la Viande which has been in existence since 1970 is responsible for animal husbandry and meat.

Activities: Today the CE chiefly acts as an agency for the implementation of development projects and for the obtaining of funding from external donors. National and regional projects are carried out in all possible economic and social sectors. A key area is the development of infrastructure which is intended as an incentive for foreign direct investment or also to increase local production.

2.3 East Africa

EAST AFRICAN COMMUNITY (EAC)

Members: Kenya, Tanzania, Uganda

Foundation: In East Africa regional cooperation has taken place since the beginning of the 20th century. Following the independence of the East African states there was initially some reduction in the level of integration through the introduction of national economic policies. The formal foundation of the EAC on 1 December 1967 was intended to counteract this tendency.

Aims: The central aim of the EAC was to strengthen and regulate industrial, trade and other relations between the partners. Part of the treaty was a common customs tariff on all imports

from third countries, the dismantling of all trade restrictions on trade between the partners and there was the intention to liberalize monetary and financial policy.

Activities: The East African Development Bank and a Management Institute were the only institutions to survive the disbanding of the EAC.

Since relations between the former partners have been normalized, a revival of the EAC is being considered. Following a meeting of Foreign Ministers on 9 and 10 February 1992 in Nairobi, representatives of the three states signed an agreement on 15 February 1992 for the reactivation and strengthening of regional cooperation. On 30 November 1993 the three Presidents signed an agreement in Arusha, Tanzania for the mutual promotion of cooperation and economic development. A commission is to investigate what progress can be made towards East African integration.

INDIAN OCEAN COMMISSION (IOC)

Members: Comoros, France (for Réunion), Madagascar, Mauritius, Seychelles

Foundation: The Commission was founded on 21 December 1982 in Port Louis (Mauritius) by the Foreign Ministers of Madagascar, Mauritius and the Seychelles. A General Cooperation Agreement was signed on 10 January 1984 in Victoria (Seychelles). The Comoros and France (for Réunion) subsequently became members on 7 January 1986. An additional protocol to the Victoria Cooperation Agreement was signed on 14 April 1989, also in Victoria. On 16 March 1991 the first summit of Heads of State and Government was held.

Aims: The IOC is intended to improve cooperation in the South-Western Indian Ocean. Its main concern is economic development but it also covers trade and technical development. Cooperation in cultural, legal, scientific and social matters is also to be encouraged.

Structure: The Council of the Indian Ocean Commission meets once a year for a regular meeting and is composed of one representative for each member state. The Presidency rotates each year between the member states. The Council also appoints the General Secretary. In each member state there is a permanent liaison body, the Committee of Permanent Liaison Officers, which meets annually. Meetings of experts are held twice a year. The Secretariat is in Mauritius.

Financing: Development projects are funded mainly by the European Development Fund. Between 1985 and 1990 the EC contribution was ECU 29 million. Further international donors are the United Nations Development Programme (UNDP), the governments of France, Canada and Australia and other organizations.

Activities: Eight standing committees deal with areas such as trade, shipping, tuna, tourism, regional industrial cooperation, environment, craft and sport. A regional tuna project has been operating since 1987. A programme for cooperation in meteorology is financed by the European Development Fund and an environmental programme dating from 1990. In addition trade fairs

are organized and support given for setting up an association of chambers of commerce in the region.

Recent developments: In 1993 an action plan, PRIDE (Programme Regional Intégré pour le Développement des Echanges), was adopted. This plan was intended to promote regional cooperation, facilitate trade in goods between the member states and improve sea and air transport options. A statistical centre and an import export guide already exist. Joint ventures and joint training programmes are planned. The programme is to run until 1997 and is largely financed by the EU.

2.4 Central Africa

ECONOMIC COMMUNITY OF CENTRAL AFRICAN STATES (ECCAS)

Members: Equatorial Guinea, Burundi, Gabon, Cameroon, Congo, Rwanda, Sao Tomé and Príncipe, Chad, Central African Republic, Zaire. Angola has observer status.

Foundation: ECCAS was first set up at the Conference of Heads of State of the Union Douanière et Economique de l'Afrique Centrale (UDEAC) in December 1981 in Libreville (Gabon) following the action plan adopted previously in Lagos (see 1.1). The Treaty establishing the community was adopted on 18 October 1983 and entered into force on 18 December 1984.

Aims: The main aim is the promotion of harmonious economic cooperation in all sectors. This is to further such longterm objectives as raising the standard of living of the population, close and peaceful relations between the Member States and a contribution to the development of the continent of Africa. In particular reciprocal tariffs and other equivalent taxes are to be dismantled and also quantitative restrictions and other barriers to trade. A common trade policy towards third countries is to be developed. Complete freedom of movement for persons, goods and capital in the ECCAS area is to be achieved step by step. In some policy areas harmonization of national policies is being pursued.

Structure: The highest organ is the Conference of Heads of State and Government of the member states which meets once a year. There is also the Council of Ministers. A proposed Court has not yet started its work. The Secretariat, headed by a Secretary General, has existed since 1985. There are also various technical and advisory committees.

Financing: The budget for 1991 was about US\$ 4 million.

Activities: Seminars, trade fairs, industrial forums and workshops are organized. In the initial stage the emphasis is to be on mutual trade, payment provisions and transport. New non-tariff obstacles in trade within the community are prohibited. A clearing house was established in February 1989 and a compensation fund is to be established. In the area of infrastructure, legal provisions, timetables and networks were harmonized.

For Central Africa ECCAS is an expression of the efforts to achieve the African Economic Community (see 1.1) and should be seen in parallel with ECOWAS and PTA.

Recent developments: At the sixth summit of Heads of State on 25 and 26 January 1990 in Kigali, Rwanda it was decided to accelerate the economic integration of the member states. This move included the decisions to set up a regional bank, to hold a trade fair in Kinshasa (Zaire) and freedom of movement for certain population groups such as students, scientists or cross-border workers. There was also discussion of the probable reduction in aid funding because of the peaceful revolution in Central and Eastern Europe and the associated increased aid from the Western industrialized states for that region.

The eighth ECCAS summit was held on 17 and 18 May 1992 in Bujumbura (Burundi). In summer 1992 it was no longer possible to pay the salaries of officials because of the difficult financial situation, which provoked a strike.

In April 1993 there was a meeting of the Trade Ministers. Discussions were held on trade within the community, which had hardly increased in recent years, and on the lack of efficiency in the Secretariat which meant that little progress was made.

Security has become increasingly important in recent years.

ECONOMIC COMMUNITY OF THE GREAT LAKES COUNTRIES (CEPGL)

Members: Burundi, Rwanda, Zaire

Foundation: All three member states are former Belgian colonies or trust territories. Zaire was always willing to fill the political and economic vacuum left by Belgium. A further reason for the grouping was provided by the security problems which had arisen in the 1960s and early 1970s because of internal conflicts and the ensuing refugee movements. Thus a security agreement had been concluded by 1966. In 1967 there was then the foundation of the 'Tripartite Burundi-Rwanda-Zaire'. The proposal for the foundation of the CEPGL was then made at the meeting of Foreign Ministers on 1 May 1974. Following many years of regular meetings at various levels the CEPGL was officially founded on 20 September 1976 in Gisenyi (Rwanda) with the signature of an agreement by the Heads of State of the member states.

Aims: The main aim is economic integration and guaranteed security of the member states. A framework is to be created for coordination and harmonization of social, economic, trade policy, scientific, cultural, political, military, financial, technical and tourist development. Trade and freedom of movement for persons and goods is to be encouraged and stepped up.

Structure: The Conference of Heads of State hold an annual meeting and the Council of Ministers meets twice. The Secretariat is headed by an Executive Secretary elected for four years. There is also an arbitration commission.

Financing: The organization is funded by direct payments by the member states.

Activities: The bodies founded by the CEPGL are:

- the Development Bank of the Great Lakes States (founded on 9 September 1977);
- the Energy Organization of the Great Lakes States (founded on 20 August 1984, known by this name until 9 December 1979, integrated into the community in 1980);
- the Institute of Agricultural and Zootechnical Research (founded on 9 December 1979).

Technical commissions deal with political and judicial matters, social and cultural matters, planning, industry and agriculture and natural resources. Various agreements govern the cooperation of the central banks, the postal services and freedom of movement for officials and businessmen. Several joint projects, mostly funded by external donors, were implemented or at least planned. These included, for example, projects to improve traffic links, studies on the use of methane gas deposits and joint industrial projects, the development of certain regions or the use of fish resources in the lakes. The largest individual project is a hydroelectric plant built with EC aid in the Ruzizi valley. Progress on this project was, however, blocked for many years because of disputes about subsequent utilization.

Recent developments: The unstable political situation in the lakes region meant that security questions became ever more dominant. In January 1992 it was decided to reactivate the permanent joint security committee to monitor the common frontiers. A special summit was held on 26 November 1994 in Gbadolite (Zaire) at which there was discussion of security matters and the future prospects for the organization following the crisis in Rwanda and Burundi. The catastrophic situation in Rwanda and Burundi and the increasing disintegration of the state in Zaire led to economic decline. The CEPGL could potentially contribute to resolving conflict in the region.

CUSTOMS AND ECONOMIC UNION OF CENTRAL AFRICA (UDEAC)

Members: Gabon, Congo, Central African Republic, Cameroon, Chad. Equatorial Guinea has been a member since December 1983.

Foundation: The UDEAC was founded on 8 December 1964 in Brazzaville by the Heads of State of the Central African Republic, Chad, Congo, Cameroon and Gabon through the signing of the Brazzaville Treaty. This Treaty entered into force on 1 January 1966. The UDEAC replaced the Union Douanière Equatoriale (UDE) which had been set up in 1959. In April 1968 the Central African Republic and Chad left on the initiative of Zaire's President Mobutu who wanted to bind these countries into a new union with his country, the UDEAC. They followed Mobutu's call as in their opinion Cameroon, Congo and Gabon benefited more from UDEAC than they did. However the Central African Republic reentered the UEAC in December 1968. At the tenth summit in December 1974 in Cameroon it was decided to amend the treaty and to set up an Economic and Development Fund. A bank was established in 1976 and in 1984 Chad decided finally to rejoin the UDEAC.

Aims: The aim is an ever-closer union between the member states in order to strengthen regional solidarity. The gradual establishment of a common market is sought, with the aim of supporting the creation of a total African market and the strengthening of African unity.

Structure: The Council of Heads of State, the highest organ, meets once a year. It adopts binding decisions for all member states. A committee consisting of the Finance Ministers and the Economic Development Ministers meets twice a year. In addition the General Secretariat, headed by a Secretary General, is responsible for day-to-day work.

Financing: Funding is provided through contributions from the member states. The annual budget is approximately CFA Francs 2000 million.

Activities: One of the key elements of the UDEAC is a common external customs tariff for Cameroon, the Central African Republic, Congo and Gabon. It has existed since December 1990 and is to be extended to the other members. A solidarity fund is to make good reduced revenue from duties which have occurred because goods have been imported from other member states rather than from third countries. A uniform production tax system (taxe unique) provides an advantage to those undertakings which want to export goods within the UDEAC. These undertakings are freed from all other indirect taxes and duties and in addition they do not have to pay duties on the import of primary products from third countries. Cooperation takes place in numerous other policy areas, in particular in the form of projects.

Recent developments: At the 29th summit of Heads of State and Government of the UDEAC held on 15 and 16 March 1994 at N'Djamena (Chad) a treaty was signed to set up a Central African Economic and Monetary Community (CEMAC) which replaces the UDEAC. This further integration towards an internal market has been sought for several years, but should also be seen against the background of the 50% reduction of the CFA Franc (see under Franc zone above), which is the common currency of these states. They renewed their efforts to harmonize national economic policies. They then examined a number of integration projects in the fields of transport, electricity, fisheries, animal breeding and other projects to strengthen regional trade. It was decided to hold a high-ranking meeting of the CEMAC when all member states had concluded their current negotiations with the International Monetary Fund (IMF).

2.5 East and South Africa

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

Members: Angola, Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, Somalia, South Africa, Sudan, Swaziland, Tanzania, Uganda, Zaire, Zambia, Zimbabwe; membership by Botswana was discussed. It therefore overlaps with the following organizations dealt with in this document: ECCAS, CEPGL, SACU, SADC, EAC (when it becomes active again), IOC, KBO

Foundation: The Treaty establishing the organization was signed at the 12th summit of the Preferential Trade Areas (PTA) on 5 November 1993 in Kampala, Uganda. The first states to sign were: Eritrea, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Sudan, Swaziland, Tanzania, Uganda and Zambia. COMESA has developed from the PTA, which was founded in 1981. COMESA is to become part of the African Economic Community (see under 1.1). Integration is to be deepened gradually and the establishment of COMESA is planned for 2000.

Aims: Achievement of sustainable growth and sustainable development. Cooperation of the member states throughout the economy in order to raise the standard of living of the population and to strengthen cooperation. Creation of a favourable climate for foreign direct investment. Political cooperation. Support for the African Economic Community.

Structure: Meeting of the Heads of State and Government ('Authority of the Common Market') as the highest organ, which takes its decisions by consensus. The Council of Ministers of the Common Market is composed of Ministers appointed by the Member States. The Council of Ministers for the various policy sectors is supported by a permanent government committee and technical preparatory committees. The Committee of the Governors of the Central Banks is the only organ which advises the Heads of State and Government and the Council of Ministers on monetary and financial policy matters. Court of Justice. her committees. Various other committees. Secretariat with a Secretary General.

Financing: Contributions from the Member States according to an agreed formula. Increasingly, also, creation of its own sources of funding through levies from the Common Market and other activities. International donors.

Activities: They are to take place in five areas: 1) free trade agreement including freedom of movement for goods and services produced within the common market; 2) customs union with a common external customs tariff; 3) harmonization of macro-policies for investments and liberalization, including freedom of movement for capital; 4) coordination of policy with regard to production, trade and development; 5) freedom of movement for persons and workers including freedom of establishment and freedom to set up an undertaking. There are no plans to expand further the existing bodies of the PTA. The PTA has inter alia a Development Bank, a Clearing House and various other centres and institutes.

Recent developments: The first COMESA summit was held on 8 and 9 December 1994 in Lilongwe, Malawi when Zaire was officially accepted as a member. The COMESA Treaty, which had been ratified at that stage by 12 states, entered into force. The question of relations with SADC was not clarified. All SADC states except Botswana are also members of COMESA. SADC had proposed that COMESA should be split into two geographical sub-regions. The southern part could then cover the states which were also members of SADC. This proposal was rejected by most of the northern COMESA members (see also under SADC). The subject dominated the meeting of COMESA Trade Ministers in April 1996 in Zambia. The Secretary General of the organization rejected calls for a division of COMESA.

2.6 Southern Africa

SOUTHERN AFRICAN DEVELOPMENT COMMUNITY (SADC)

Members: Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe

Foundation: SADC was founded on 17 August 1992 in Windhoek with the signing of a Treaty which entered into force on 5 October 1993. It was developed from the SADCC (Southern

African Development Coordination Conference) which had existed since 1 April 1980. At a meeting of the Council of Ministers in January 1992 in Maputo the idea was accepted of changing the conference into an economic community with a common policy in areas such as trade and exchange rates. Following the end of apartheid South Africa was accepted as a member in August 1994.

Aims: More far-reaching economic cooperation and integration on the basis of harmony, equality and reciprocal usefulness to promote cross-border investment and trade, greater freedom of movement for the factors of production, goods and services across national frontiers. Common economic, political and social values. Systems to increase economic activity and competitiveness to support democracy, responsible conduct of government, the rule of law and human rights and to ensure involvement of the population and action to combat poverty. Strengthening of regional solidarity, peace and security to enable the population of the region to live and work together in peace and harmony.

Structure: From the beginning SADCC was determined not to establish an excessive international bureaucracy following the negative experiences of other regional organizations. Nothing has basically changed in this thinking following the change to SADC. The highest organ is formed by a summit of Heads of State and Government which meets at least once a year. The Council of Ministers meets twice a year. The Standing Committee of Officials meets twice a year. There are Sectoral Committees of Ministers, Coordinating units, a Secretariat with an Executive Secretary and a Tribunal. A conference with the international donors to assess cooperation and to select new projects takes place each year.

Financing: The costs of the secretariat (1993-94: US\$ 4.9 million) are borne by the member states in proportions agreed by the Council. Donors are the African Development Bank, the European Community and the governments of the USA and Italy.

Activities: The various specialist areas of the action programme were distributed to the individual governments of the member states. Thus Tanzania is responsible for industry and trade and Mozambique for transport and communications, culture and information. After its accession in 1994 South Africa was made responsible for the coordination of economic, financial and monetary policy. In addition programmes and studies on further areas such as regional trade, natural resources, mining, energy and the environment are carried out. Projects are implemented in each case when appropriate funding is available. Several projects are concerned with expanding regional infrastructure. Some committees and centres have also been set up to deal with certain specific areas. There is a centre for cooperation in agricultural research and a committee for transport and communication. A trade information centre is being developed.

Procedure on these projects can be described as very pragmatic. All should benefit from the functional cooperation through actual individual projects or sectoral programmes. The member states are not under an obligation to participate in all joint measures. Thus differing speeds do not present a problem.

Recent developments: In July 1993 border controls between the states were at least officially abolished.

At the summit in August 1994 it was decided to change the previously loose grouping of the front line states (to South Africa) into a subgrouping of the SADC to deal with political and security matters.

At a meeting of the Foreign Ministers of SADC and the EU in September 1994 in Berlin the initial foundations were laid for formalized cooperation between both groups of states.

Because of a drought in June 1995 the SADC asked the USA for aid of US\$ 270 million to prevent famine.

At the last summit of the Heads of State of the member states on 28 August 1995 in Johannesburg, binding decisions were taken for the first time in the history of the organization. The first SADC agreements govern regional water use in Southern Africa and the development of a regional power network. At the same time a decision taken the previous year which provided for regional cooperation on matters of security was reversed. It was agreed that a treaty on the establishment of a regional common market with the dismantling of all barriers to trade by the year 2000 would be prepared for the summit in 1996. At the summit Mauritius was accepted as a new member.

The relationship between SADC and COMESA has still not been clarified (see above). Except for Botswana all SADC countries are also COMESA members, although SADC had forbidden dual membership. CODESA had protested against this ruling as the East African countries were afraid to lose the links to the anticipated upturn in the south. There appear to be many indications that for the time being there will be no fundamental change in the status quo (see also COMESA).

At a meeting of the SADC Foreign Ministers in January 1996 the idea of creating a joint body for security policy questions was raised again. Arrangements concerning the method of operation of the body which is to serve security in the region are to be worked out at the summit in August 1996 in Lesotho.

In mid-March 1996 after a meeting the President of the Namibian Parliament announced that a legislative assembly would be set up towards the end of the year. The assembly, which is to be known as the SADC Parliament, will comprise delegates from the SADC member states. It will deal with questions of human rights and democratic principles and help to strengthen economic cooperation.

SOUTHERN AFRICAN CUSTOMS UNION (SACU)

Members: Botswana, Lesotho, Namibia, Swaziland (=BLNS states), South Africa

Foundation: SACU was set up on 11 December 1969 with the signature of a Customs Union Agreement by Botswana, Lesotho, Swaziland and South Africa. This Agreement was amended

in 1990 to allow for the accession of new members. Namibia then joined the union on 10 July 1990. The SACU agreement is in fact the continuation of the customs union created in 1910, on the foundation of the South African Union, with the three then British High Commission areas.

Aims: Maintenance of free trade in goods and the application of the same customs tariffs and trade provisions for imports from outside the customs union in order to achieve an on-going economic development throughout the customs area. In particular the development of less-favoured member states and diversification of their economies should be supported. All member states should profit to the same extent from mutual trade and trade with third countries.

Structure: The only organ is the Customs Union Commission comprising government representatives who meet annually in one of the capitals of the member states. It monitors the implementation of the provisions and the negotiations on the changes to customs tariffs, the formula for the division of revenue and other current events. Three Liaison Committees (technical, trade and industry, transport) support their work.

Activities: The free movement of goods in the Union is guaranteed and a common external customs tariff set. South Africa determines this external customs tariff, after consultations with the other member states, and the consumption levies at its discretion. It also collects the duties and consumption levies. They are all paid into a fund which is administered by South Africa. The money in this fund is then divided between the Member States, with the BLNS states receiving a higher share. This is intended to balance out the restrictions on their independence on finance policy, the effect of increased prices because of South Africa's protectionism and the polarization of industry in South Africa and should also take their degree of development into account. Within the framework of certain rules the BLNS states are also permitted to protect infant industries, promote certain sectors and prohibit the import of certain goods for economic, social, cultural or other reasons.

Although Lesotho and Swaziland have created their own currencies they are still part of the single Rand currency area. Namibia also maintains parity with the Rand. Only Botswana separated itself in 1976.

Recent developments: South Africa still wants to include the larger neighbouring states such as Zimbabwe, Mozambique and Zambia in some sort of larger economic area. The other SACU members have up to now always voted against this development.

2.7 River basin organizations

MANO RIVER UNION (MRU)

Members: Guinea, Liberia, Sierre Leone

Foundation: The MRU was founded on 3 October 1973 in Malema as a customs union of Liberia and Sierre Leone. The agreement is open to all other states in West Africa. Guinea joined in 1980.

Aims: The main aim is the extension of trade between the member states. A common policy and cooperation with regard to harmonization of tariffs is to be developed. Joint projects are to be encouraged. A fair distribution of the benefits of economic cooperation is to be assured.

Structure: In addition to the Assembly of Heads of State as the highest organ, a Ministerial Council meets at least once a year at which the Economic and Finance Ministers are represented. Technical commissions meet before the Ministerial Council meetings and prepare proposals. There is a Secretariat with a Secretary General.

Financing: The members make a contribution. In 1993 the budget was US\$ 1.4 million

Activities: A common external tariff was established in 1977, initially between Liberia and Sierra Leone. Extension to include Guinea was in mind. On 1 May 1981 trade between Liberia and Sierra Leone was liberalized for certain products. Guinea later acceded to these provisions. The emphasis is on cooperation through practical and appropriate measures in liberalization of trade, industry, agriculture, livestock and transport.

Recent developments: On 20 July 1994 a one day summit of Heads of State and Government was held in Conakry, Guinea. After the Union had been inactive for the previous three years because of a financial crisis, there was discussion of regional security and a common position was prepared on the situation in Liberia for the forthcoming ECOWAS summit.

The considerable political and economic differences between the member states and their political instability has hampered great progress being made so far.

Other river basin organizations: On the African continent there are a whole series of these river basin development organizations. The main aim of these different organizations is the development of the region through coordination of the appropriate sectoral policies. Economic use of the rivers is also to be regulated. Projects chiefly concern dams for irrigation, energy production and making the rivers navigable. Concerns are therefore not so much economic integration as pragmatic cooperation based more or less on geographical conditions. The individual organizations are:

GAMBIA RIVER DEVELOPMENT ORGANIZATION (OMVG)

Members: The Gambia, Guinea, Guinea-Bissau, Senegal

NIGER BASIN AUTHORITY (ABN)

Members: Benin, Burkina Faso, Côte d'Ivoire, Guinea, Cameroon, Mali, Niger, Nigeria, Chad

SENEGAL RIVER DEVELOPMENT ORGANIZATION (OMVS)

Members: Mali, Mauritania, Senegal

The OMVS is considered the most effective of the various river basin development organizations in Africa.

ORGANIZATION FOR THE MANAGEMENT AND DEVELOPMENT OF THE KAGERA RIVER BASIN (KBO)

Members: Burundi, Rwanda, Tanzania, Uganda

To this category of organizations can also be added:

LAKE CHAD BASIN COMMISSION (CBLT)

Members: Cameroon, Niger, Nigeria, Chad. The Central African Republic was accepted as a full member only at the eighth summit on 23 and 24 April 1994.

The organization was founded in 1964. Because of the virtually permanent civil war in Chad during the 1970s and 1980s activities had to be interrupted for a long period. In future regional projects are to be carried out once again. A major problem is the poor financial situation.

At the 1994 meeting the decision was taken to set up a common security force and a plan for the ecological management of the lake was adopted.

3.0 PROBLEMS

The number and scale of the problems facing these organizations are immense. Their enumeration here can therefore never be completely exhaustive in all respects. It is intended merely as an indication that, despite major progress in past years, there are still many obstacles to be overcome.

In a survey of regional groupings such as has been undertaken here one factor is very striking, namely the numbers. Most states are therefore members of not just one but several organizations. These overlaps lead to a completely disproportionate squandering of resources, conflicts, inconsistencies, fragmentation and lack of an overall view. Efforts towards integration are not encouraged under such circumstances - they are in fact hampered. Although this fact was fully recognized, previous attempts to deal with the problem through mergers have failed. In the ECOWAS region, for example, where there are more than 30 different organizations, not one single attempt has succeeded. The cause for this diversity of organizations could well lie in Africa's colonial past. In the period immediately following the independence of numerous states, such groupings came into being on the basis of common linguistic and historical factors, through contacts between African politicians or with the former colonial powers.

One of the main problems is undoubtedly the lack of political will. Although numerous agreements are made at multinational level they are not actually implemented at national level. There is a failure to include the aims of regional cooperation or integration appropriately in national policies. Far too often the political elite remain caught up with the idea of national sovereignty. Frequently there is protectionism, even of non-competitive branches of the economy, and strict trade and payment controls which are established in order to deal with the balance of payment problems but which in fact have a harmful effect on trade. Non-tariff barriers to trade, such as excessively long administrative procedures are not dealt with in a

determined enough manner. Various aspects of monetary and fiscal policy, including the exchange rate policy, also hamper cooperation. There has not yet been any success in building up sufficient trust in the clearing houses, which were established to promote the use of local currencies in trading transactions. It is often the case that the organizations are totally unable to operate because members pay their contributions late or do not pay at all. Summits between the members of a regional organization can easily be reduced to non-binding talks.

Many organizations also suffer because their member states are not in a position (because of internal conflicts) to fulfil their obligations to the organization. Civil wars or other conflicts sometimes hamper the total operation of an organization.

In this context the complete lack of participation of the population becomes apparent, quite apart from active support for the policies of regional cooperation. It is usually the case that initiatives do not work their way from the grassroots of society to the top. The idea either comes from outside the states, for example as a condition for further support, or the political elite of the region itself recognizes the need. However they fail to make the advantages of cooperation with neighbours plausible to the population. Without the necessary understanding and without adequate information programmes, which should after all be conceived for the people, are bound to fail.

Although all multinational agreements provide for the reduction of duties, some states refuse to put these provisions into practice. They are afraid of exposing previously protected or infant industries to competition and of coping with a reduction in their revenue as a result of lower tariffs. Mostly there is thus not any type of compensation mechanism. They also consider that their national sovereignty is being restricted by the establishment of a common external customs tariff. However, a newly created and well thought out common external customs tariff would in fact offer the opportunity of achieving greater success, including in trade with the industrialized countries.

Non-tariff barriers to trade, which can present a further and not be underestimated obstacle, can take the most varied forms. The list of such obstacles is very comprehensive and ranges from administrative procedures which are frequently unnecessarily long and complex to excessively high fees and the restrictive granting of import licences.

As the aim of regional integration is to promote trade between the Member States so that they will benefit from the resulting increased profitability, the business sector should really be the driving force in this process. If regional integration is to be successful it must be supported by the economy. It is after all this sector which invests in undertakings, manufactures the products and trades with them beyond national frontiers. In many African states the economic climate is, however, characterized by numerous obstacles which are placed in the way of the undertakings. There are export and import restrictions, exchange controls, quantitative restrictions and bans on imports. As a result the role of the private sector in regional cooperation has been minimal up to now. In certain cases it could almost be said that there is a serious lack of locally-grown private undertakings. Too many products continue to have to be imported. In the economic sector too much is left to semi-state or state bodies, which of

course do not react anything like as quickly to the possibilities which arise and operate far less efficiently.

The generally poor economic situation in Africa certainly also poses an additional serious problem. Just one example of this well-known fact: the sub-Saharan states are poorer today than they were 20 years ago. A period of economic weakness is, however, not normally the time for longterm planning in relation to regional cooperation and integration. The leaders of these states are far more preoccupied with dealing with this situation through short-term crisis management in their own countries.

A further factor is that in Africa states are also at very differing levels of development. Weaker members of a regional organization are afraid that more developed countries will benefit in an unfair manner and at their expense from free trade. This marked heterogeneousness also occurs in other areas such as availability of resources and economic potential or as regards the political system. It has proved to be a distinct hindrance to cooperation. For regional cooperation to be successful, representatives of the state concerned would have to develop a regional rather than a completely national outlook.

An often almost insuperable obstacle to closer cooperation is still the very poor infrastructure in Africa. Transport links between countries do not exist, are poorly maintained, uncertain or subject to heavy fees. Trade is also made more difficult because of inadequate communication systems.

A whole series of obstacles to integration can be grouped together under the headings of operational and institutional problems. An example would be the under-developed banking links between the African states, in particular between the French and English speaking states. As a result banks are not used enough for cross-border trade, which of course reduces official trade and leads to 'hidden deals'. The linguistic problem also falls into this category. The use of English, French or Portuguese for trade documents makes intra-African trade and integration more difficult. There is also a general lack of information. Sometimes because of the information channels which are developed, African states know more about what is going on in Europe than in other African states. This lack of information alone means that no complete market can be established.

There are also shortcomings in the management of the secretariats of these organizations. Whilst they are of a technical administrative nature, they can be traced back to political decisions. Symptoms of this trend are a lack of clarity as regards the aims and tasks of the organization, a lack of flexibility or difficulties in balancing national and community objectives. It has also been virtually impossible to weld the staff of these secretariats into a body which is independent of attempts by individual states to exert an influence and which feels an obligation only to the organization. Officials are often more loyal to their national ministries than to the organization itself. The many compensation funds which have been set up also do not always operate as they theoretically should.

The economic dependence of many developing countries on the industrialized countries, in particular the former colonial powers, conflicts with the idea of regional integration. Among

other things this dependency leads to industrial products being sought in the industrialized countries when they would in fact be available in the region. Habit is not the only reason for this practice: offers of aid are often linked to the requirement that the necessary goods should be obtained from the donor country. This must be done on a regular basis and regardless of whether or not they are actually required. Suppliers from the industrialized countries are often in a much better position than African countries to offer their customers relatively favourable conditions for loans or in supply agreements. Because of the often long-standing trading relations the general commercial risk is often much less for all those concerned. Increasing intra-community trade as a goal of regional integration is thus difficult.

Analysis of these problems already points to many possibilities for more successful integration. They become apparent whilst attempting to come to grips with the problems outlined above.

4.0 ASSESSMENT

It is hardly possible to make a general evaluation of the successes of all these organizations. Their aims and actual activities are too diverse to be assessed systematically. It is possible only to make basic comments on the relative advantages and disadvantages of the various organizations depending on their approaches and claims.

It is apparent that the large, politically and geographically heterogeneous economic communities which are primarily concerned to increase trade and economic integration have achieved hardly any successes worth mentioning. The reason for this far from satisfactory trend is a whole series of factors including infrastructure problems, lack of political will or tariff and non-tariff barriers to trade (on general problems of integration, see above).

Those organizations which are considerably looser, chiefly concerned with the coordination of individual measures and which from the very beginning have had far less ambitious aims are more successful. SADC is a good example. This organization has an aim which is geared towards growth, specific projects and sectors. It has implemented a series of measures which would normally be undertaken at differing levels of integration. This SADC approach seems to offer an appropriate framework for mobilizing investment capital in the region and creating a regional internal market.

SADC also tries to learn from experiences with experiments which have failed. Two lessons have been learned: firstly, successful integration must ensure that all states involved obtain tangible benefits and secondly these benefits must be distributed as evenly as possible.

Comparisons of very differing integration experiments showed that successful integration can be achieved when the aims are limited from the beginning and formulated tightly and when the desired benefits reach all partners quickly.

5.0 EUROPE'S ROLE

The European Union is seen as a model for regional integration. The completely justifiable question therefore arises as to what other regional groupings can learn from the European integration process. However it must be completely clear that European experiences cannot be transferred indiscriminately to developing countries. Starting points, mentalities and aims differ too much. However some general observations can be made which are valid not only in the European context:

Necessary to successful integration in the first instance is a strong and sustained political will which is geared towards realistic goals.

Furthermore, the experience of the European Union shows that an organization which is to promote regional integration must inevitably have a fixed institutional structure and its own regular income. This is the only way to ensure efficient and independent work.

Coordination of economic policy is also extremely important. In particular as regards monetary policy there must be a satisfactory level of convertibility of the various currencies so that industry can plan its business and costly barter transactions avoided.

The European example also demonstrates the importance of regional and social policies in order to reduce the existing welfare discrepancies within the integration area.

For a feasible distribution of powers between the individual levels, use of the principle of subsidiarity would also seem sensible. In each case the lowest competent level will be responsible for a task. It avoids the development of a top-heavy and over-blown central bureaucracy.

The European Union also demonstrates that some pluralism of organizations is compatible with integration, which is the case, for example, with the Belgo-Luxembourg currency union or the Schengen agreement. This multi-speed integration appears normal where the number of participating states is relatively large. However a range of organizations is not justified when it leads only to an unnecessary squandering of funds.

Lastly, European integration is not a process solely for governments. It gains much more from strong participation by groupings in society. It is, for example, completely clear that without appropriate participation by private industry success would be impossible.

5.1 Support by the European Union for the integration activities of the African states

The Union's activities date back to 1969 when in the Second Yaoundé Convention it was stated that regional groupings of the signatory states could receive aid and that African regional undertakings which tendered for EC financed contracts would be given preferential treatment. Preferential customs tariffs could also be granted for imports from regional groupings of the signatory states. In April 1974 the Council then adopted a resolution on the regional integration of the developing countries in which the Community declared its willingness to grant

development aid applications from countries which were seeking to achieve regional integration and cooperation.

Subsequently this basic position was confirmed in many different ways: in the Fourth ACP-EEC Agreement (Lomé Convention) a whole title (Articles 156-166) is devoted to regional integration. The second financial protocol of Lomé IV makes provision of ECU 1 300 million for the period 1 March 1995 to 1 March 2000 for financing regional projects and programmes of the ACP states. Support for regional cooperation and integration have thus become one of the pillars of EU development policy.

An appropriate legal basis was created with Article 130u which was inserted under the title Development Cooperation (in the Maastricht Treaty). It states that the Community shall foster 'the smooth and gradual integration of the developing countries into the world economy'. A possibility for achieving this goal is the fostering of regional economic cooperation and integration which can smooth the path of the developing countries into the world economy. On 1 June 1995 the Council adopted a resolution on support by the European Community for regional integration activities in the developing countries. Support for regional integration and cooperation was described as a characteristic of European development policy. As a result, in all the Commission's important strategy papers and measures on development problems a high priority is given to support for regional initiatives.

5.2 Some examples of Community support for organizations

COMESA: This institution was the first to develop a practical integration programme which was supported through studies and technical aid by the EU in the fields of trade preferences, non-tariff barriers to trade, transport and insurance documents and a regional clearing system for payments.

SADC: Until 1992 aid was concentrated on sectoral cooperation in particular as regards transport infrastructure. In accordance with the Berlin Declaration signed by SADC and the EU in September 1994, the EU is to give clearer priority to the SADC's integration activities (Bull. 9-1994, point 1.3.26).

SACU: In conjunction with SADC, it was possible to make aid available for restructuring SACU.

IOC: In the 1990s the priority for members is the promotion of trade, with a view to regional integration. The PRIDE project should place the private sector in a position to reorganize itself and improve its competitiveness on the regional and international markets.

CBI: (Cross Border Initiative): This initiative is geared towards members of COMESA, SADC and IOC and is intended to contribute to facilitating trade, investments and payment transactions. Apart from the EU, the African Development Bank, the International Monetary Fund and the World Bank are involved in financing the initiative. Various working groups drew up very pragmatically a list of the greatest obstacles to private cross border economic activity. The CBI supports the organizations in the implementation of the resulting programmes of work.

The removal of legal obstacles is a priority as in a relatively short time results are achieved with only limited financial resources. The removal of practical obstacles required is also important however. The donors are mainly supporting the CBI by helping to finance the transitional costs incurred by individual countries as a result of these measures, chiefly through balance of payments aid. Other projects relate to the restructuring of the private sector, easing payment transactions or the creation of capacities to deal with the problems of regional integration.

UEMOA: The UEMOA initiatives for the convergence of macroeconomic policies, the establishment of a macro-economic monitoring system, the harmonization of legal and administrative provisions, the realization of the internal market and the agreement on common sectoral policies are supported by the EU and also France, the IMF and the World Bank. The initiative is open to other countries in the region and is in line with the integration aspirations of ECOWAS.

UDEAC: After this union, which was set up in 1964, lost more and more in substance, the Heads of State of the member states adopted a regional reform programme in 1990 which is supported jointly by the EC, France, the World Bank and the IMF. The aim of these reforms was in particular the reestablishment of the customs union with a common external tariff and also harmonization of internal indirect taxes. The EC is also supporting direct reforms in the area of inter-state transit transport. Following the devaluation of the CFA Franc the members signed a treaty setting up the Central African Economic and Monetary Community (CEMAC).

Abbreviations

ABN	Autorité du Bassin du Niger (Niger Basin Authority)
AEC	African Economic Community
AMU	Arab Maghreb Union
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest (Central Bank of West African States)
BEAC	Banque des Etats de l'Afrique centrale (Bank of Central African States)
BLNS states	Botswana, Lesotho, Namibia, Swaziland
CBI	Cross Border Initiative
CBLT	Commission du Bassin du Lac Tschad (Lake Chad Basin Commission)
CE	Conseil de l'Entente (Entente Council)
CEAO	Communauté Economique de l'Afrique de l'Ouest (Economic Community of West Africa)
CFA	Communauté Financière Africaine, and Coopération Financière en Afrique Centrale
CEMAC	Communauté Economique et Monétaire de l'Afrique Centrale (Central African Economic and Monetary Community)
CEPGL	Communauté Economique des Pays des Grands Lacs (Economic Community of the Great Lakes Countries)
COMESA	Common Market for Eastern and Southern Africa
DOM	Départements d'Outre-Mer (Overseas Departments)
EAC	East African Community
EC	European Community
ECA	Economic Commission for Africa
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
EU	European Union
GDP	Gross Domestic Product
GNP	Gross National Product
IMF	International Monetary Fund
IOC	Indian Ocean Commission
KBO	Kagera Basin Organization
MRU	Mano River Union
OAU	Organization of African Unity
OMVG	Organisation de mise en valeur du fleuve Gambie (Gambia River Development Organization)
OMVS	Organisation pour la mise en valeur du fleuve Sénégal (Senegal River Development Organization)
PRIDE	Programme Regional Intégré pour le Développement des Echanges
PTA	Preferential Trade Area
SACU	Southern Africa Customs Union
SADC	Southern African Development Community
SADCC	Southern African Development Coordination Conference
TOM	Territoires d'Outre-Mer (Overseas Territories)

UDAO	Union Douanière des Etats de l'Afrique Occidentale (West African Customs Union)
UDE	Union Douanière Equatoriale
UDEAC	L'Union Douanière et Economique de l'Afrique Centrale (Customs and Economic Union of Central Africa)
UDEAP	Union Douanière des Etats de l'Afrique de l'Ouest
UEMOA	Union Economique et Monétaire Ouest Africaine (West African Economic and Monetary Union)
UMOA	Union Monétaire Ouest Africaine (West African Monetary Union)
UN	United Nations
UNDP	United Nations Development Programme

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