FACTS & FIGURES

REGIONAL INTEGRATION: UNITING TO COMPETE

MO IBRAHIM FOUNDATION, 2014

Africa is **1 continental union** with 8 RECs.

Trucks have to negotiate **47 roadblocks** between Kigali & Mombasa.

28 countries belong to 3 or more regional communities or groupings.

Only **COMESA** & **EAC** have established regional customs unions.

The distance between Casablanca & Johannesburg is **almost 10 times** the distance between Paris & Berlin.

The 8 RECs have GDPs ranging **$98 billion–$974 billion.**

In COMESA, the most populous country is **993 times larger** than the least populous country.

Only 5 out of the 54 African countries offer visa-free access or visas on arrival to other African citizens.

Total intra-African trade amounts to **only 11.3% of Africa's** total trade with the world.

Non-African airlines **account for 80%** of the intracontinental market share.

Informal cross-border trade is estimated at **43% of Africa's** official GDP.

The GDP of the richest African REC, CEN-SAD, only amounts to **½ of Russia's GDP.**

It took **35 years** to transform the European Economic Community into the EU.

Informal trade between Algeria and Morocco is estimated at **$2 billion.**

The average cost of exporting a container overseas from Africa is **twice as high** than if exporting from Asia.

The population of the smallest African REC, AMU, only amounts to **½ of the population** of Brazil.

14 African countries have a common currency, the CFA franc.

The distance between Lagos & Nairobi is **more than 10 times** the distance between London & Brussels.

The EPAs exclude **North African** members of AMU.

The 2014 EU budget is around **520 times larger** than the AU's.

CONTENTS

ACRONYMS

ACIRC	African Capacity for Immediate Response to Crises
ACE	Agricultural Commodity Exchange for Africa
ACM	African Common Market
ACP	African, Caribbean and Pacific Group of States
AEC	African Economic Community
AfDB	African Development Bank
AfMX	African Mercantile Exchange
AFRAA	African Airlines Association
AMISOM	African Union Mission in Somalia
AMU	Arab Maghreb Union
APRM	African Peer Review Mechanism
APSA	African Peace and Security Architecture
ARTIN	African Regional Transport Integration Network
ASAM	ASEAN Single Aviation Market
ASCE	Abuja Securities and Commodity Exchange
ASEAN	Association of South East Asian Nations
ASF	African Standby Force
AU	African Union
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
BEAC	Banque des Etats de l'Afrique Centrale
CEMAC	Central African Economic and Monetary Community
CEN-SAD	Community of Sahel-Saharan States
CET	Common External Tariff
CEWS	Continental Early Warning System
CFA	Communauté Financière Africaine
COMESA	Common Market for Eastern and Southern Africa
DRC	Democratic Republic of Congo
EAC	East African Community
EAPS	East African Payment System
EAX	East Africa Exchange
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
ECX	Ethiopia Commodity Exchange
EEC	European Economic Community
EPA	Economic Partnership Agreement
EU	European Union
Euratom	European Atomic Energy Community
FOMAC	Multinational Force of Central Africa
FTA	Free Trade Area
ICBT	Informal Cross Border Trade
ICGLR	International Conference on the Great Lakes Region
IGAD	Intergovernmental Authority on Development
IIAG	Ibrahim Index of African Governance
IOC	Indian Ocean Commission
MISCA	International Support Mission to the Central African Republic
MRU	Mano River Union
MW	Megawatts
NEPAD	New Partnership for Africa's Development
OAU	Organisation of African Unity
OSBP	One-Stop Border Post
PAP	Pan-African Parliament
PIDA	Programme for Infrastructure Development in Africa
POW	Panel of the Wise
PSC	Peace and Security Council
RCI-LRA	Regional Cooperation Initiative for the Elimination of the Lord's Resistance Army
REC	Regional Economic Community
RIATS	Roadmap for Integration of Air Travel Sector
RTGS	Real Time Gross Settlement
SACU	Southern African Customs Union
SADC	Southern African Development Community
SAFEX	South African Futures Exchange
SPS	Sanitary and Phytosanitary
TWh	Terawatt-hours
UN	United Nations
UNAMID	African Union-United Nations Mission in Darfur
UNCTAD	United Nations Conference on Trade and Development
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNPKO	United Nations Peacekeeping Operation
WAEMU	West African Economic and Monetary Union
WTO	World Trade Organization
ZAMACE	Zambia Agricultural Commodities Exchange

KEY

AMU
CEN-SAD
COMESA
EAC
ECCAS
ECOWAS
IGAD
SADC

CEN-SAD calculations have been done on the basis of its most recent membership (now 24 members). This means that CEN-SAD IIAG averages in this document may be different to those published in the 2013 IIAG.

It is advised that users take into consideration the impact of multiple REC memberships when analysing results.

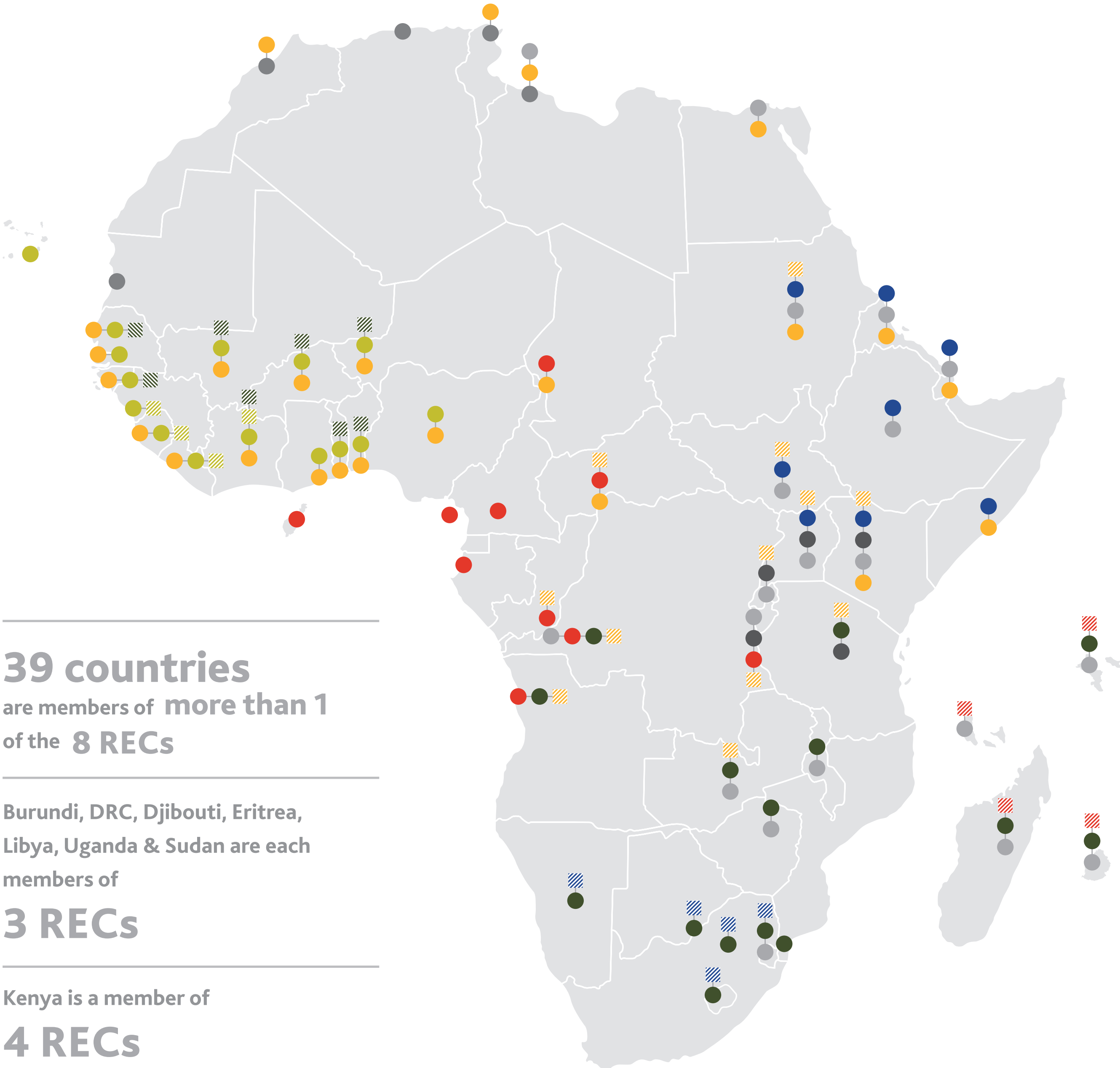
Fifty years have passed since Africa gained its political independence. Whilst much has been achieved, Africa's true potential is far from being fulfilled.

The continent has huge scope for developmental success, but only if assets, such as its diversity and resources, are adequately harnessed. Africa can no longer rely on external players who outline terms and priorities based on their own agendas. The regional integration project, first defined in 1991 by the Organisation of African Unity (OAU), offers the possibility of transformative change. As economic, political and social momentum builds on the continent, now is the time for implementation of this unifying vision. Africa is stronger united than as a fragmented mosaic of 54 countries.

Critical challenges, such as restrictive borders, an underdeveloped internal infrastructure and growing transnational threats hinder progress. Overcoming these obstacles will require political will, financial commitment and a strong sense of African solidarity. All countries have a vested interest in the unity of the continent and embracing it will serve to strengthen their own autonomy.

"Only unity, coherence and internal solidarity will allow Africa to assert itself on the global stage. Africa has secured its political independence. It is time now to build its autonomy."

Mo Ibrahim, 2014



39 countries
are members of **more than 1**
of the **8 RECs**

Burundi, DRC, Djibouti, Eritrea, Libya, Uganda & Sudan are each members of
3 RECs

Kenya is a member of
4 RECs

KEY

AMU
CEN-SAD
COMESA
EAC
ECCAS
ECOWAS
IGAD
SADC
ICGLR
IOC
MRU
SACU
WAEMU

	Regional Economic Communities (RECs)								Additional groups					
	AMU	CEN-SAD	COMESA	EAC	ECCAS	ECOWAS	IGAD	SADC	ICGLR	IOC	MRU	SACU	WAEMU	TOTAL
Algeria	●													1
Angola					●			●	●					3
Benin		●				●							●	3
Botswana								●				●		2
Burkina Faso		●				●							●	3
Burundi			●	●	●				●					4
Cameroon					●									1
Cape Verde						●								1
Central African Republic		●			●				●					3
Chad		●			●									2
Comoros			●							●				2
Congo					●				●					2
Congo, Dem. Rep.			●		●			●	●					4
Côte d'Ivoire		●				●					●		●	4
Djibouti		●	●				●							3
Egypt		●	●											2
Equatorial Guinea					●									1
Eritrea		●	●				●							3
Ethiopia			●				●							2
Gabon					●									1
Gambia		●				●								2
Ghana		●				●								2
Guinea						●					●			2
Guinea-Bissau		●				●							●	3
Kenya		●	●	●			●		●					5
Lesotho								●				●		2
Liberia		●				●					●			3
Libya	●	●	●											3
Madagascar			●					●		●				3
Malawi			●					●						2
Mali		●				●							●	3
Mauritania	●													1
Mauritius			●					●		●				3
Morocco	●	●												2
Mozambique								●						1
Namibia								●				●		2
Niger		●				●							●	3
Nigeria		●				●								2
Rwanda			●	●					●					3
São Tomé & Príncipe					●									1
Senegal		●				●							●	3
Seychelles			●					●		●				3
Sierra Leone		●				●					●			3
Somalia		●					●							2
South Africa								●				●		2
South Sudan			●				●		●					3
Sudan		●	●				●		●					4
Swaziland			●					●				●		3
Tanzania				●				●	●					3
Togo		●				●							●	3
Tunisia	●	●												2
Uganda			●	●			●		●					4
Zambia			●					●	●					3
Zimbabwe			●					●						2

THE AFRICAN JOURNEY: STILL YOUNG

The Organisation of African Unity (OAU) was born in 1963 as a political grouping. The first of the eight RECs, ECOWAS, was created in 1975.

In 1991, 28 years after the OAU was founded, the organisation adopted the

Abuja Treaty

proposing the establishment of the African Economic Community (AEC), with eight RECs considered as the foundation. The AEC is envisaged to be ready by 2028 (latest 2034), following six key stages of development.

1. **CREATION OF REGIONAL BLOCS** — 1999
   Completed in 1999
2. **STRENGTHENING OF INTRA-REC INTEGRATION AND HARMONISATION**
   Completed in 2007
3. **ESTABLISHMENT OF REGIONAL FREE TRADE AREAS (FTAs) AND CUSTOMS UNIONS**
   To be completed in 2017
4. **ESTABLISHMENT OF CONTINENT-WIDE FTA AND CUSTOMS UNION**
   To be completed in 2019
5. **ESTABLISHMENT OF CONTINENT-WIDE AFRICAN COMMON MARKET (ACM)**
   To be completed in 2023
6. **ESTABLISHMENT OF CONTINENT-WIDE ECONOMIC AND MONETARY UNION, AND PARLIAMENT** — 2028, 2034
   To be completed in 2028, latest 2034

Stage	Progress	AMU 1989	CEN-SAD 1998	COMESA 1993	EAC 1999	ECCAS 1983	ECOWAS 1975	IGAD 1996	SADC 1992
1 1994-1999	Strengthening existing RECs and creation of new RECs where they did not exist.								
2 2000-2007	Coordination and harmonisation of REC activities.								
	Gradual elimination of tariff and non-tariff barriers within RECs.	In progress	Not yet					In progress	
3 2008-2017	Regional FTAs.	Not yet	Not yet					Not yet	
	Regional customs unions.	Not yet	Not yet			Not yet	Not yet	Not yet	Not yet
4 2018-2019	Continental customs union.	To be achieved when all RECs have established customs unions and harmonised their respective Common External Tariff (CET) with a view to creating one single continental CET.							
5 2020-2023	Continental common market.	To be achieved when all RECs have established continental customs unions as well as free movements of labour and capital.							
6 2024-2028 (latest 2034)	Continental monetary and economic union.	To be achieved when all RECs have established an ACM, and there is a common currency issued by the African Central Bank.							

- EAC is the most advanced REC in the integration stages, having launched its common market in 2010.
- ECCAS has launched its FTA but is facing challenges in implementation.
- AMU, CEN-SAD and IGAD have gone no further than stage two.

ASEAN, EU AND MERCOSUR MILESTONES

ASEAN: Association of Southeast Asian Nations, 1967

- Formed in 1967 with five founding members, progressively extended to ten members and two observers.
- ASEAN Free Trade Agreement (FTA) signed in 1992.
- Established as an international legal entity in 2008 (ASEAN Charter).
- 2015: full implementation scheduled.
  - ASEAN Economic Community.
  - ASEAN Comprehensive Investment Area.

EU: European Union, 1958

- 1951: the European Coal and Steel Community was the first step in the federation of Europe.
- 1958: the six founding members established the European Economic Community (EEC), as a customs union, along with the European Atomic Energy Community (Euratom) for cooperation in developing nuclear energy.
- 1985: creation of open borders with the Schengen Agreement. No passport controls between most member states.
- 1993: creation of the EU, which now has 28 member states.
- 1999: creation of the Monetary Union.
- 2002: establishment of the common currency (Euro), within 18 member states (out of 28).
- 2013 EU budget: €150.9 billion.
  - Expenditures
    47%: cohesion and competitiveness for growth and employment.
    11%: rural development, environment and fisheries.
    29%: market-related expenditures and direct aids.
  - Resources
    73%: GDP-based resources.
    11%: VAT-based resources.
    14%: customs duties and sugar sector levies.

MERCOSUR: Mercado Común del Sur[1], 1991

- Formed in 1991 with four founding members, progressively extended to seven associate members and two observers.
- Aims at free trade and fluid movement of goods, people and currency.
- Is now a full customs union.

The EU budget for 2014 is $197,925 million[2] compared to the AU budget of $380 million.

[1] Southern Common Market
[2] Converted from Euros on 1 May 2014

1958 The six founding members established the EEC, as a customs union, along with Euratom for cooperation in developing nuclear energy.

1967 ASEAN formed in 1967 with five founding members, progressively extended to ten members and two observers.

1985 Creation of open borders with the Schengen Agreement. No passport controls between most member states.

1991 MERCOSUR formed in 1991 with four founding members, progressively extended to seven associate members and two observers.

1992 ASEAN Free Trade Agreement signed.

1993 Creation of the EU, which now has 28 member states.

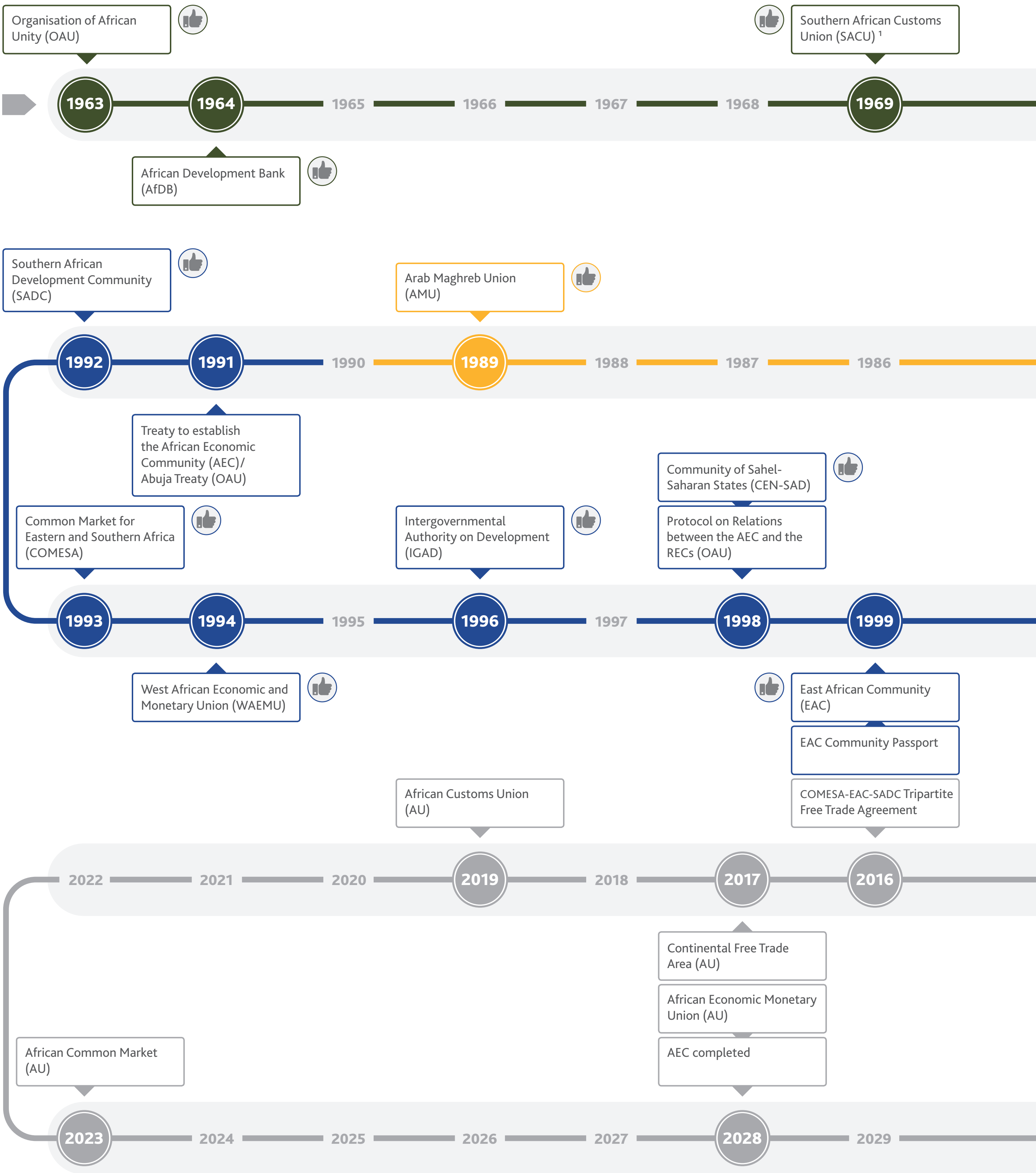
1999 Creation of the Monetary Union.

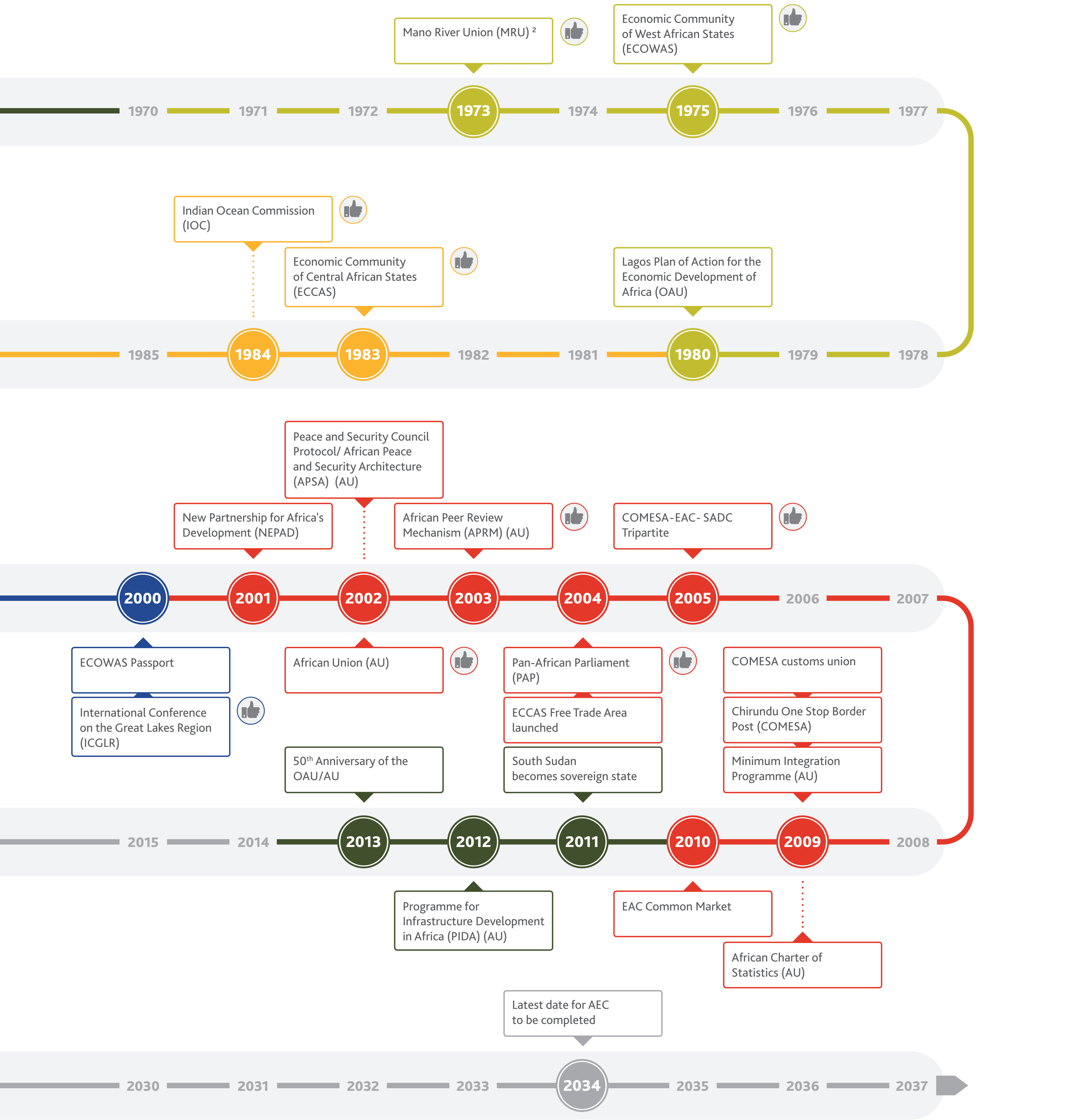
2002 Establishment of the common currency (Euro), within 18 member states (out of 28).

How did they make it?

- A long road for everybody.
  - The strongest, the EU, is also the oldest: initiated in 1958, it took 35 years to get from the EEC to the EU.
- A small group of founding members, progressively extended.
  - EU: six–28 members.
    ASEAN: five–ten members.
    MERCOSUR: four–six members (and six associate members).
- Economic integration as a starting point, primarily through the customs union.
- No pending regional conflict.

AFRICAN MILESTONES

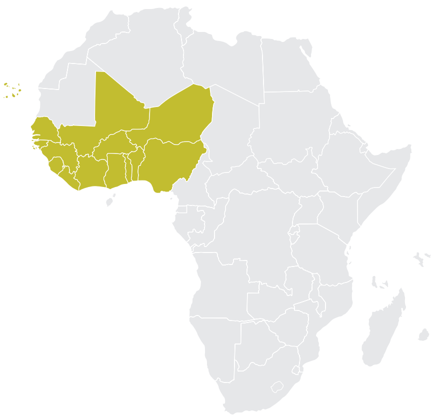




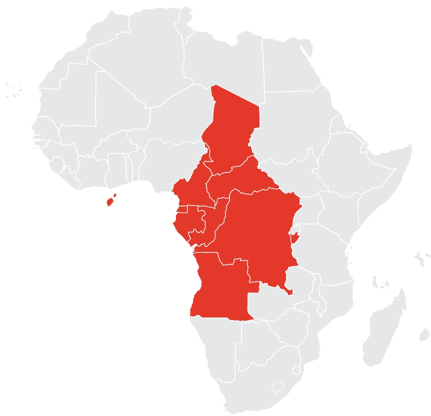
[1] Initially founded in 1910, SACU was relaunched in 1969.
[2] Initially founded in 1973, the Union was subsumed into ECOWAS after conflict and tensions prevented the objectives of the regional grouping from being realised. The MRU was revised in May 2004.

EIGHT BUILDING BLOCS: THE AFRICAN RECS

ECOWAS • 1975



ECCAS • 1983

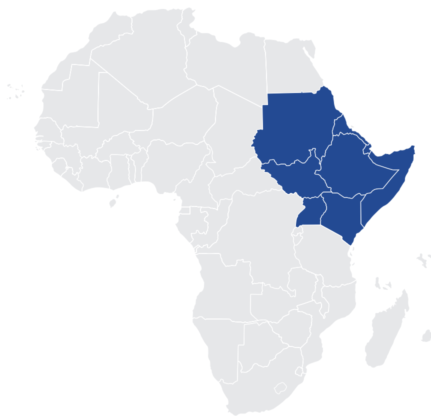


AMU • 1989

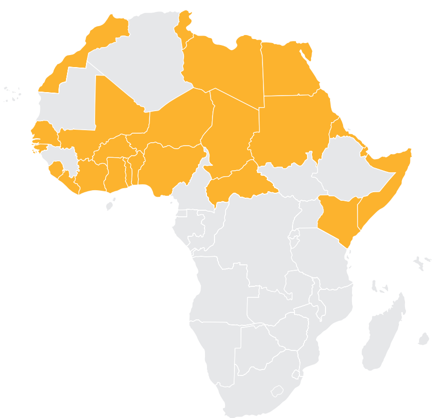
SADC • 1992

COMESA • 1993

IGAD • 1996



CEN-SAD • 1998



EAC • 1999

PLUS FIVE ADDITIONAL GROUPS

Pre-Abuja Treaty

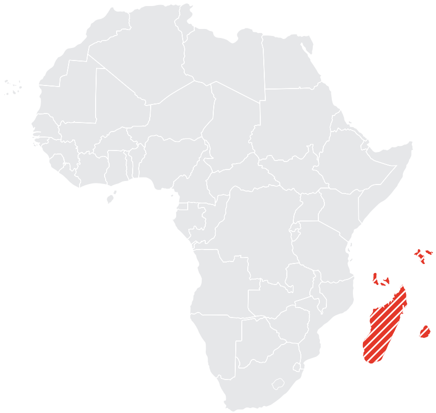
SACU • 1969

Aims to maintain a common external tariff, share customs revenues and coordinate policies and decision-making on trade issues. SACU is the oldest customs union in the world.[1]

MRU • 1973

Aims to work towards the maintenance of peace and stability and a coordinated approach to security, trade and development.[2]

IOC • 1984



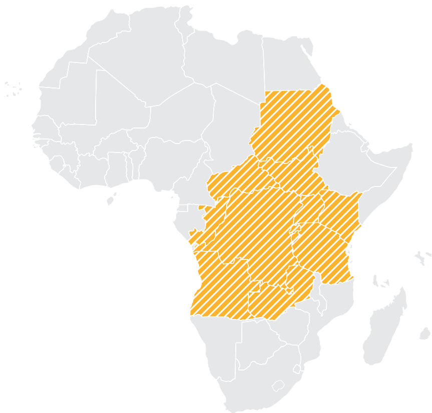
Aims to strengthen relationships and solidarity and build regional sustainable development projects. It is the only regional community comprised of solely island nations.

Post-Abuja Treaty

WAEMU • 1994

Aims to promote economic integration among countries that share the CFA franc as a common currency.

ICGLR • 2000



Aims to provide a consolidated and cooperative approach to regional instability and conflict.

COMESA-EAC-SADC Tripartite : the 'Super-REC'

- Established in 2005 to strengthen and deepen economic integration of Southern and East Africa by harmonising policies and programmes in areas of trade, customs and infrastructure development.
- In 2011 a declaration was signed initiating negotiations for the establishment of the COMESA-EAC-SADC Free Trade Area (FTA). This is expected to be launched in 2016.

[1] Initially founded in 1910, SACU was relaunched in 1969.
[2] Initially founded in 1973, the Union was subsumed into ECOWAS after conflict and tensions prevented the objectives of the regional grouping from being realised. The MRU was revised in May 2004.

A DIFFICULT STARTING POINT: IMBALANCED BLOCS

AMU Rabat, MOROCCO	
5	member states
92	million people
5.8	million km² land area
66%	urban population
$414	GDP (billion)

ECCAS Libreville, GABON	
10	member states
142	million people
6.5	million km² land area
40%	urban population
$224	GDP (billion)

CEN-SAD Tripoli, LIBYA	
24	member states
551	million people
11.3	million km² land area[1]
43%	urban population
$974	GDP (billion)

ECOWAS Abuja, NIGERIA	
15	member states
319	million people
5.0	million km² land area
45%	urban population
$396	GDP (billion)

COMESA Lusaka, ZAMBIA	
20	member states
469	million people
11.2	million km² land area
29%	urban population
$588	GDP (billion)

IGAD Djibouti, DJIBOUTI	
8	member states
236	million people
4.9	million km² land area
22%	urban population
$175	GDP (billion)

EAC Arusha, TANZANIA	
5	member states
149	million people
1.7	million km² land area
22%	urban population
$98	GDP (billion)

SADC Gaborone, BOTSWANA	
15	member states
287	million people
9.6	million km² land area
39%	urban population
$648	GDP (billion)

The eight RECs range from:

5–24
members

92–551
million people

22%–66%
urban population

$98–$974
billion in GDP

1.7–11.3
million km² in land area

[1]Land area for CEN-SAD does not include data for Sudan.

DIVERSITY VS. COMPARABILITY

POPULATION RANGE Population (ratio)	
EAC	5
AMU	10
MERCOSUR	59
IGAD	107
EU	194
CEN-SAD	196
ECOWAS	341
ECCAS	349
ASEAN	599
SADC	712
COMESA	993
AU	1828

INCOME RANGE GDP per capita (ratio)	
IGAD	3
EAC	4
MERCOSUR	6
ECOWAS	9
AMU	9
EU	15
CEN-SAD	26
SADC	49
COMESA	51
ASEAN	55
AU	96
ECCAS	96

GEOGRAPHIC RANGE Land area[1] (ratio)	
AMU	15
EAC	36
IGAD	43
MERCOSUR	48
CEN-SAD	174
ECOWAS	314
EU	1711
ECCAS	2362
ASEAN	2588
COMESA	4928
SADC	4928
AU	5178

The ratios illustrate how many times larger (in terms of population size, GDP per capita or land area) the biggest country is compared to the smallest within a region or REC. For example, for population, EAC's ratio of five means Tanzania's population, the biggest in EAC, is five times larger than Burundi's, the smallest in EAC.

In ECOWAS, the most populous country, **Nigeria, is 341 times larger** than the least populous country, **Cape Verde.**

In EAC, the income of a person living in Kenya, which has the highest GDP per capita, **is 4 times greater** than Burundi, which has the lowest GDP per capita.

In IGAD, the land area of the largest country, **Ethiopia, is 43 times bigger** than the smallest country, **Djibouti.**

In SADC, the income of a person living in the Seychelles, which has the highest GDP per capita, **is 49 times greater** than in the DRC, which has the lowest GDP per capita.

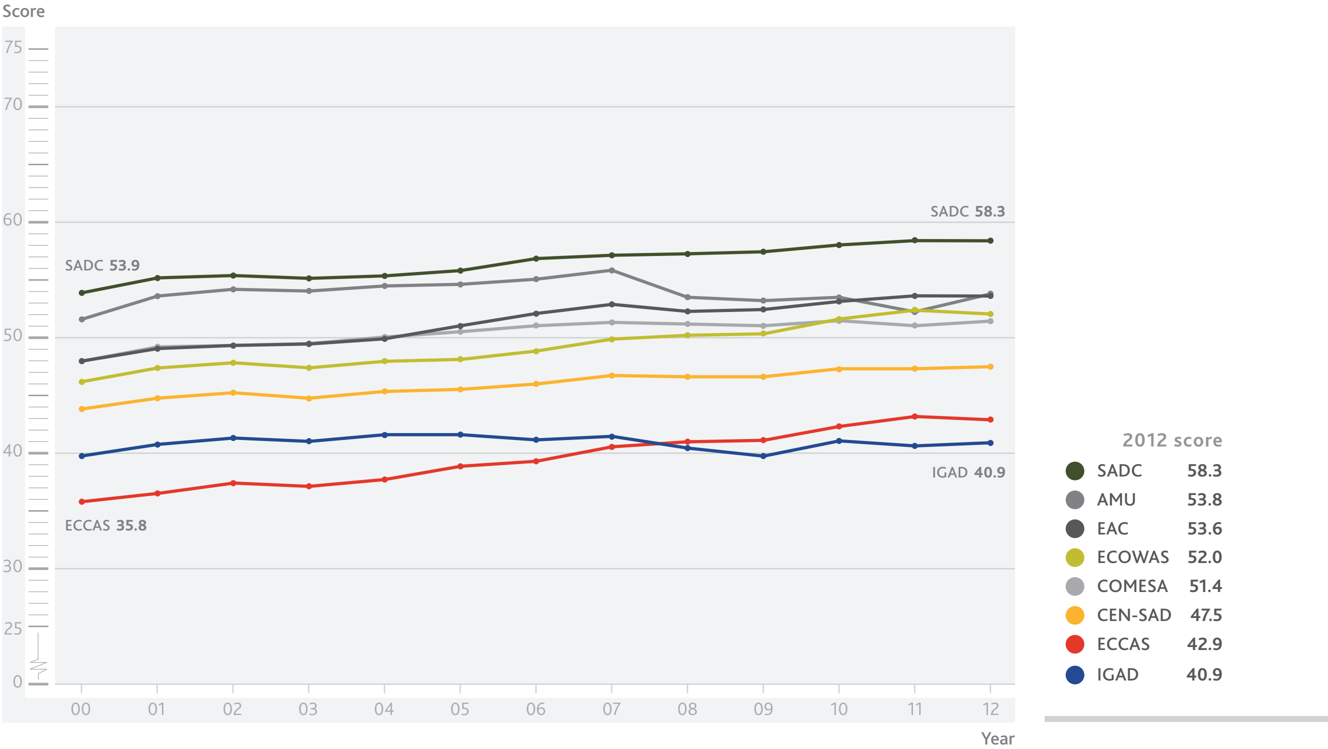
- MERCOSUR is the most homogeneous regional organisation across all three dimensions, when compared to the AU, ASEAN and EU.
- EAC is the most homogeneous region in terms of population size, with similar levels of income and geographical comparability.
- IGAD is the most homogeneous region in terms of income.
- AMU is the most comparable region in terms of geography and population size. With regards to income there is greater comparability among the AMU countries than for those of the AU, EU and ASEAN.
- CEN-SAD is also a noticeably homogeneous region. It has relatively similar levels of population size and land area compared to the EU, but a higher diversity between countries within the region for income.

- The AU is the most diverse regional organisation across all three dimensions, when compared to all eight RECs, the EU, ASEAN and MERCOSUR.
- COMESA is the most diverse region geographically and in terms of population size. It is the second most diverse in terms of income, arguably the most important factor for economic integration.
- ECCAS is the region with the highest income diversity.
- SADC is relatively diverse compared to the other regions. It has similar levels of income diversity to ASEAN, although it does show greater diversity in terms of population size and geographical area.

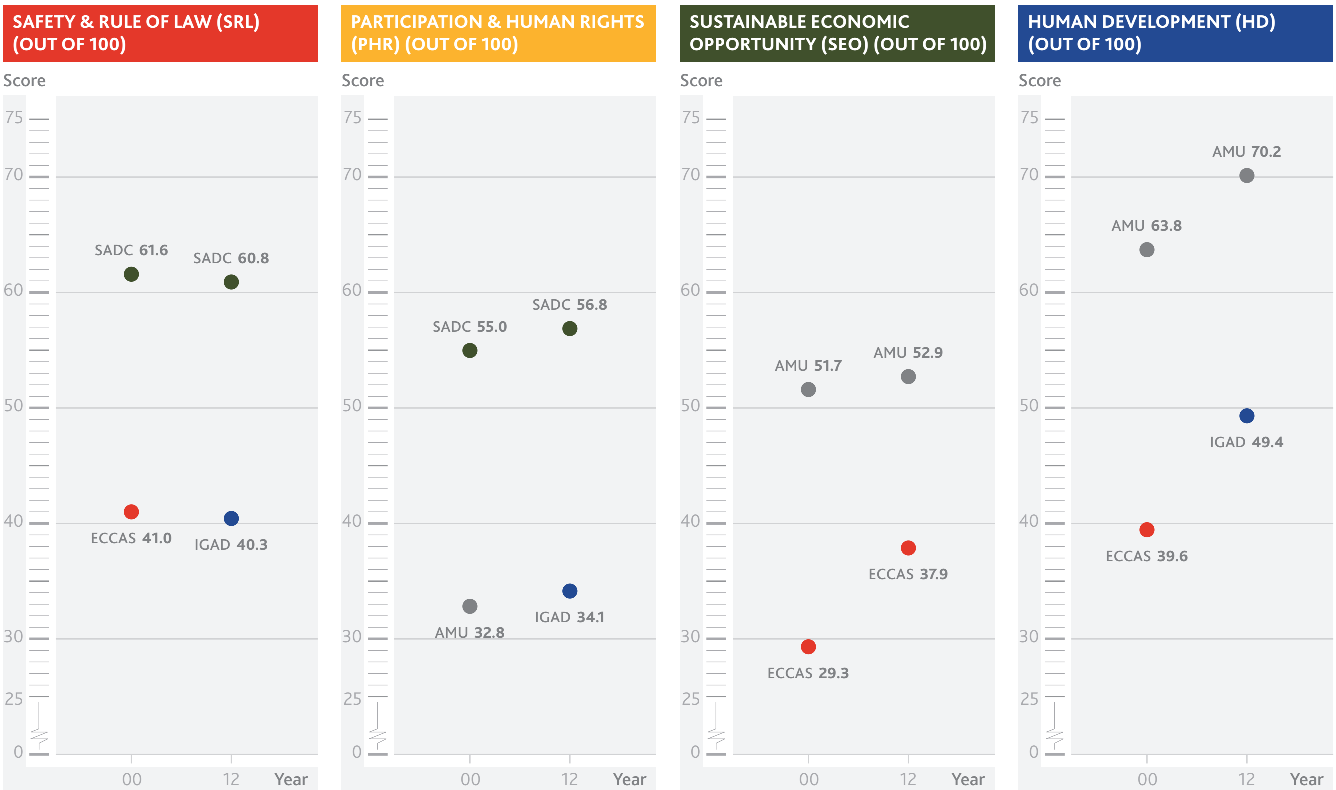
[1]Calculations for geographic range do not include data for South Sudan or Sudan.

TOWARDS CONVERGENCE? WHAT THE IIAG SHOWS

OVERALL GOVERNANCE SCORE (OUT OF 100)



BEST AND WORST PERFORMERS AT CATEGORY LEVEL



ARE COUNTRIES WITHIN RECS CONVERGING?

	OVERALL GOVERNANCE SCORE			SRL			PHR			SEO			HD		
	Change since 2000			Change since 2000			Change since 2000			Change since 2000			Change since 2000		
	Range	Score		Range	Score		Range	Score		Range	Score		Range	Score	
AMU	+4.8	+2.2	<—>	+4.5	-8.3	<—>	+1.7	+9.6	<—>	+2.8	+1.2	<—>	+2.9	+6.5	<—>
CEN-SAD	+6.9	+3.7	<—>	+8.3	-2.2	<—>	-1.3	+2.0	<—>	-7.8	+5.1	<—>	-1.4	+9.8	<—>
COMESA	0.0	+3.5	<—>	+3.1	-2.9	<—>	-5.0	+2.8	<—>	+5.7	+4.5	<—>	+3.0	+9.6	<—>
EAC	-6.6	+5.6	<—>	-1.9	-0.8	<—>	-14.6	+5.0	<—>	+4.8	+4.5	<—>	+1.8	+13.8	<—>
ECCAS	-4.1	+7.1	<—>	-2.5	+2.1	<—>	-2.1	+7.2	<—>	-5.6	+8.5	<—>	+1.0	+10.5	<—>
ECOWAS	-5.5	+5.7	<—>	-19.8	+1.0	<—>	+4.9	+2.9	<—>	+0.8	+6.7	<—>	-2.8	+12.2	<—>
IGAD	+5.7	+1.1	<—>	+4.2	-2.8	<—>	+4.2	-3.2	<—>	+1.2	+1.0	<—>	+8.6	+9.4	<—>
SADC	0.0	+4.4	<—>	+3.4	-0.8	<—>	-10.6	+1.9	<—>	+5.7	+6.8	<—>	-1.0	+9.8	<—>

<—> Range decrease and score increase
<—> Range increase and score increase
<—> Range decrease and score decrease
<—> Range increase and score decrease

Convergence between countries within a REC could be considered a good proxy to integration – it may facilitate the integration process, while also demonstrating its success. Therefore, RECs that show a decreasing range between country governance results and, at the same time, show an increased average score may be best placed for success.

Overall governance level

Three out of the eight RECs (EAC, ECCAS and ECOWAS) show the above trend.

Safety & Rule of Law

Five out of the eight RECs have decreased their average score and increased their internal discrepancy of results – possibly creating the most difficult environment for regional integration.

Participation & Human Rights

This category shows the largest number of RECs (five out of eight) displaying this trend (CEN-SAD, COMESA, EAC, ECCAS and SADC).

Sustainable Economic Opportunity

Six out of the eight RECs (AMU, COMESA, EAC, ECOWAS, IGAD and SADC), while positively increasing their average score, have also shown decreased internal uniformity.

Human Development

The same trend is seen in five of the eight RECs in this category (AMU, COMESA, EAC, ECCAS and IGAD).

No REC shows an increase in its average score and increased internal uniformity across all four categories and at the overall governance score level of the IIAG.

CEN-SAD shows this trend in three of the four categories (PHR, SEO and HD).

ECCAS shows this trend in three of the four categories (SRL, PHR and SEO) and at the overall governance level.

CONVERGING MACROECONOMIC REALITIES

Macroeconomic disparities within RECs, % (2000-2012)[1]

RECS	FISCAL POLICY	INFLATION	RESERVES	TOTAL REVENUE TO TOTAL EXPENDITURE
AMU	◀▶ (4.6 to 4.4)	▼ (1.8 to 5.7)	▼ (31.7 to 34.3)	▲ (20.2 to 12.2)
CEN-SAD	▼ (12.0 to 14.3)	◀▶ (7.0 to 6.6)	▲ (29.3 to 24.5)	▼ (18.6 to 20.2)
COMESA	◀▶ (12.3 to 11.8)	▲ (27.4 to 12.7)	▲ (40.4 to 27.3)	▲ (29.8 to 15.9)
EAC	▲ (5.7 to 4.0)	▲ (6.7 to 5.6)	▲ (18.0 to 7.4)	▲ (14.8 to 3.1)
ECCAS	▼ (4.4 to 5.5)	▲ (64.5 to 5.5)	▼ (34.5 to 35.9)	▲ (48.3 to 12.6)
ECOWAS	◀▶ (9.3 to 8.6)	◀▶ (7.5 to 7.1)	▲ (23.7 to 15.0)	▲ (15.0 to 13.5)
IGAD	▼ (9.7 to 11.1)	▼ (4.3 to 12.3)	▲ (24.4 to 13.4)	▲ (20.7 to 8.0)
SADC	▲ (16.0 to 11.9)	▲ (41.6 to 8.4)	▲ (38.2 to 28.0)	▲ (25.1 to 9.3)
Africa[2]	◀▶ (13.1 to 12.2)	▲ (17.0 to 10.4)	▲ (39.5 to 34.5)	▲ (26.1 to 16.4)

High values indicate low uniformity within REC members. Low values indicate uniformity.

Fiscal Policy, *Inflation*, *Reserves* and *Total Revenue to Total Expenditure* are all IIAG indicators.

▲ Uniformity increased during the period 2000-2012

◀▶ Indicator uniformity remained stable (+/-1 change) during the period 2000-2012

▼ Countries are less uniform in 2012 than they were in 2000

AFRICA

Since 2000, macroeconomic indicators have demonstrated greater uniformity on the continent.

RECs

EAC is the most economically uniform REC, and has shown a considerable reduction in economic disparity since 2000.

- *Reserves* disparity has fallen from 18% to 7% and the *Ratio of Total Revenue to Total Expenditure* from 15% to 3%.
- This is consistent with the present official levels of integration within the EAC.

To a lesser extent, ECOWAS has also demonstrated increased uniformity, especially in *Inflation*. ECOWAS had a notable degree of uniformity in 2000.

IGAD has become more uniform in its *Ratio of Total Revenue to Total Expenditure* since 2000. While the bloc is relatively uniform, it does not show a clear trend towards integration with both *Fiscal Policy* and, in particular, *Inflation* increasing in disparity since 2000.

AMU is a reasonably uniform REC, except in *Reserves* where disparity is high (34 points), perhaps reflecting the differences in reserves for oil-producing countries and non-oil producing countries – Algeria and Libya have the highest *Reserves* scores in the 2013 IIAG.

SADC has demonstrated a high degree of uniformity, especially in *Inflation*.

ECCAS has become more uniform in *Inflation* (60 points) and *Ratio of Total Revenue to Total Expenditure* (35 points). This suggests that countries outside the CFA zone have improved their inflation management.

CEN-SAD and COMESA are the least uniform RECs as of 2012. COMESA however has become notably more uniform in all macroeconomic variables.

The *Fiscal Policy* indicator shows a relatively stable low level of disparity over time, in all RECs.

[1] Tested by means of simple statistical measures of dispersion. Expressed as a percentage, 0 representing when countries within a REC perform equally in a particular dimension and 100 being the opposite.
[2] Does not include data for South Sudan or Sudan.

OPENING UP TO PEOPLE

AFRICA IS OPEN TO THE REST OF THE WORLD

- Africa has the highest percentage of countries whose visitors are able to obtain a visa on arrival (28%).
- East Africa is the second most open sub-region in the world, alongside South-East Asia. Less than one-third of the world's population require traditional visas.
- Of the African countries assessed by the United Nations World Tourism Organization, nine African countries are listed in the top 25 least-restrictive destinations in 2013: Mauritius, Seychelles, Rwanda, Mali, Cape Verde, Guinea-Bissau, Mozambique, Togo and Uganda.

BUT REMAINS CLOSED TO AFRICANS

- Only five African countries (Seychelles, Mozambique, Rwanda, Comoros and Madagascar) offer visa-free access or visas on arrival to other African citizens.
- On average, African citizens require visas to visit 60% of African countries.
- East Africans require the most visas to travel within Africa, whereas ECOWAS countries have the most access, in part due to their visa-free movement protocol.

Key challenges

- Physical infrastructure
- Immigration and customs policies
- Transnational security concerns
- Harmonisation and reciprocity
- Ratification of key protocols

Improving the visa process

- Improve delivery of information
- Facilitate current processes
- Differentiate treatment
- Use e-Visa programmes
- Establish regional agreements

BEST PRACTICE

ASEAN

In 2006, ten ministers of foreign affairs of ASEAN countries signed the Framework Agreement on Visa Exemption. The goal is that all member countries will have signed a visa exemption agreement with all their fellow members by 2015. As of January 2014, all ASEAN members except Myanmar have implemented this measure. Intra-ASEAN tourism accounts for half of all international tourist arrivals in the region.

European Union

Schengen Visa: allows multiple access to 26 countries (including four non-EU countries) of the Schengen Area that have abolished passport and immigration controls at their borders.

EAC

EAC Passport: created to ease border crossing for East Africans, with six months multiple entry validity. The passport costs $10, and is currently only valid for travel within the EAC. There are plans for international adoption by November 2015.

ECOWAS

Passport: created to facilitate intra-regional travel of member states' citizens for a maximum of 90 days. The passport is also recognised for international travel.

Travel Certificate: created to facilitate and simplify formalities governing the movement of people across borders of ECOWAS states. Having this document in possession exempts the holder from filling in the ECOWAS immigration and emigration forms.

COMESA

COMESA is granting a 90-day visa upon arrival to all Free Trade Area (FTA) members.

Kenya and Rwanda

The countries are implementing a bilateral agreement to allow citizens from each country to freely establish in the other. The agreement also waives all work permit fees. Kenya is implementing a similar agreement with Uganda.

SPOTLIGHT | SECURITY – THE RISE OF SHARED THREATS

THE CHANGING NATURE OF CONFLICT

2013 IIAG: The *Safety & Rule of Law* category results highlight diverging trends on the continent, which speak to the changing nature of conflict and instability, with fewer regional conflicts but increased domestic instability.

Alongside protracted conflicts, cross-border challenges include the increasing risk of resource-related insecurity, terrorism, drug trafficking and piracy. All require effective regional collaboration, in terms of political will, institutional engagement and shared investment.

1 Protracted conflicts

South Sudan and Sudan, Somalia and the Great Lakes region.

2 Resource-related insecurity

Shared water resources e.g. Nile Basin (shared by 11 countries), land ownership and climate refugees.

3 Transnational threats

Terrorism/ armed rebellion across borders

Widening all along the Sahalian band, the Horn and the East coast.

Piracy

Falling levels of piracy off the Somali coast countered by a rise along the West African coast.

Drug trafficking

West Africa has become a hub for international drug trafficking. It has become the main logistical transit centre between Latin America, Europe and Asia.

New forms of trafficking

Fake medicines, human organs, rare metals etc.

"PROGRESS AND AREAS OF CONCERN"

22nd Ordinary Session of African Union Assembly, January 2014

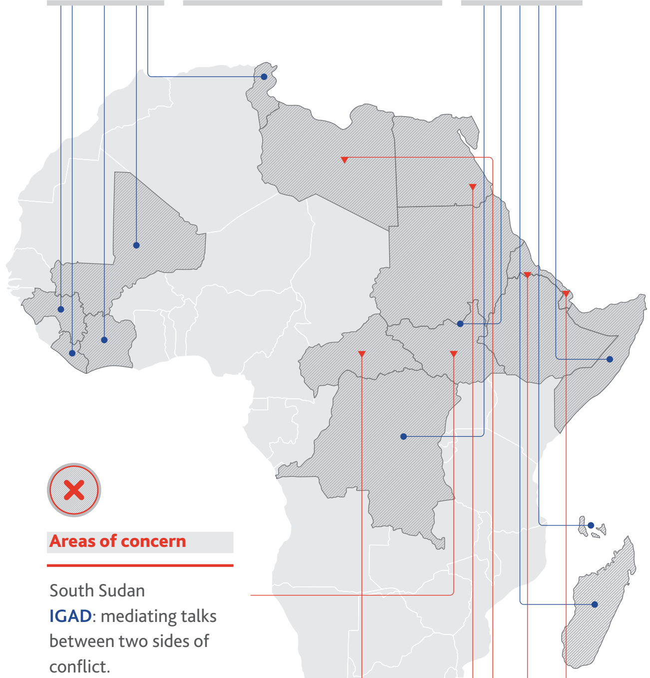
Final Press Release

Progress

Côte d'Ivoire
Guinea
Liberia
Mali
Tunisia

Implementation of the Regional Cooperation Initiative for the Elimination of the Lord's Resistance Army

Comoros
DRC
Madagascar
Somalia
South Sudan and Sudan



Areas of concern

South Sudan
IGAD: mediating talks between two sides of conflict.

Central African Republic
ECCAS: Multinational Force of Central Africa (FOMAC) as part of AU-led International Support Mission to the Central African Republic (MISCA).

Eritrea and Ethiopia
Djibouti and Eritrea
Egypt
Libya

OPENING UP TO GOODS

Total intra-African trade reached **$130.1 billion** in 2011, representing **11.3%** of Africa's total trade with the world.

Compared to other regions in the world, intra-African trade is lagging behind.

- Between 2007 and 2011, the average share of intra-African exports in total merchandise exports was 11% compared with intra-regional trade of 50% in developing Asia, 21% in Latin America and the Caribbean and 70% in Europe.

The commodity-rich countries have historically traded primarily outside of Africa. This, which is a legacy of colonial history, continues to be the case.

- The share of intra-African trade in total trade is significantly lower for fuel exporters (5.7% in 2007-2011) than for non-fuel exporters (16.3% in 2007-2011).
- Commodity exporters still make a minimal contribution to intra-African trade.
- Nigeria, Africa's giant hydrocarbon trader, has a share of intra-regional trade that is smaller than its external trade.

Intra-regional trade is most developed in SADC, with a 44% share of Africa's intra-regional trade in 2011.

- Together, the value of intra-African trade for Namibia, Zambia, Botswana, DRC, Zimbabwe, Mozambique and Malawi is $27.2 billion.
- Other significant intra-African trading countries include Côte d'Ivoire ($7.2 billion), Ghana ($4.8 billion), Libya ($4.7 billion) and Kenya ($4.0 billion).

Most of Africa's intra-regional trade is driven, out of necessity, by land-locked countries.

- In 2011 they made up 11 of the top 15 intra-regional traders.

Exchange in services between African countries is huge (financial services, doctors, nurses, teachers, engineers, lawyers). **Cross border trade statistics** mostly only take goods into account and do not include trade of services.

BEYOND REGISTERED GOODS

THE IMPORTANCE OF INFORMAL TRADE

Substantial and thriving informal trade means that intra-African trade is in fact significantly higher than official statistics suggest.

- It is estimated that Informal Cross Border Trade (ICBT) represents 43% of official GDP, therefore being almost equivalent to the formal sector.
- Escaping regulatory framework and payment of duties and charges, this informal trade deprives countries and regions of significant tax revenues.

SADC

- ICBT could amount to $17.6 billion per year, representing 30-40% of total intra-SADC trade.
- It is estimated that around ten tonnes of gold leave the DRC each year, of which only 10% is registered as exports.

West Africa

- ICBT could represent 20% of GDP in Nigeria and 75% in Benin.

COMESA and East Africa

- In 2006, Uganda's ICBT to its five neighbouring countries reached an estimated $231.7 million, which is about 86% of official export flows. By 2009, Uganda's total informal exports to the five countries had tripled to be approximately $790.7 million.
- In the first half of 2011 about 37% of food commodities were traded informally in COMESA.

AMU and North Africa

- Egypt loses about $662 million annually due to illicit trade in cigarettes to AMU neighbours.
- Informal trade between Morocco and Algeria is estimated at $2 billion.

APPARENT SHORT-TERM POSITIVE IMPACTS

- **Increased availability of cheaper goods for consumers.**
- **Increased short-term employment opportunities.**

HOWEVER, UNSUSTAINABLE IN THE LONG TERM

- **Loss of government revenue.**
- **Corruption.**
- **Potential poor quality of goods for consumers.**

UNCOMPETITIVE AFRICAN TRADE

Higher costs...

	Cost to export ($ per container)	Cost to import ($ per container)
ECCAS	2932.4	3969.9
EAC	2459.0	3350.0
IGAD	2423.6	3311.4
COMESA	2124.5	2899.8
SADC	1904.0	2428.0
CEN-SAD	1905.1	2459.2
ECOWAS	1597.9	2110.7
AMU	1084.0	1387.6
EU	1034.6	1069.9
ASEAN	743.5	787.5

Average cost of exporting a container from an African country overseas is **$2,000** while in Asia it is estimated at **less than ½** that amount (about $900).

...and longer border delays

The average customs transaction involves **20-30** different parties, **40** documents, **200** data elements and the re-keying of **60-70%** of all data at least once.

The waiting time for a container/ truck to cross a border post in Africa can range from **3 minutes to 2.8 days.**

A truck transporting millet/ sorghum on the Koutiala–Dakar corridor has to pass through almost **100 checkpoints** and border posts. The driver can expect to pay bribes of about **$437.**

Traders/ trucks have to negotiate **47 roadblocks** and weigh stations between Kigali and Mombasa. They have to wait around **36 hours** at the South Africa–Zimbabwe border post (Beitbridge).

BEST PRACTICE

COMESA: Chirundu One-Stop Border Post (OSBP) (2009)

- Chirundu, situated on the border between Zambia and Zimbabwe, handles a high density of commercial traffic (an average of 268 trucks per day).
- COMESA introduced the Chirundu OSBP as a pilot in 2009.
- Northbound traders/ trucks are only checked and cleared once by the Zambian authorities, while southbound trucks/ traders are cleared by the Zimbabwean authorities.
- Reduced transaction costs have translated into increased volume of goods traded across the border which has increased revenues by 30% for the Government of Zambia.

EAC: OSBP Bill (2013)

- In April 2013, the East African Legislative Assembly passed the OSBP Bill 2012. It will become Community Law if assented to by the EAC Heads of State.
- The Bill provides for the establishment of OSBPs in the Community in order to facilitate trade through the efficient movement of goods and people.

In December 2009, the Chirundu border post opened as a pilot within the COMESA region. The border crossing time for trucks is now **2 hours**, in comparison to **2-3 days** before the OSBP.

SPOTLIGHT | EPAS – A THREAT TO INTEGRATION?

- Economic Partnership Agreements (EPAs) are free trade agreements between the EU and African, Caribbean and Pacific Group of States (ACP) countries, with negotiations beginning in 2002. They aim to make ACP trade regimes reciprocal, phasing out previous trade preferences and barriers.
- EPAs are partly a result of a dispute within the World Trade Organization (WTO) whereby it was argued that ACP countries receiving preferential access to EU markets was incompatible with WTO rules.
- EPAs require sub-Saharan African countries to liberalise 80% of their markets before October 2014. In return, sub-Saharan African countries maintain preferential access to EU markets.

CURRENT STATE OF EPA NEGOTIATIONS

- ECOWAS and the EU concluded negotiations in February 2014, with ECOWAS agreeing to liberalise 75% of their markets over 20 years (the EU requested 80% liberalisation over 15 years).
  - ECOWAS Heads of State are yet to approve the EPA, following some member states voicing concerns. Nigeria in particular highlighted the potential negative impact of the deal on its industrial sector.
  - An ad hoc ministerial committee was set up by the Heads of State to eliminate lingering areas of disagreement. This committee recommended the approval of the EPA but requested clarification of articles on subsidies and compensation of revenue losses.
- SADC and the EU still have issues to resolve, such as export taxes and agricultural subsidies.
- EAC and the EU have disagreed on export taxes; the Most Favoured Nation clause; agricultural subsidies in the EU; and the non-execution clause.
- ECCAS and EU negotiations are expected to resume in 2014 after the mandate of the Central African Republic negotiators has been updated.

EU import surges could displace intra-regional exports by up to **16%.**

An EPA could mean ECOWAS' regional trade would fall by **9.8%.**

EU to sub-Saharan African trade is significantly higher than US to sub-Saharan Africa, totalling **$49 billion** in 2012.

PROS

- EPAs provide duty-free and quota-free access to EU markets.
- The sub-Saharan African consumer will have access to cheaper goods due to duty-free conditions.
- EPAs secure EU–sub-Saharan African trading relationships.

CONS

CONTINENTAL

- The EPAs include only sub-Saharan African countries, excluding North African members of AMU. It potentially creates a split between North African and sub-Saharan African countries.
- The EPA cements an unequal trading relationship in which sub-Saharan Africa exports raw unprocessed goods and imports EU manufactured goods. A reduction in tariffs will reinforce low value-added activities and reduce manufacturing output.
- EPAs will favour trade in the direction of Europe. EPAs have rules of origin that differ from those in the RECs, which are simpler and have lower value-added requirements.
- EPAs seek to eliminate export taxes, thus depriving African governments from crucial potential revenue.

REGIONAL

- Individual country bilateral EPAs make the regional objectives of a customs union impossible, as they require a common trade policy.
- Local and regional producers will lose significant market share to EU imports, resulting in a decline in output and shrinkage in intra-African trade.

OPENING UP TO CAPITAL

INTEGRATION OF CAPITAL MARKETS: UNEQUAL PROGRESS

Integrated capital markets allow the free movement of capital between states, with minimal transaction costs.

- **AMU**
  Capital transactions are limited. Financial transactions in money, securities and derivatives markets are subject to restrictions. However, the capital market is showing signs of integration with Morocco and Tunisia in particular implementing significant structural reforms.

- **CEN-SAD**
  Article 1(2) of the Treaty of Establishment provides for measures likely to ensure the free movement of capital.

- **COMESA**
  Member states have fully liberalised their foreign exchange markets and significantly liberalised their capital accounts.

- **EAC**
  Full capital account liberalisation was achieved by Uganda in 1997 and Rwanda in 2010.

- **ECCAS**
  All capital flows between member states of Central African Economic and Monetary Community (CEMAC) were liberalised in 2000.

- **ECOWAS**
  Integration of financial systems is required under the Monetary Cooperation Programme (1987). However, cross-border flows within West African Economic and Monetary Union (WAEMU) amounted to only 1.6% of total lending in the region in 2012.

- **SADC**
  The Protocol on Finance and Investment (2006) requires member states to facilitate the creation and expansion of capital markets. However, the region still has the most restrictions on capital flows.

REGIONAL PAYMENT AND SETTLEMENT SYSTEMS

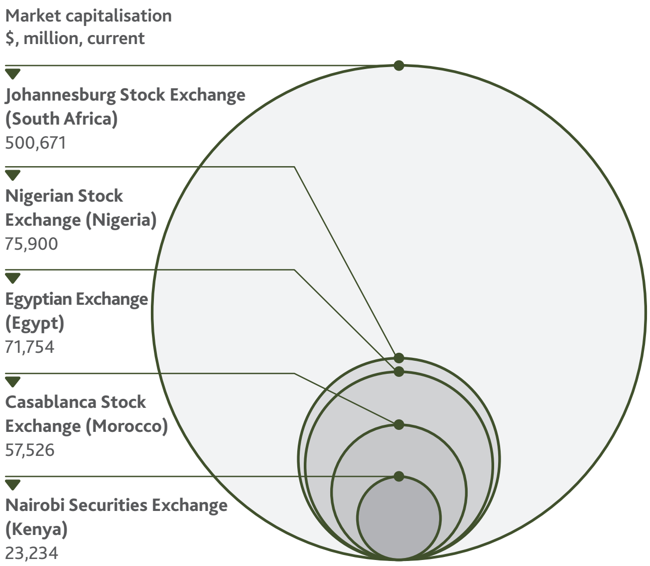
Payment and settlement systems reduce transaction costs and are essential for the effective implementation of monetary policy and smooth functioning of money and capital markets.

- WAEMU: The implementation of a Real Time Gross Settlement (RTGS) system (2004) has increased the speed of cross-border transactions, reducing transaction fees by 25%.
- EAC: The East African Payment System (EAPS) began operating in January 2014 between commercial banks in Tanzania, Uganda and Kenya.

COMMODITY EXCHANGES

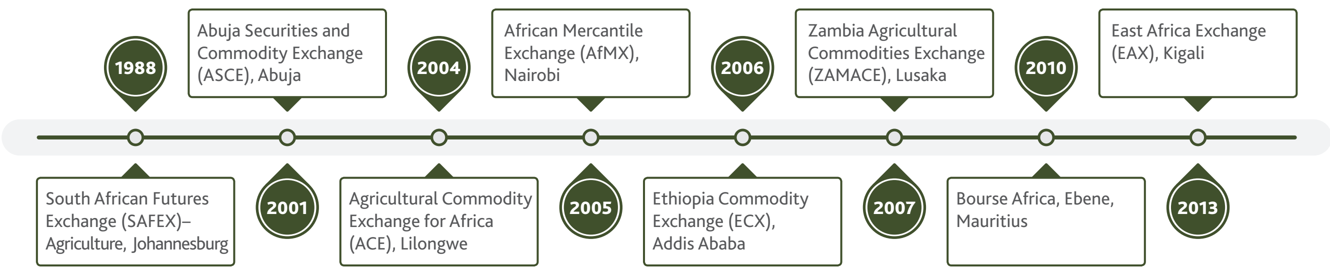
The creation of an African commodity exchange was first mentioned in the Abuja Treaty (1991). It was endorsed 14 years later by AU Heads of State and Government in the Arusha Plan of Action on African Commodities (2005).

TOP FIVE AFRICAN STOCK EXCHANGES



Note: Market cap. values from Bloomberg (accessed 9.4.14)

Selected regional commodity exchanges



MONETARY INTEGRATION

- Requires:
  - member countries to have similar economic structures, labour mobility and a diversified export sector.
  - the transferral of sovereignty of national monetary policies to the REC.

The 2 CFA zone central banks are required to deposit

50%

of their foreign exchange reserves at the Banque de France, in exchange for the guarantee of free convertibility at a fixed rate between CFA and Euro.

COMMUNAUTÉ FINANCIÈRE AFRICAINE (CFA)

Regional group	Central Bank	Members
West African Economic and Monetary Union (WAEMU)	Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO)	Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, Togo
Central African Economic and Monetary Community (CEMAC)	Banque des Etats de l'Afrique Centrale (BEAC)	Cameroon, Central African Republic, Chad, Congo Equatorial Guinea, Gabon

- The 14 CFA countries have a common currency, the CFA franc. There is free capital mobility within the CFA zone.
  - The CFA franc was created in 1945, with a fixed exchange rate to the French franc. It has been changed only twice, in 1948 and 1994.
  - Within the European Monetary Union, the French Treasury guarantees the free convertibility at a fixed rate between CFA and Euro.
  - The CFA has brought about exchange rate stability,but the fact that it has been locked into the Euro poses competitiveness problems when the Euro appreciates.
- The CFA zone has delivered the lowest rates of inflation in Africa, outperforming any African REC. The average IIAG *Inflation* score over the years for the CFA zone is 92.3/100. The corresponding IIAG *Inflation* score for Africa, excluding CFA countries, is 75.7/100.

SPOTLIGHT | INFRASTRUCTURE – THE ARTERIES OF THE CONTINENT

PROGRAMME FOR INFRASTRUCTURE DEVELOPMENT IN AFRICA (PIDA) 2012

AUC, NEPAD, AfDB AND UNECA

Fifty-one immediately actionable programmes, across four key infrastructure sectors, to be initiated by 2020. Key regional projects will require $68 billion up to 2020.

Business Working Group on African Infrastructure

In May 2012 at the World Economic Forum (WEF) Africa, Addis Ababa, various African and international business leaders agreed to form a Business Working Group with the aim of adding the private sector perspective to accelerating the implementation of programmes. It was recognised and endorsed by the AU in January 2013.

ENERGY

Energy consumption will increase from 590 TWh in 2010 to more than 3,100 TWh in 2040.

Aim

To increase access to power from 39% of the African population in 2009 to nearly 70% in 2040, an extra 800 million people.

Some regional programmes

- **Project name:** Nphamda-Nkuwa (SADC)
  Hydroelectric power plant with capacity of 1,500 megawatts (MW) for export to the Southern African Power Pool market.
  Funding requirement: $2.4 billion
- **Project name:** Ruzizi III (COMESA, EAC)
  Hydroelectric plant with a capacity of 145 MW to share power between Rwanda, Burundi and DRC.
  Funding requirement: $450-$640 million

ICTS

Projected demand increase by a factor of 20 by 2018.

Aim

Increase broadband penetration by 10% by 2018, strengthening connections between goods and markets.

Some regional programmes

- **Project name:** ICT Terrestrial Connectivity (AMU, COMESA, CEN-SAD, ECCAS, ECOWAS, SADC)
  Secure each country connection by at least two broadband cables.
  Funding requirement: $320 million
- **Project name:** ICT Enabling Environment (ECOWAS)
  Improve the environment for the private sector to invest in high-speed broadband infrastructure.
  Funding requirement: $25 million

TRANSPORT

Overall transport volume is expected to increase up to 8-fold.

Aim

Boost intra-regional trade and strengthen trade between countries and regions, fulfilling the promise of 2028 African Common Market.

Some regional programmes

- **Project name:** Northern Multimodal Corridor (EAC)
  Modernise the multimodal African Regional Transport Integration Network (ARTIN) corridor in East Africa. Will facilitate travel of people and goods between Kenya, Uganda, Rwanda, Burundi, DRC and South Sudan. Other corridors include South Africa/Botswana/Zimbabwe/Zambia/Malawi/DRC and Tanzania/Uganda/Rwanda/Burundi/DRC.
  Funding requirement: $1 billion
- **Project name:** Single African Sky Phase 1 (all RECs)
  High-level, satellite-based air navigation system for the African continent.
  Funding requirement: $275 million

WATER

Water withdrawn from African water systems is expected to rise from 265 km³ in 2005 to 400-550 km³ in 2040.

Aim

To ensure food security and access to water.

Some regional programmes

- **Project name:** Gourbassy (ECOWAS)
  Regulate the Senegal river in four countries via a multipurpose dam located in Guinea.
  Funding requirement: funding TBC
- **Project name:** Noumbiel (ECOWAS)
  Multipurpose dam with hydropower generation component for Burkina Faso and Ghana.
  Funding requirement: funding TBC

SHEER DISTANCE MAKES AIR TRAVEL NECESSARY

Distances between some African cities

Casablanca	Johannesburg	7,637km
Cairo	Cape Town	7,234km
Dakar	Addis Ababa	6,123km
Lagos	Nairobi	3,805km

Distances from Addis Ababa to REC HQs

Rabat, Morocco (AMU)	5,452km
Gaborone, Botswana (SADC)	4,079km
Abuja, Nigeria (ECOWAS)	3,896km
Tripoli, Libya (CEN-SAD)	3,725km
Libreville, Gabon (ECCAS)	3,372km
Lusaka, Zambia (COMESA)	2,949km
Arusha, Tanzania (EAC)	1,761km
Djibouti, Djibouti (IGAD)	563km

Distances between some European cities

Rome	Madrid	1,361km
Geneva	Stockholm	1,212km
Paris	Berlin	877km
London	Brussels	319km

There are only a handful of intercontinental carriers in Africa, with non-African airlines accounting for

80%

of the intercontinental market share.

BEST PRACTICE

ASEAN Single Aviation Market (ASAM)

- Aims to liberalise air services under a single and unified air transport market in the region by 2015.
- In 2007 the plan for an ASEAN-wide Single Aviation Market was included in the ASEAN Economic Community Blueprint.
- In 2009 ASEAN countries signed two agreements, the Multilateral Agreement on Air Services and the Multilateral Agreement on the full liberalisation of Air Freight Services. Both of these serve to implement the Roadmap for Integration of Air Travel Sector (RIATS).

OBSTACLES TO OPEN SKIES

Sovereignty

- Countries hinder liberalisation in a bid to protect their weak or failing national carriers.
- Governments deny African carriers market access while granting limited rights to non-African airlines as it is easier to give rights to an airline that won't be competing on heavy intra-African routes.
- Seventeen non-African airlines have Fifth Freedom Rights[1] within Africa compared with only 11 African carriers.

[1] International Civil Aviation Organization definition: the right or privilege, in respect of scheduled international air services, granted by one State to another State to put down and to take on, in the territory of the first State, traffic coming from or destined to a third State.

Cost

- Countries demand that non-local airlines pay royalties for flying through their skies beyond what is allowed under the Bilateral Air Services Agreement.
- Passenger taxes are high in comparison to selected airports outside Africa, e.g. $86 in Ambouli, Djibouti, compared to $14 in Paris, France.

Security

- Only 38 African airlines meet global safety standards, out of at least 200 currently operating on the continent.
- Africa's air safety record worsened in 2012 compared to 2011. The continent continues to have the weakest safety performance in the world.

HOW DOES THE AU COMPARE?

	AFRICAN UNION (1963)	EUROPEAN UNION (1951)	ASSOCIATION OF SOUTH EAST ASIAN NATIONS (1967)	SOUTHERN COMMON MARKET (1991)
Member states	54	28	10	6
Population (million)	1,049.9	508.4	610.4	290.3
Land area (km², million)	28.9	4.2	4.3	13.7
Youth population (million)	206.1	58.8	107.4	49.6
GDP per capita ($, current)	1,813.6	32,782.1	3,731.3	11,065.0

	AFRICAN UNION	EUROPEAN UNION	ASSOCIATION OF SOUTH EAST ASIAN NATIONS	SOUTHERN COMMON MARKET
Population density (people per km²)	84.1	169.6	239.3	22.4
Urban population (% of total population)	39.0	73.8	44.7	85.6
Working age population (% of total population)	55.2	66.4	66.9	66.9
GDP ($, billion)	1,900.4	16,687.3	2,270.2	3,211.9
GDP (% of world)	2.6	23.0	3.1	4.4
Inward Foreign Direct Investment flows ($, billion)	47.2	259.8	111.3	85.1
Mobile cellular telephone subscriptions (per 100 inhabitants)	66.5	125.7	113.0	123.8
Exports of goods and services (% of world)	3.1	30.8	7.0	2.5

HOW DO THE RECS COMPARE?

AMU (5 member states)

Population (million)

91.8 < ½ Brazil (198.7)

GDP ($, billion)

414.0 ≈ Apple Inc. (416.0)*

ECCAS (10 member states)

Population (million)

141.9 < Russian Federation (143.2)

GDP ($, billion)

224.2 ≈ Ireland (210.8)

CEN-SAD (24 member states)

Population (million)

551.4 < ½ India (1236.7)

GDP ($, billion)

973.5 ≈ ½ Russian Federation (2014.8)

ECOWAS (15 member states)

Population (million)

318.5 ≈ ¼ China (1377.1)

GDP ($, billion)

395.7 ≈ ExxonMobil (404.0)*

COMESA (20 member states)

Population (million)

469.4 2x Indonesia (246.9)

GDP ($, billion)

587.8 2x Singapore (274.7)

IGAD (8 member states)

Population (million)

236.5 ≈ Indonesia (246.9)

GDP ($, billion)

175.1 ≈ Toyota Motor (178.0)*

EAC (5 member states)

Population (million)

148.6 3x Spain (46.8)

GDP ($, billion)

98.4 ≈ Siemens (95.0)*

SADC (15 member states)

Population (million)

286.8 < ¼ India (1236.7)

GDP ($, billion)

648.3 < Netherlands (770.6)

*Market capitalisation value as of March 2013.

REC FACTCARDS

	Member states	Population (million)	Population (% of Africa)	Youth population (million)	Urban population (% of total population)	Working age population (% of total population)
AU	54	1,049.9	14.8 % of World	206.1	39.0	55.2
AMU	5	91.8	8.5	17.3	**65.5**	**67.2**
CEN-SAD	**24**	**551.4**	**51.0**	106.1	43.2	56.1
COMESA	20	469.4	43.4	94.0	29.2	55.0
EAC	5	148.6	13.7	29.5	21.7	52.3
ECCAS	10	141.9	13.1	28.3	39.6	52.0
ECOWAS	15	318.5	29.4	61.3	44.9	53.2
IGAD	8	236.5	21.9	**47.9**	21.9	53.2
SADC	15	286.8	26.5	56.9	38.9	54.7

GDP ($, billion)	GDP per capita ($, current)	Number of resource-rich states	Land area[1] (km^2, million)	Forest area (% of total land area)	Mobile telephone subscriptions (per 100 inhabitants)	2013 IIAG overall score
1,900.4	1,813.6	16	28.9	22.4	66.5	51.5
414.0	**4,522.5**	3	5.8	1.4	**114.8**	53.8
973.5	1,766.8	**5**	**11.3**	10.4	78.8	47.5
587.8	1,252.6	4	11.2	29.1	56.8	51.4
98.4	662.1	0	1.7	23.5	56.3	53.6
224.2	1,579.7	**7**	6.5	**47.9**	40.6	42.9
395.7	1,242.2	3	5.0	14.4	70.7	52.0
175.1	740.7	1	4.9	10.6	41.4	40.9
648.3	2,269.6	4	9.6	40.7	62.2	**58.3**

Bold coloured numbers indicate largest REC value.

[1] Land area for CEN-SAD does not include data for Sudan.

COUNTRY CLASSIFICATIONS

	GEOGRAPHY	INCOME LEVEL	HDI	FRAGILE STATES	RESOURCE-RICH	DEMOCRACY INDEX LEVEL	POPULATION LEVEL	YOUTH POPULATION
Algeria	Coastal	Upper-middle	High		Resource-rich	Authoritarian	High	Middle
Angola	Coastal	Upper-middle	Low		Resource-rich	Authoritarian	Upper-middle	Middle
Benin	Coastal	Low	Low			Flawed	Lower-middle	Middle
Botswana	Landlocked	Upper-middle	Medium		Resource-rich	Flawed	Low	High
Burkina Faso	Landlocked	Low	Low			Authoritarian	Upper-middle	Middle
Burundi	Landlocked	Low	Low	Core		Authoritarian	Lower-middle	Middle
Cameroon	Coastal	Lower-middle	Low		Resource-rich	Authoritarian	Upper-middle	Middle
Cape Verde	Island	Lower-middle	Medium			Flawed	Low	High
Central African Rep.	Landlocked	Low	Low	Core		Authoritarian	Lower-middle	Middle
Chad	Landlocked	Low	Low	Moderated	Resource-rich	Authoritarian	Upper-middle	Middle
Comoros	Island	Low	Low	Core		Authoritarian	Low	Low
Congo	Coastal	Lower-middle	Low	Moderated	Resource-rich	Authoritarian	Lower-middle	Low
Congo, Dem. Rep.	Coastal	Low	Low	Core	Resource-rich	Authoritarian	High	Middle
Côte d'Ivoire	Coastal	Lower-middle	Low	Core		Authoritarian	Upper-middle	Middle
Djibouti	Coastal	Lower-middle	Low	Moderated		Authoritarian	Low	High
Egypt	Coastal	Lower-middle	Medium			Hybrid	High	Low
Equatorial Guinea	Coastal	High	Medium		Resource-rich	Authoritarian	Low	Middle
Eritrea	Coastal	Low	Low			Authoritarian	Lower-middle	Middle
Ethiopia	Landlocked	Low	Low			Authoritarian	High	Middle
Gabon	Coastal	Upper-middle	Medium		Resource-rich	Authoritarian	Low	Middle
Gambia	Coastal	Low	Low			Authoritarian	Low	Middle
Ghana	Coastal	Lower-middle	Medium			Flawed	High	Middle
Guinea	Coastal	Low	Low	Moderated	Resource-rich	Authoritarian	Upper-middle	Middle
Guinea-Bissau	Coastal	Low	Low	Core		Authoritarian	Low	Middle
Kenya	Coastal	Low	Low			Hybrid	High	Middle
Lesotho	Landlocked	Lower-middle	Low			Flawed	Low	High
Liberia	Coastal	Low	Low	Core		Hybrid	Lower-middle	Low
Libya	Coastal	Upper-middle	High		Resource-rich	Hybrid	Lower-middle	Low
Madagascar	Island	Low	Low			Authoritarian	High	Middle
Malawi	Landlocked	Low	Low			Flawed	Upper-middle	Middle
Mali	Landlocked	Low	Low		Resource-rich	Hybrid	Upper-middle	Middle
Mauritania	Coastal	Lower-middle	Low		Resource-rich	Hybrid	Lower-middle	Middle
Mauritius	Island	Upper-middle	High			Full	Low	Low
Morocco	Coastal	Lower-middle	Medium			Hybrid	High	Middle
Mozambique	Coastal	Low	Low			Hybrid	High	Middle
Namibia	Coastal	Upper-middle	Medium			Flawed	Low	High
Niger	Landlocked	Low	Low			Hybrid	Upper-middle	Low
Nigeria	Coastal	Lower-middle	Low		Resource-rich	Authoritarian	High	Low
Rwanda	Landlocked	Low	Low			Authoritarian	Upper-middle	Middle
São Tomé & Príncipe	Island	Lower-middle	Low	Moderated			Low	Middle
Senegal	Coastal	Lower-middle	Low			Flawed	Upper-middle	Middle
Seychelles	Island	Upper-middle	Very high				Low	Low
Sierra Leone	Coastal	Low	Low	Core		Hybrid	Lower-middle	Middle
Somalia	Coastal	Low		Moderated			Lower-middle	Middle
South Africa	Coastal	Upper-middle	Medium			Flawed	High	Middle
South Sudan	Landlocked	Low					Lower-middle	Middle
Sudan	Coastal	Lower-middle	Low	Moderated	Resource-rich	Authoritarian	High	Middle
Swaziland	Landlocked	Lower-middle	Medium			Authoritarian	Low	High
Tanzania	Coastal	Low	Low			Hybrid	High	Middle
Togo	Coastal	Low	Low	Core		Authoritarian	Lower-middle	Middle
Tunisia	Coastal	Upper-middle	High			Hybrid	Lower-middle	Low
Uganda	Landlocked	Low	Low			Hybrid	High	Middle
Zambia	Landlocked	Lower-middle	Low		Resource-rich	Flawed	Upper-middle	Middle
Zimbabwe	Landlocked	Low	Low	Moderated		Authoritarian	Upper-middle	High

Geography
- Coastal
- Island
- Landlocked

Income level
Economies are categorised according to 2012 GNI per capita, calculated using the World Bank Atlas method.
- High: $12,616 or more
- Upper-middle: $4,086-$12,615
- Lower-middle: $1,036-$4,085
- Low: $1,035 or less

Source: WB, 2014

Human Development Index (HDI)
A composite index measuring average achievement in three basic dimensions of human development – a long and healthy life (life expectancy at birth), knowledge (mean years of schooling and expected years of schooling) and a decent standard of living (GNI per capita, PPP $).
- Very high: 0.805-0.955
- High: 0.712-0.796
- Medium: 0.536-0.710
- Low: 0.304-0.534

Source: UNDP, 2012

Fragile states
- Core
- Moderated

Source: AfDB, 2013

Resource-rich countries
Countries that have natural resource revenue or exports which are at least 20% of total fiscal revenue and exports, respectively, 2006-2010.
Côte d'Ivoire, Liberia and Niger have not been included due to data availability.
Source: IMF, 2012

Democracy index level
- Full Democracy: 8.02 or more
- Flawed Democracy: 6.00-7.92
- Hybrid Regimes: 3.96-5.91
- Authoritarian Regimes: 3.93 or less

Source: BBC, 2012

Population level (thousands)
- High: 22,293 or more
- Upper-middle: 11,451-22,292
- Lower-middle: 3,796-10,875
- Low: 2,260 or less

Source: UNDESA, 2012

Youth population level (%)
- High: 21.01-25.00
- Middle: 19.01-21.00
- Low: 15.00-19.00

Source: UNDESA, 2012

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DATA NOTES

Generics

- Dollars are US dollars unless indicated otherwise.
- Composition of regions varies on source of information.
- REC membership correct as of March 2014.
- CEN-SAD calculations have been done on the basis of its most recent membership. This means that CEN-SAD IIAG averages may be different to those published in the 2013 IIAG.
- Memberships of regional groupings do not identify countries under suspension.
- Data for Morocco may or may not include Western Sahara depending on the source.
- All data have been checked at time of research. In some instances numbers may not add up to the total due to rounding.
- EU member states: Austria; Belgium; Bulgaria; Croatia; Cyprus; Czech Republic; Denmark; Estonia; Finland; France; Germany; Greece; Hungary; Ireland; Italy; Latvia; Lithuania; Luxembourg; Malta;

Netherlands; Poland; Portugal; Romania; Slovakia; Slovenia; Spain; Sweden; and United Kingdom.
- ASEAN member states: Brunei Darussalam; Cambodia; Indonesia; Lao People's Democratic Republic; Malaysia; Myanmar; Philippines; Singapore; Thailand; and Vietnam.
- MERCOSUR member states: Argentina; Brazil; Bolivia (Plurinational State of); Paraguay; Uruguay; and Venezuela (Bolivarian Republic of). Calculations do not include data for six associate member states.

How does the AU compare?; How do the RECs compare?; What the IIAG shows; Country classifications; REC factcards

- Agricultural land (% of total land area): South Sudan and Sudan were not available. Source: WB, 2011.
- Exports of goods and services (% of World): Western Sahara, South Sudan and Sudan were not available. Ethiopia data is for 2011. Lesotho data is for 2011. Source: UNCTAD, 2012.
- Forest area (% of total land area): South Sudan and Sudan were not available. Source: WB, 2011.
- GDP (billion US$): Western Sahara, Somalia and Myanmar were not available. Djibouti data is for 2007. Libya data is for 2009. Source: WB, 2012.
- GDP (% of World): Western Sahara, Somalia and Myanmar were not available. Djibouti data is for 2007. Libya data is for 2009. Source: WB, 2012.
- GDP per capita (current US$): Western Sahara, Somalia and Myanmar were not available. Djibouti data is for 2007 for both GDP and population figures. Libya data is for 2009 for both GDP and population figures. Source: WB, 2012.
- 2013 IIAG overall score: Western Sahara, South Sudan and Sudan were not available. Source: MIF, 2013.
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- Population density (persons per km^2): UNDESA, 2012.
- Urban population (% of total population): UNDESA, 2011.
- Working age population, 15-64 (% of total population): UNDESA, 2012.
- Youth population, 15-24 (% of total population): UNDESA, 2012.

NOTES

NOTES

“ Imagine China as 54 countries... ”

Mo Ibrahim, 2014