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## ***Comparison of Regional Economic Communities in Africa – The Case of SADC***

### *Introduction*

Regional Integration has been an important feature of international relations since the 1950s, beginning with the establishment of the then European Economic Community (EC) and later on other economic integration arrangements. However, the world's oldest customs union was formed as a result of the 1889 Customs Union Convention between the British Cape Colony and the Orange Free State Boer Republic.

Trade integration in Africa is often viewed in light of the European Union (EU) and other regional integration arrangements like the North American Free Trade Agreement (NAFTA) (Gathi, 2011, p.1). In Africa through the Lagos Plan of Action and the Final Act of Lagos of 1980, combined with the Treaty of Abuja of 1991, which establishes the African Economic Community (AEC), regional integration arrangements have been agreed upon as mechanisms and strategies for rationalization, with a view to facilitating the process of harmonization and coordination within and among the Regional Economic Communities. The Resolution of the African Union Summit held in Banjul, Gambia, in 2006 directed the African Union Commission and the Regional Economic Communities (RECs) to harmonize and coordinate policies and programs.

Eight regional economic blocs exist in Africa: a) The Economic Community of West African States (ECOWAS), b) the Intergovernmental Authority on Development (IGAD), c) the Common Market for Eastern and Southern Africa (COMESA), d) the East African Community (EAC), e) the Arab Maghreb Union (AMU), f) The Southern African Development Community (SADC), g) the

## Comparison of Regional Economic Communities in Africa – The Case of SADC

Economic Community of Central African States (ECCAS), h) Community of Sahel-Saharan States (CEN-SAD).

In this paper, I focus upon the Southern African Development Community (SADC), drawing comparative lessons for the West African Region.

Southern Africa is composed of three regional integration arrangements namely SACU, SADC and COMESA. They can be considered as vehicles for integration both economically and potentially also politically. This chapter summarizes the tripartite agreements existent between these three economic organizations, aiming to provide a better understanding of regional integration in the region.

The Southern African Development Community (SADC), has been in existence since 1980, when it was formed as a loose alliance of nine states in Southern Africa, known as the Southern African Development Coordination Conference (SADCC), whose main aim was to coordinate development projects in order to reduce dependence on South Africa.

Before SADCC was formed, the so called “Países da Linha da Frente” (Frontline States)<sup>1</sup>, developed a kind of coordination with the main objective of fighting for the independence of the countries that had not yet<sup>2</sup> become independent. Important features of the current SADC and its mode of operation were also shaped by the Frontline States (Hansohm, D. et al., 2005). After having achieved these objectives, SADCC looked at another objective which was to fight against poverty.

Given these new objectives and visions, SADCC was transformed into SADC on August 17th, 1992 in Windhoek, Namibia, when the Declaration and the Treaty were signed at the Summit of Heads of State and Government, giving the organization a legal character. SADC was established under Article 2 of the SADC Treaty by SADC member states represented by their respective Heads of State and Government or duly authorized representatives, in order to spearhead the economic integration of Southern Africa.

1 This was an informally constituted political grouping set up in 1975 as an instrument of harmonizing policies of independent Southern African countries in support of the liberation struggle in the region. The Frontline States were crucial in helping to force a strong sense of political unity among the political leaders of the region. See C.B. Thompson (1986) and the unpublished PhD dissertation of Abilah H. Omari (1991).

2 For instance Namibia and Zimbabwe have benefited from this process.

The main objective is one of a common future, within a regional community that will ensure economic well-being, an improvement of the standard of living, freedom and social justice, and peace and security for the people of Southern Africa.

SADC has been trying to effectively implement the FTA (Free Trade Area) since 2008 and it was supposed to introduce a Customs Union in 2010. Due to problems in the practical implementation of these goals, the three abovementioned economic blocs (COMESA, EAC and SADC) signed a Tripartite Agreement to jointly boost economic growth.

Against this background, we will present some challenges and future perspectives of SADC as well as some experiences to be learned from by other economic blocs.

## *The Relationship between the African Economic Community (AEC) and the Regional Economic Communities.*

### ***The Establishment of the African Economic Community***

The main purpose of establishing the AEC was to, “[...] mobilize and co-ordinate collective efforts and resources of the OAU member states for the attainment of the economic and social integration through harmonisation and rationalization of the activities of the various African Inter-Governmental Organizations at all levels”<sup>3</sup>.

Under the Abuja Treaty establishing the AEC, there are six stages of integration to be completed<sup>4</sup>. The Treaty encourages its Members States to strengthen existing Regional Economic Communities (RECs) and to establish new communities where none exists. Furthermore, it specifically encourages regional integration among member states through the coordination, harmonization and

3 African Economic Community Treaty establishing AEC: [www.africa-union.org/root/au/Documents/Decisions/hog/1HoGAAssembly1991.pdf](http://www.africa-union.org/root/au/Documents/Decisions/hog/1HoGAAssembly1991.pdf). [Accessed on August 15, 2014]

4 For more details, see: [www.african-union.org/root/au/Documents/Treaties/Text/AEC\\_Treaty\\_1991.pdf](http://www.african-union.org/root/au/Documents/Treaties/Text/AEC_Treaty_1991.pdf). [Accessed on August 15, 2014]

## **Comparison of Regional Economic Communities in Africa – The Case of SADC**

progressive integration of the REC's activities of in order to attain the vision of establishing the AEC.

The pillars of the AEC are the eight RECs existent in Africa, namely: SADC, IGAD, AMU/UMA, CEN-SAD, COMESA, ECOWAS, ECCAS/CEEAC and EAC.

### ***The RECs and New Arrangements under the AEC***

Fortunately, many of the treaties establishing RECs in Africa offer their members the possibility to become part of other regional arrangements as long as this does not contravene provisions of the existing arrangement.

For instance, the treaty establishing the EAC allows its members to enter into cooperative arrangements with other regional and international organizations in order to accomplish its objectives<sup>5</sup>. The SADC Treaty also provides that its member states may enter into agreements with other states, regional and international organizations, with compatible objectives<sup>6</sup>.

Furthermore, there is also a legal environment for the coordination between RECs and AEC at the regional level. For instance, there is an agreement between SADC, EAC and COMESA in the Southern African region which we will discuss later in this chapter.

In this context, along with COMESA, ECOWAS, ECCAS and IGAD, SADC signed the Protocol on Relations between the AEC and the Regional Economic Communities (RECs) in February 1998.

## ***The SADC***

### ***General Overview and Brief History***

Cooperation and regional integration in Southern Africa have their origin in historical, economic, political, social and cultural factors that have created

5 See Art. 130.3 of the Treaty establishing the East African Community.

6 For more details, see: Treaty of the Southern African Development Community as amended, 17 August, 192, Art. 24.1.

strong bonds of solidarity and unity among the peoples of Southern Africa. These factors contributed to the creation of a distinct personality and identity of Southern Africa, which is the basis for political and economic cooperation in the region.

The Southern African Development Community (SADC) was formed in April 1980 by nine (9) member states as the Southern African Development Coordination Conference (SADCC was formed after the adoption of the Lusaka Declaration). The founding member states were Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe. This Conference was even preceded by the Arusha Conference in July 1979 where a strategy for the creation of SADCC was launched.

The primary aims of SADCC were to coordinate development programs in order to reduce the economic dependence on South Africa, which at that time still had an apartheid regime, and to build bonds towards a genuine and equitable regional integration. A further objective was the liberation of countries, such as Namibia, which were still colonized. Dependence was primarily economic and related to access to ports in order to access international trade. As a result of common efforts, dependence was actually reduced in certain areas after some years.

The “Coordination Conference” (SADCC) was transformed into a “Development Community” (SADC) in August 1992, when the Declaration and Treaty were signed by Heads of State and Government in Windhoek.

The transformation of SADCC into SADC occurred as a consequence of the ‘exhaustion’ of the first and main objective of SADCC, which consisted of the support for the independence processes in the countries that were still colonized and of a common defence against external aggression in the countries that were already independent. Against this background, the SADC’s new principal objective was to promote greater economic cooperation and integration, in order to overcome the obstacles that had made it difficult to sustain growth and socio-economic development in the region, such as the continuous dependence on exports of only a few commodities. The new goal was: “Southern Africa: Towards Economic Liberation”.

SADC’s current members include, in addition to the founding members, the Democratic Republic of Congo, Madagascar, Mauritius, Namibia, Seychelles and South Africa. Madagascar was temporarily suspended, but on January 31,

## **Comparison of Regional Economic Communities in Africa – The Case of SADC**

2014, the Extraordinary Summit of SADC Heads of State and Government has lifted the suspension of Madagascar and invited the country to immediately resume its participation in all SADC activities.

The signatories of the SADC Treaty agree that underdevelopment, exploitation, deprivation and backwardness in Southern Africa will only be overcome through economic cooperation and integration. The objectives of SADC include the promotion of 'sustainable and equitable economic growth and socio-economic development that will ensure poverty alleviation with the ultimate objective of its eradication', the enhancement of the 'standard and quality of life of people from Southern Africa' and the support of the 'social disadvantaged through regional integration'. Additionally, SADC aims at 'promot[ing] self-sustaining development on the basis of collective self-reliance, and the interdependence of the member states'. To achieve this goal, SADC aims at eliminating barriers to the free movement of goods, services, capital and labor force. SADC has adopted milestones to facilitate the achievement of these integration objectives. An FTA was to be formed by 2008, a customs union by 2010, a common market by 2015, a monetary union by 2016 and a single currency by 2018. SADC successfully launched the first stage, the SADC FTA on August 17, 2008 during the 28th Summit of SADC Heads of State and Government.

### ***The SADC Indicative Strategy Development Plan (RISDP)***

The decision to develop RISDP was taken by the Heads of State and Government of SADC in Maputo, Mozambique in 1999. With this effort, they aimed to review of SADC institutions in order to improve their functioning.

The SADC Secretariat was responsible for coordinating the activities and has integrated almost all segments of society into this process, from bodies of member states through to non-governmental organizations and civil society. RISDP was approved by the SADC Council of Ministers in Dar es Salaam, Tanzania, at its meeting held on August 23 and 24, 2003 and was officially launched in the same city in March 2004.

RISDP is indicative, as it only shows the stages and the necessary conditions for achieving regional integration, and sets the standards conducive to attaining the designed goals.

The following list is a brief presentation of the seven chapters of RISDP.

- Chapter I is introductory and general.
- Chapter II focuses on the socio-economic situation of SADC and analyzes the recent economic and social trends.
- Chapter III focuses on the revision of policies and social strategies and evaluates existing policies and strategies in various areas of regional cooperation and integration.
- Chapter IV focuses on priority areas of intervention and concentrates on the objectives of SADC with regard to the promotion of the integration process in the context of the global economy.
- Chapter V focuses the sustainable financing of the plan.
- Chapter VI focuses on mechanisms of implementation and coordination through the establishment of institutions and an effective legal framework in this context.
- Chapter VII focuses on monitoring and evaluation, establishing the summit as the body that is responsible for ongoing supervision and for the review of reports submitted by SADC.

From a structural standpoint, RISDP is a sophisticated and well-designed instrument. However, its implementation is a challenge for SADC, which is still weak in terms of the necessary means for a breakthrough.

The sequencing envisioned by the SADC Indicative Strategy Development Plan towards achieving its goals is as follows:

<b>FTA</b>	<b>Customs Union</b>	<b>Common Market</b>	<b>Monetary Union</b>	<b>Economic Union with a Single Currency</b>
To be launched by 2008	To be launched by 2010	To be launched by 2015	To be launched by 2016	To be launched by 2018

### ***Problems Regarding the Attainment of These Results***

The FTA came into effect in 2008, in accordance with RISDP. In the RISDP, 2010 was set as an indicative timeline for the establishment of the SADC Customs Union. However, despite directives enabling the necessary preparations for a SADC Customs Union to enter into force, already having been issued at the Summit in 2006, this target was not achieved. It is evident that progressing from an FTA to a Customs Union was impossible in view of overlapping memberships and the challenges related to diverse economic structures and levels of development. These challenges made it impossible for members to reach an agreement on the common external tariff and how to deal with customs revenue management issues. Instead, at the SADC Summit in 2010, it was agreed to consolidate the FTA as an immediate priority, focusing on a review of the rules of origin, the completion of the phasing out of tariffs and the removal of non-tariff barriers.<sup>7</sup>

### ***The SADC Treaty and the Protocol on Trade***

The Treaty establishing SADC aims at promoting integration and cooperation. In this context, Article 22 calls for the conclusion of protocols that spell out the objectives and scope of cooperation and integration as necessary. These protocols enter into force 30 days after ratification, and the member states can become a party to a protocol by accession. A protocol is only binding on the member states that are party to the protocol in question. Currently there are 30

<sup>7</sup> See [www.tralac.org](http://www.tralac.org).

protocols in force and the latest one dealing with services is in its final phase of ratification.

The Protocol on Trade was created in 1996 with the objectives of furthering the liberalization of intra-regional trade in goods, furthering economic development, diversification and industrialization, and forming an FTA in the SADC region.

The Protocol on Trade sets out the guidelines for the attainment of the goal of trade liberalization. The process for the phased elimination of tariffs and non-tariff barriers is to be determined by the Committee of Ministers responsible for trade matters, who should take into account the preferential trade agreements between member states and make sure that barriers on trade should be eliminated 'within 8 years from the entry into force of this Protocol'. There has been some progress in this regard, but it seems improbable that the goal will be achieved within this timeframe. The implementation process started in 2008. Now, there are only about two (2) years to go and there is still much to be done.

In determining the process of the elimination of tariffs and non-tariff barriers, the Committee is required to bear in mind that countries that may be or have been negatively affected by the removal of such barriers, can apply for more time to eliminate the trade barriers, and that different tariff lines may be applied to different products during the process of eliminating tariffs and non-tariff barriers (Gathi, 2011, p.213).

The Protocol on Trade calls for their elimination through a phased reduction of import duties on goods originating in member states. Article 4 further provides that fees and other charges that are commensurate with the costs of any services rendered are to be excluded from the provisions of that Article. Article 7 of the Protocol provides that Members States shall not apply any new quantitative restrictions, and phase out the existing quantitative restrictions on the import of goods originating in member states, but member states may apply a quota system if the tariff rate under such a system is more favourable than the rate applied under the protocol.

### ***Some Aspects of the SADC Protocol on Trade***

As mentioned above, the Protocol on Trade was signed in 1996 and the implementation of the SADC FTA began in 2008. The liberalization of tariffs has taken place at different rates, with developed countries generally reducing tariffs faster. Three countries (South Africa, Botswana and Namibia), have removed most tariffs. Middle-income countries, such as Mauritius, also reduced their tariffs gradually. In LDCs, such as Mozambique and Zambia, tariff reductions will be made over time.<sup>8</sup>

The trade protocol is being implemented by eleven countries including: South Africa, Botswana, Lesotho, Mauritius, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe. Angola signed but has not yet ratified. The Democratic Republic of Congo has not signed, and the Seychelles have expressed their interest in implementing it. SADC attained the status of an FTA in January 2008. Since then, producers and consumers have paid no import tariffs on an estimated 85 per cent of all trade in community goods in the initial 11 countries.

The member states have agreed to remove all non-tariff barriers and not to impose any new restrictions, but the removal of all import and export restrictions has proved difficult and little progress has been made. The reason is that non-tariff barriers often arise from policies that are not intended to restrict imports. For example, an outbreak of foot-and-mouth disease may result in restrictions on the exportation of animals, meat and meat products originating in the affected area (Gathi, 2011, p.218). Such a restriction, however, may fall within the general exceptions listed in Article 9 of the Protocol on Trade. Article 9 allows measures to be taken, as long as they are “not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between member states, or a disguised restriction on intra-SADC trade”, if they are:

- a. Necessary to protect public morals, to maintain public order;
- b. Necessary to protect human, animal or plant life or health;
- c. Necessary to secure compliance with laws and regulations which are consistent with the provisions of the WTO;

8 The SADC FTA is available at: [www.sadc.int/fta](http://www.sadc.int/fta).

- d. Necessary to protect intellectual property rights or to prevent deceptive trade practices;
- e. Relating to transfer of gold, silver, precious and semi-precious stones, including precious and strategic metals;
- f. Imposed for the protection of national treasures of artistic, historical or archaeological value;
- g. Necessary to prevent or relieve critical shortages of foodstuffs in any exporting member state;
- h. Relating to the conservation of exhaustible natural resources and the environment; or
- i. Necessary to ensure compliance with the existing obligations under international agreements.

To solve the problem of eliminating non-tariff barriers, SADC is establishing a Trade Monitoring and Compliance Mechanism (TMCM). In the context of the implementation of the FTA, this mechanism identifies non-tariff barriers to should be eliminated: “This mechanism has the potential to facilitate the movement of goods and will lead to increased trade”. Another concern is that the rules of origin have become increasingly restrictive and product-specific, resulting in increased administrative costs and making it more difficult for exporters to take advantage of SADC preferences.

The next goal to be achieved is the establishment of a customs union which was expected to be established by 2010, including a common external tariff and the harmonization of behind-the-border policies. The main challenges facing the transition from an FTA to a customs union are effective implementation, full participation of all members, and the full engagement of the region’s business community, and the public in general. The Secretariat has focused on conducting studies leading to preparations for negotiations on the formation of the customs union, the first two focusing on the model of the customs union and the compatibility of trade policies. The SADC Council of Ministers has approved the establishment of technical working groups, which are to initiate the work in key areas leading to the formation of the customs and other sectorial policies.

The membership of some SADC countries in the South African Customs Union (SACU), which as a customs union is at a more advanced stage of integration

## Comparison of Regional Economic Communities in Africa – The Case of SADC

than SADC, makes it necessary for all SADC member states to reach this level before the SADC customs union can be launched.

The membership of several SADC member countries in COMESA, which established a customs union in June 2009, poses additional challenges, because several SADC countries concurrently belong to two customs unions, with two different common external tariffs and different tariff schedules. Furthermore, overlapping membership has other negative consequences such as a duplication of efforts, conflicting duties and spreading scarce human and financial resources too thinly, resulting in less than full participation and compliance.

Thus, there is a need for all of the RECs in the region to collaborate and possibly merge in order to move the integration process forward. To this end, SADC formed a Joint Task Force with COMESA in 2001 in order to harmonize their trade liberalization policies. The Joint Task Force was expanded in 2007 with the inclusion of the EAC, which had adopted a common external tariff and became a customs union in 2005.

The first Tripartite Summit was held in Kampala, Uganda in 2008 and efforts to form an EAC, SADC and COMESA FTA are well under way. Such an FTA would be a step towards resolving the issue of overlapping membership and advancing integration in the region. Along with the issue of overlapping membership, challenges to the process of deepening regional integration facing the region include, differentiated levels of economic integration, the varied pace of implementation, inadequate infrastructure and capacity constraints at both the member state and the regional/Secretariat level.

The Regional Indicative Strategic Development Plan (RIDSP), launched in August 2004, was designed to provide strategic direction for the SADC programs and projects by aligning the objectives and priorities with the policies and strategies that are to be pursued in order to achieve these objectives over a fifteen-year period. Most of the SADC policies and programs were designed by independent sectorial committees and thus lacked coordination and had weak inter-sectoral linkages. The RIDSP identifies and strengthens linkages between the programmes and policies of the various sectors in order to improve efficiency and the effective implementation of the SADC program of action. Indicative of its nature, the RIDSP outlines the necessary conditions to be attained towards the goal of regional integration and development, setting four targets to be reached

within a reasonable and feasible timeframe taking into account constraints particular to the region. The RIDSP recognizes the need for a flexible approach to the implementation of policy reforms and deepening regional integration due to the differences existing between member states. Such flexibility is certainly a primary feature of African RTAs (Gathi, 2011, p.220).

The objectives of the Strategic Plan include enhancing economic competitiveness and the diversification of production structures and exports through the promotion of intra-regional trade, productive investment and technology cooperation. The ultimate goal to be achieved through the stages of economic integration is the formation of an economic union. Towards this end, SADC drafted a Competition Policy Model and finalized the harmonization framework which was expected to have been put in place by 2009, for implementation by 2010. The model, by removing barriers to competition, is to create conditions which will enable markets to function competitively to the benefit of consumers and businesses alike.

SADC is working towards the establishment of a customs union. The formation of a customs union poses difficulties. The varying levels and complexity of tariff structures of individual member states will make it difficult to formulate a common external tariff. Another difficulty facing the establishment of a common external tariff regime is harmonizing the different rationales behind individual countries' use of tariffs, as some are heavily dependent on customs duties for government revenue, while others primarily use tariffs as protectionist measures with respect to sensitive sectors or as a part of their industrial policy goals. A customs revenue collection, disbursement and sharing mechanism needs to be created in order to mitigate the effects of the adoption of a common external tariff policy. Progress towards establishing a customs union is also hampered by overlapping membership in multiple RECs. To solve these issues, the three RECs in the region, COMESA, SADC and EAC, met in October 2008 and agreed on forming a larger FTA among them, that would eventually lead to the formation of a single customs union. At the 2008 meeting, the Heads of State and Government of the three RECs also agreed to develop a roadmap towards the goal of establishing the enlarged FTA and directed the three groups to accelerate the development of joint programs to enhance cooperation and coordination in industrial and competition policies. With the problem of overlapping membership and its consequences in mind, SADC made a decision in 2009 to delay the establishment of a customs union.

## **Comparison of Regional Economic Communities in Africa – The Case of SADC**

It was agreed that there is a need to first continue with the consolidation of the SADC FTA, with particular emphasis on coordinating and furthering the development of the SADC-EAC-COMESA Tripartite FTA. Another issue that has delayed the implementation of the SADC customs union is the membership of five SADC members in SACU and the ensuing complications over the adoption of a common external tariff. Since SACU is already at the level of a customs union, the two trade blocs must work closely with one another to create complementary policies and to advance all SADC members to the level of the SACU members.

SADC has reportedly liberalized 85 per cent of trade and is now in the process of phasing out tariffs for trade in sensitive goods. However, the fact that not all SADC member states are members of the FTA is slowing down the process of becoming a full FTA. Furthermore, three unnamed SADC members that are members of the FTA have requested extensions or deferrals of the phase-out schedule for sensitive products. The organization's pattern of delaying and extending deadlines could develop into a serious problem, because members may begin to think that they are not being held fully accountable and can renege on commitments without serious consequences. In order to prevent this mindset within the region, SADC must establish an effective implementation and monitoring mechanism through which members are held accountable and commitments and progress are monitored in order to ensure the accomplishment of set goals.

SADC has also made only limited progress towards the implementation of its Protocol on the Facilitation of Movement of Persons. Of the 15 SADC members, only nine have signed it, and a mere four have ratified it. The 2010 FIFA World Cup, held in South Africa, provided an impetus towards the implementation of the Protocol and the conclusion of bilateral agreements on establishing visa exemptions in order to facilitate travel during the World Cup.

### ***Some of SADC's Challenges***

- a. Reactivation of the suspended court. The suspension of the SADC Tribunal in September 2010 is widely viewed as a retrogressive step with major consequences for regional governance. The new Tribunal Protocol was signed at the last Summit held in Victoria Falls, Zimbabwe, but the Tribunal is not working yet.

- b. Restructuring of the functioning of bodies and the admission of greater powers to the Secretariat. After all, the Secretariat has been operating more like a coordinating body and without functional powers that can improve this situation.
- c. Getting from the FTA to the customs union through the design of a functional strategy able to unlock the barriers created.
- d. Facilitating the free movement of people in the region through an appropriate protocol.
- e. Member states of SADC range from low-income and lower middle-income to upper-middle economies, with vast differences in economic development, size and geography. For economic integration to succeed, these economic imbalances have to be explicitly addressed as the European experience has demonstrated.<sup>9</sup>

### ***The Tripartite Agreement between SADC, COMESA and EAC as a Way Out***

The Heads of State and Government of the 26 member countries of COMESA, EAC and SADC signed the official declaration launching negotiations for a grand FTA at the second Tripartite Summit on June 12, 2011.

This agreement is the result of a series of negotiations to overcome the barriers that exist due to dual membership of some SADC members and also due to the existence of a insufficiently competitive regional market.

Thus, for supporting the establishment of a larger Regional Preferential Trading Agreement, the member states established the TMSA (Trade Mark Southern Africa) program to provide administrative, technical and financial support to the COMESA-EAC-SADC Tripartite. TMSA also assists the Tripartite to facilitate regional trade policy development and build up implementation capacity (See [http://www.trademarksa.org/about\\_us/background](http://www.trademarksa.org/about_us/background). [Accessed on July 25, 2014]).

9 See [www.tralac.org](http://www.tralac.org).

## Comparison of Regional Economic Communities in Africa – The Case of SADC

The 26 countries of the Tripartite have a combined population of nearly 600 million people and a total GDP of approximately US\$1.0 trillion. The main objective of the COMESA-EAC-SADC Tripartite is to strengthen and deepen economic integration in Southern and Eastern Africa. This will be achieved through harmonization of policies and programs across the three RECs in the areas of trade, customs and infrastructure development (See <http://www.sadc.int/about-sadc/continental-interregional-integration/tripartite-cooperation/>. [Accessed on July 25, 2014]).

The three main pillars of the Tripartite Strategy, as contained in the Vision and Strategy document (endorsed at the second Tripartite Summit in June 2011) are, as follows:

- a. Market Integration;
- b. Infrastructure Development and
- c. Industrial Development.

The Tripartite Vision aims at improving the economic and social welfare of the citizens of the COMESA-EAC-SADC region, through the promotion of regional economic growth by creating an enabling environment conducive to regional trade.

The Tripartite agenda is focused on, and underpinned by, a robust vision and strategy, which is operationalized through a work program whose main pillars include the following:

- a. Harmonization and improvement of functionality of regional trading arrangements and programs, including establishing a Tripartite Free Trade Area encompassing its 26 member states - a major step towards establishment of the African Economic Community;
- b. Enhancement of trade facilitation with a view to increasing the flow of goods along regional transport corridors by lowering transit times and the cost of trading;
- c. Joint planning and implementation of infrastructure programs, which mainly comprise surface (road, rail, border posts, seaports) and air transport, Information and Communication Technology, and energy; and

d. Free movement of businesses and persons within the Tripartite region.

On the one hand, the Tripartite Agreement allows the achievement of consensus on a number of policies, and on the other hand, ensures that SADC together with the other blocks strives for a customs union, which would obviously not be possible without this agreement.

## *Conclusions*

The Southern African region has one of the highest levels of poverty in the world, which has led to dependence on foreign aid and loans. Moreover, member states continue to be indebted although they are trying to reduce this burden. The costs of doing business and of transport in the region are high, which makes it very difficult to achieve SADC goals.

The RIDSP is very ambitious. It takes into account all the abovementioned challenges and difficulties identified by the Members States. Against this background, regular review of RIDSP is necessary. At the last Summit in Harare, Zimbabwe, on August 18 and 19, 2014, the Heads of State and Government noted progress of the RISDP and formulated the need for the preparation of the implementation plan.

The transition from the FTA to a customs union is an immediate challenge for SADC. Its realization will ensure a strong basis before being able to turn to the subsequent phases of the integration process. Thus, high hopes are placed upon to the Tripartite Agreement between SADC, COMESA and EAC. It would not only allow the expansion of the regional market, but comprising of 26 countries of the continent and a population of approximately 600 million, it would certainly also be a crucial step towards attainment of the objectives set by the Treaty of Abuja, eventually leading to an increasingly integrated Africa.

Finally, I argue that while a lot of challenges remain in SADC, we can say that if there is a will, there is a way.

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