

Globalisation at the Crossroads

Rethinking Inequalities and Boundaries

EADI NORDIC Conference 2017
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Coordinating Tripartite RCA in Africa COMESA, SADC, and EAC

Potential links to SDGs 10, 17.10 and 17.11

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Tripartite Transport & Transit Facilitation Programme

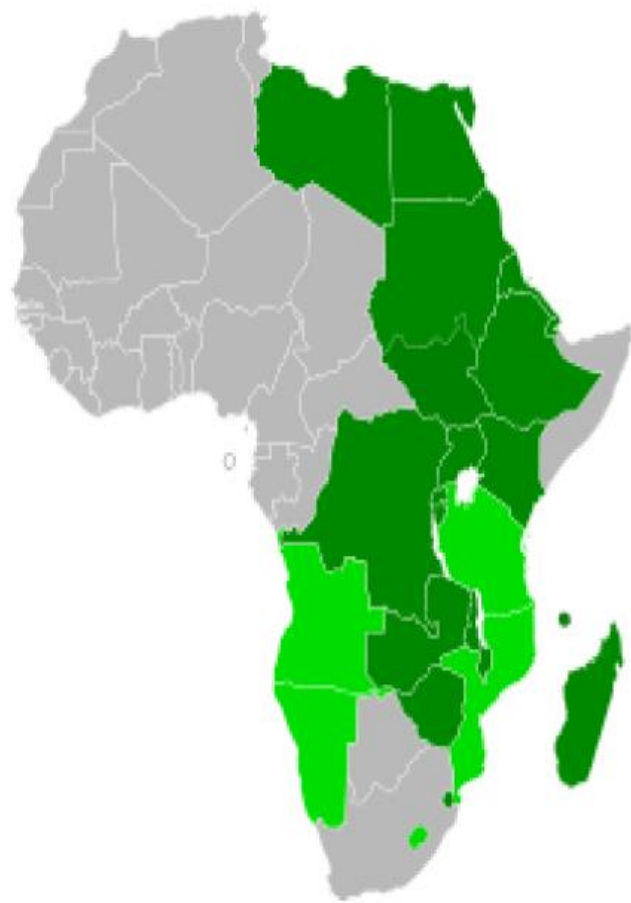
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The Tripartite Free Trade Area

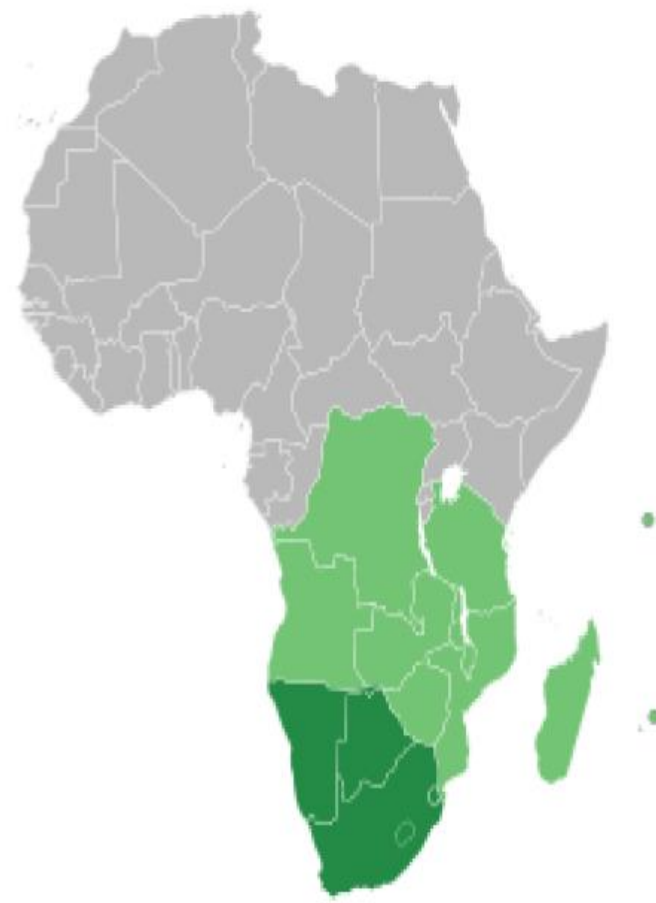
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COMESA



EAC



SADC

Eastern and Southern Africa (ESA) Region - 3 Regional Economic Communities (RECs) of the Tripartite Free Trade Agreement: COMESA and EAC and SADC (CES)

- Countries and institutions in Eastern and Southern Africa have recognised the importance of **regional integration** for their development.
- One of the main challenges facing the CES in the implementation of their integration programmes is **the overlapping membership**.
- **A number of steps** have been taken to support regional integration:
 - In **20 October 2008**, heads of state and government, representing the 26 Member States of COMESA, EAC and SADC, met in Kampala, Uganda and signed **the Tri-partite Memorandum of Understanding (MoU)**, aiming at establishing a single "grand" (FTA) covering the countries of all 3 RECs as building blocs to the African Economic Community recognized by the AU act.
 - The second CES Tripartite Summit held on **12 June 2011** in Sandton, South Africa, adopted a **developmental approach** to the Tripartite integration process anchored on **three pillars**.
- Tripartite has **prioritized infrastructure development** in the region through their respective treaties, protocols and agreements.
- The Treaties establishing COMESA, EAC and SADC provides for **similar goals, policies and strategies** to liberalise road transport markets and to promote cross border transport and trade facilitation.

Tripartite Summit, 2008

- **The main purpose** of the Tripartite Summit was to provide a **platform** for the 3 T-RECs to discuss and make decisions on areas that enhance integration among the 3 T-RECs.
- **The main objective of the Summit** was to provide strategic and policy direction relating to **cooperation** on trade and economic liberalisation including:
 - a **Road Map** for establishing a pan-regional Free Trade Area encompassing the 3 T-RECs
 - a **joint programme** for free movement of persons and infrastructure development.
- As the 3 T-RECs move into deeper integration, **agreement on these strategic and policy issues at the Tripartite Summit level** will
 - help **mitigate challenges of multiple membership** being faced by some of the member states
 - as well as pave the way for **accelerated inter-regional economic integration**.
- At the 1st Tripartite Summit (2008) it was recommended that the Summit:
 - direct the Secretariats to develop a **legal and institutional framework** as a constituent part of the roadmap for the establishment of the proposed FTA
 - directs the Secretariats of the 3 T-RECs to **develop joint programmes** that
 - enhance **co-operation** and
 - strengthen **co-ordination** on e.g. industrial, trade and transport policy.

Memorandum of Understanding on Inter-Regional Cooperation & Integration Amongst T-RECs, 2011

- **Article 1: Areas of Cooperation**
- Article 2: Harmonisation of Trade and Investment Regimes
- Article 3: Harmonisation of Infrastructure Programmes
- Article 4: Cooperation in the programme on facilitation of the movement of persons
- Article 5: Cooperation in other policies, e.g. industrial & competition policies
- **Article 6: Establishment of Tripartite Coordination Mechanism and Meetings**
- Article 7: Consultations and Exchange of Information and Expertise
- Article 8: Financial Responsibility
- Article 9: Programming: Work plans shall be developed (ST & LT)
- Article 10: Reciprocity – towards the avoidance of duplication of efforts...
- Article 11: Supplementary Memoranda of Understanding
- Article 12: Amendments
- Article 13: Dispute Resolution
- Article 14: Entry into Force – upon signature by the duly authorized representatives

Under the Tripartite Framework, COMESA, EAC and SADC have made significant progress in:

- i) Harmonisation of **Rules of Origin**;
- ii) Simplification of **customs** procedures and documentation;
- iii) rationalisation of the COMESA & SADC **customs bond guarantee schemes**;
- iv) development of **customs training** and capacity building schemes;
- v) preparation of an inventory of **harmonised product standards**;
- vi) **co-ordination** of competition policies and institutional frameworks;
- vii) identification, removal and monitoring of **non-tariff barriers**; and
- viii) establishment of **One-Stop Border Posts**.

STRATEGIES FOR INTER-REC INTEGRATION

- **The strategies** to address the challenges of inter-REC Integration are:
 - a) Promoting and establishing trade arrangements among COMESA, EAC and SADC;
 - b) enhancing inter-REC economic co-operation;
 - c) facilitating free movement of businesspersons;
 - d) enhancing co-operation with multilateral/bilateral partners;
 - e) promoting industrialisation; and
 - f) enabling intra regional investments.
- In the recent past COMESA, EAC and SADC have put emphasis on **coordinating**, promoting, development and implementation of **joint regional** infrastructure in transport, communications and energy.
- **The interventions** have been at policy and regulatory harmonisation, **trade and transport facilitation** and development of physical infrastructure.

Aim: To examine the system polarity of T-RECs in regard to **policy isolationism** versus **policy collaboration** in managing the **boundaries** within their institutions and across their institutions.

- At the outset of the 26 countries that constitute the combined membership of CES, 17 (or almost 2/3)
 - were either in a customs union and participating in negotiating an alternative customs union to the one they belong to
 - or are in the process of negotiating two separate customs unions.
- This led to the recognition by the three RECs of the need to initiate a **process of coordination and harmonization** of their regional integration programmes as a way of mitigating the challenge of multiple membership.
- In 2005 a joint Task Force at the 3 REC Secretariat level was set-up under the guidance of the Chief Executive Officer (CEOs)
- The discussions and **cooperation programmes** have focused on harmonisation of programmes in the area of trade, customs, free movement of people and infrastructure development.

One of the modality is to create alternative spaces to allow multitude and reasoned voices to be presented in the debate so that policy making process could be enriched:

- Within the T-FTA there is a private sector Tripartite Platform consisting of
 - East Africa Business Council
 - COMESA Business Council
 - SADC Association of Chamber of Commerce & Industry
- The TTTFP comprises representatives from the mainland member / partner states of SADC, COMESA and EAC and **other key stakeholders** including
 - associations of cross border transport operators,
 - clearing and forwarding agencies,
 - port authorities,
 - corridor management institutions and
 - regional chambers of commerce and industry.

How to make boundary spanning and crossing become the new norm for the T-REC cooperation through new institutional learning and re-imagination?

- **The ongoing cooperation** amongst the 3 T-RECs has occurred under the general **provisions of the Treaties** of the CES organisations and within the framework of the African Economic Integration provided for in the African Union Constitutive Act and the Abuja Treaty.
- Although, at the Secretariat level there has already been established **the Tripartite Task Force**, **there is still need to establish a formal and legal institutional framework for the cooperation amongst the three T-RECs**, which is not yet the case.
- **Achievement of the Tripartite Capacity Building Programme so far:**
- **Example of progress: COMPONENT 3: INDUSTRIAL CAPACITY DEVELOPMENT**
 - **Work Pgm Activity:** Convened 2 meetings of technical committee on industrial development (TTCID)
 - **Status of Activity:** The technical committee on industrial development was held and the meeting finalized the tripartite **industrial development cooperation framework** and Programme of Work/Roadmap.
 - **Deliverable:** Approved Roadmap/Work Programme and Framework of **Cooperation** on Industrial Development
 - **Outcome:** Facilitate Improved policy framework for cooperation and coordination of industrial development among tripartite member states.