REGIONAL INTEGRATION

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The following are the responsibilities he has held:

- Government Member of the Republic of Equatorial Guinea
- President of the Central African Financial Market Supervisory Commission (COSUMAF)
- Assistant Secretary General of the Central African Banking Commission (COBAC).
- Chairman of the Board of Directors of CCEIBANK
- Director of several banks
- General Manager of the Autonomous Public Debt Amortization Fund.
- General Manager of the Bank "Société Générale" in Equatorial Guinea
- General Manager of Bank Meridien BIAO in Equatorial Guinea.

In addition, he was a member of:

- Ministerial Committee of the Central African Monetary Union (CEMAC)
- Council of Ministers of the Economic Union of CEMAC
- President of the French Institute of Financial Market Regulators.

He has received the following decorations and honours:

- Commander of the Order of Civil Merit of the Republic of Equatorial Guinea
- Commander of the Order of Merit of CEMAC.
- Twice Knight of the Order of Independence of the Republic of Equatorial Guinea.

SUMMARY

I. INTRODUCTION

Regional integration is a vast subject, it is not easy to explain it in a very limited time frame, it is for this reason and with your permission that I would like to limit our discussion on integration as a catalyst for development and prosperity.

Regional integration has become a key strategy for countries seeking to improve their economic growth, political stability, and social development in an increasingly interconnected world. This process involves countries coming together in larger economic (and sometimes political) blocs, with the aim of fostering cooperation, reducing barriers, and promoting shared prosperity. Indeed, in theory, regional integration is based on the market economy, which is an economic system based on exchanges made directly by individuals in a decentralized manner in a context where the state intervenes little or not at all, and therefore its origins lie, among other things, in the theories of absolute advantage by ADAM SMITH and comparative advantage by RICARDO.

Regional integration will improve trade by facilitating the movement of goods and people between member countries, and in order to accelerate their economic growth, several countries agree to develop trade between them.

It is therefore right to say that regional integration seeks to take advantage of benefits brought by the large size of the market created. As a result, member countries can benefit from the results of scale economy. The competition that this openness can bring must have a positive impact for each member of the group.

First, it allows importing countries a multitude of choices thanks to the diversification of production from several countries. It encourages producers to ensure good quality and a better quantity to be more competitive on the market.

The market economy being the most widespread on the international arena, inspires most regional integrations. With regard to the Republic of Equatorial Guinea, the fundamental Law establishes in its article 27 paragraph 1 that, "the economic system of the RGE is based on the principle of free market and free enterprise".

Overall, the traditional analysis of trade creation and diversion is based on the idea that in the world only differences in productivity and factor endowments determine trade between countries. However, it can also be generated by product differentiation and scale economies, which reduce costs when production increases.

Regional integration, by defining the group of member countries, also tries to avoid trade or traffic diversion that could occur when an international exchange at a given cost is replaced by another with a higher cost.

Regional integration appears today as a necessity that no one can question. History teaches us that human societies have over time understood the challenges of regional groupings.

Regional integration is therefore the process by which two or more nation states agree to cooperate and work closely together to achieve peace, stability and wealth. Integration typically involves one or more written agreements describing in detail the areas of cooperation, as well as coordinating bodies representing the countries involved. This cooperation typically begins with economic integration and, as it progresses, comes to include political integration. Regional

integration theory seeks to explain the creation and development of regional international organizations.

Key questions are why and under what conditions states decide to transfer political authority to regional organizations; how regional organizations expand their tasks, competencies, and membership; and what impact they have on states and societies in their regions.

The importance of regional integration lies in its ability to address challenges that individual countries can hardly overcome alone. Its value stems from the recognition that, in many cases, nations can achieve better results by working together than working individually. The integration process allows countries to pool resources, share knowledge and create synergies that can accelerate development and improve the quality of life of their citizens. In pursuing regional integration, countries aim to boost economic growth and development by creating larger markets; reduce or eliminate tariffs, quotas and other trade barriers among member countries; harmonize economic policies for more coherent regional development; strengthen the region's position in global economic and political forums; facilitate technology transfer and knowledge sharing; enable the free movement of labour, which could address shortages of skilled labour and reduce unemployment; and work towards the harmonization of financial systems. These objectives are important in the African context. Regional integration is considered as a key strategy to overcome the challenges posed by narrow internal markets and the legacy of colonial-era borders.

Economic integration is a process that takes place in stages, each stage representing a deeper level of cooperation and integration among the participating countries. The Hungarian economist BELA BALASSA, proposed in the early 1960s a typology of integration process between several economies. He distinguishes **five** stages. (1) **The free trade area**: member countries decide to abolish customs duties and protectionist measures on the products of the area (free movement of goods and services); (2) **The customs union**: it is a free trade area with the establishment of a common trade policy towards third countries (with the establishment of a common external tariff); (3) **The common market**: it is a customs union with free movement extended to people and capital; (4) **The economic union**: it is a common market with harmonization of national economic policies; (5) **Complete economic integration**: unification of economic, monetary, fiscal policies, etc. There is no longer any discrimination or differences between member countries.

That is why full integration can lead to establishing a common authority towards political integration: While the economies of cooperating countries are completely integrated into a single market, it appears necessary to have common social policies (education, health care, unemployment benefits and pensions) and common political institutions. The peak of political integration occurs when the cooperating countries are so integrated that they share the same foreign policies and merge their armies in a way, they form a new country. We will see later that the development of the institutions of CEMAC and ECCAS corresponds more and more to this political integration theory.

The processes of regional economic integration (IER) differ by the degrees of institutionalization, the rhythms, the deepening and/or by the broadening. They range from sectoral cooperation to political unions with transfers of competences and sovereignty. De jure regionalism is driven by institutions and trade arrangements. De facto regionalization results from the practices of actors constituting commercial, financial, cultural, and technological networks in regional territories. In Western Europe, the key debates in regional integration theory have taken place between variants of intergovernmentalist, neofunctionalist and postfunctionalist integration theory.

Intergovernmentalism assumes that national governments are the key actors in regional integration. Governments use regional integration to maximize their national security and economic interests in the context of regional interdependence. Integration outcomes result from intergovernmental bargaining and reflect regional preference and power constellations. Governments delegate authority to regional organizations to secure their bargaining outcomes, but remain in control of regional organizations and the integration process. By contrast, neofunctionalism disputes that governments are able to control the integration process.

Transnational corporations and interest groups as well as supranational actors are empowered by the integration process and shape it in their own interests. In addition, integration creates a variety of “spillovers” and path-dependencies that push integration beyond the intergovernmental bargain. More recently, postfunctionalism has enriched and challenged the theoretical debate on regional integration. In contrast to neofunctionalism, postfunctionalism assumes a backlash mechanism of integration. As regional integration progresses and undermines national sovereignty and community, it creates economic and cultural losers who are mobilized by integration-sceptic parties. Identity-based and populist mass politicization constrains regional integration and may even cause disintegration.

II. INTEGRATION IN AFRICA

The idea of regional integration in Africa has its origins in Pan-African thought and movement. This idea gained momentum in the post-colonial era, when newly independent African States sought to overcome the artificial boundaries imposed by colonial powers and promote unity and development across the continent. To better appreciate the recent evolution of the Continent's integration, it is necessary to recall the Principles and Pillars of Regional Integration set out by the Treaty of ABUJA and the adoption in 2015 of the Agenda 2063 framework document.

1. Treaty of ABUJA

The overall development strategy of the African continent is based on regional integration, as adopted and pursued by the Summit of the African Union. In 1991, African Heads of State and Government signed the Treaty establishing the African Economic Community (Abuja Treaty), setting out the guiding principles and objectives, as well as the regional framework to strengthen the integration programme. The continental vision is to establish an African Economic Community through six successive stages. The segmentation into six stages is motivated by the desire to begin with strong regional integration through the creation and strengthening of regional economic communities, which will be integrated into the African Economic Community. The table below provides an overview of the process.

1. Abuja Treaty Establishing the African Economic Community

Phases	Duration	Main stages
First stage	1994-1999	Strengthening of existing regional economic communities; establishing new regional economic communities in regions where they do not exist
Second stage	1999-2007	- Stabilizing tariff and non-tariff barriers, customs duties and internal taxes in each regional economic community - Timetable for the gradual removal of barriers - Harmonization of customs duties - Strengthening of sectoral integration - Coordination and harmonization of the activities of regional economic communities
Third stage	2007-2017	Creation of a free trade area and establishment of a customs union in each regional economic community

Fourth stage	2017-2019	Coordination and harmonization of tariff and non-tariff systems within regional economic communities to achieve a continental customs union
Fifth stage	2019-2023	- Common sectoral policies - Harmonization of monetary, financial and budgetary policies, - Free movement of persons, rights of residence and establishment
Sixth stage (final stage)	2023-2028	- African Common Market - Pan-African Economic and Monetary Union - African Central Bank - Pan-African Parliament - Setting up of African multinational enterprises

Source: Adaptation of the Treaty establishing the African Economic Community (June 1991) by the African Economic Community (ECA).

Eight regional economic communities are recognized as the cornerstones of the African Union. The following communities provide support to member States in implementing the regional integration agenda:

The Intergovernmental Authority on Development (IGAD)

The East African Community (EAC)

The Economic Community of Central African States (ECCAS)

The Economic Community of West African States (ECOWAS)

The Community of Sahel-Saharan States (CEN-SAD)

The Southern African Development Community (SADC)

The Common Market for Eastern and Southern Africa (COMESA)

The Arab Maghreb Union (UMA)

The path to African integration is marked by major policy initiatives and decisions aimed at accelerating and integrating the variables of new imperatives governing international economic relations.

The Abuja Treaty provides that African States shall strive to strengthen their regional economic communities, in particular through the coordination, harmonization and progressive integration of their activities in order to establish the African Economic Community. The Observatory of Regional Integration in Africa has identified five main pillars based on the treaties and protocols of the African Union and the regional economic communities to measure progress in integration:

a) Trade and market integration

b) Free movement of persons

c) Convergence of macroeconomic policies

d) Peace, security, stability and governance

e) Harmonization of sectoral policies

To assess the state of implementation of the recommendations of the ABUJA Treaty, Member States hold each year a Mid-Term Coordination Meeting between the African Union, the Regional Economic Communities (RECs) and the regional mechanisms. At the end of this meeting, the African Union Commission draws up a REPORT ON THE STATE OF REGIONAL AND CONTINENTAL INTEGRATION IN AFRICA on the themes that have been selected to ensure integration in Africa. The main themes have been entrusted to a leader (Head of State) and cover the following areas:

1. The Programme for Infrastructure Development in Africa (PIDA) and the African Integrated High-Speed Railway Network (AIHSRN) as well as the Single African Air Transport Market (SAATM)

2. Connecting African human networks

3. Connecting African markets for goods and services, with the creation of the African Continental Free Trade Area (AfCFTA) to boost the growth of intra-African trade (it should be remembered that intra-African trade is barely 3%) and use trade more effectively as an engine of growth and sustainable development, and to strengthen Africa’s common voice and policy space in global trade negotiations

4. The establishment of African financial institutions, i.e. the creation of the African Monetary Fund, African Central Bank, African Investment Bank or the Pan-African Stock Exchange (PASE).

The latest report issued in 2023, which also includes the assessment of the First Ten-Year Plan (2014-2023) for the Implementation of Agenda 2063, showed that, overall, while the continent has made notable progress and performance on some of the objectives, it has recorded a moderate level of performance in other key areas. Indeed, the evolution of the first decade of implementation of Agenda 2063, considered as the Master Plan for Continental Development, reveals that the results obtained are well below the set objectives. It is noted that the 4 main aspirations of the agenda, namely 1, 4, 5, and 64 with results of 38%, 43%, 35%, and 38% respectively, are alarming. This poor performance of the indicators is the consequence of the weak involvement of the Member States and the weak dissemination of Agenda 2063.

The weaknesses observed concern more particularly the internalization or transposition at the national level of the requirements of the Agenda. Finally, during the recent Mid-Term Coordination Meeting between the African Union, Regional Economic Communities (RECs) and regional mechanisms, held from 18 to 21 July 2024, in ACCRA, Republic of Ghana, H.E. President NANA ADDO DANKWA AKUFO-ADDO, champion for the establishment of the African Union financial institutions, recalled the importance of this project, in that:

➢ It is a flagship project of Agenda 2063 because it makes it possible to materialize the ABUJA Treaty establishing the African Economic Community (AEC)

➢ In 2000 in LOME, with the adoption of the Constitutive Act of the African Union (AU) which replaced the Organization of African Unity (OAU), Article 19 of this new text provides for the establishment of African financial institutions, namely: (1) The African Central Bank ACB, (2) The African Monetary Fund AMF and (3) the African Investment Bank, AIB.

➢ The protocols establishing these institutions were signed in July 2009 for the AIB and in 2014 for the AMF. One of the challenges facing the creation of these institutions is the minimum level of capital required. This is 22,640 million USD for the AMF and 25,000 million USD for the AIB.

➢ Concerning the ACB, AUC and ABCA have developed the macroeconomic convergence criteria which have been approved by the Ministers in charge of finance. These are standard criteria such as: Financing the budget deficit, covering imports, inflation, tax pressure and flexibility of rates. In 2022, only 3 out of 52 countries were able to meet the set criteria. Therefore, there is still a long way to go.

Following this report, a draft report was adopted, which should be available shortly.

2. Agenda 2063

AGENDA 2063 is Africa's blueprint and master plan aimed at transforming Africa into a global power of the future. It is the continent's strategic framework that aims to achieve its goal of inclusive and sustainable development. It is a concrete manifestation of the Pan-African desire for union, self-determination, freedom, progress and collective prosperity pursued within the framework of Pan-Africanism and the African renaissance.

The genesis of Agenda 2063 was the realization by African leaders of the need to refocus and reprioritize Africa’s agenda from the struggle against apartheid and the achievement of the continent’s political independence which had been the focus of the Organization of African Unity (OAU), the precursor of the African Union; and instead prioritizing inclusive social and economic development, continental and regional integration, democratic governance, and peace and security, amongst other issues aimed at repositioning Africa to becoming a dominant player in the global arena.

Affirming their commitment to support Africa’s new path for attaining inclusive and sustainable economic growth and development, African Heads of State and Government signed the 50th Anniversary Solemn Declaration during the Golden Jubilee celebrations of the formation of the OAU/AU in May 2013. The declaration marked Africa’s rededication of the Pan-African Vision of “***an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the global arena***.” Agenda 2063 is the concrete manifestation of how the continent intends to achieve this vision within a 50-year period from 2013 to 2063. The Africa of the future was captured in a letter presented by the former Chairperson of the African Union Commission, DR. NKOSAZANA DLAMININ ZUMA.

The need to envision a long-term 50 year development trajectory for Africa is important as Africa needs to revise and adapt its development agenda due to ongoing structural transformations; increased peace and reduction in the number of conflicts; renewed economic growth and social progress; the need for people centered development, gender equality and youth empowerment; changing global contexts such as increased globalization and the ICT revolution; the increased unity of Africa which makes it a global power to be reckoned with and capable of rallying support around its own common agenda;

and emerging development and investment opportunities in areas such as agri-business, infrastructure development, health and education as well as the value addition in African commodities.

Agenda 2063 encompasses not only Africa's aspirations for the future, but also identifies key Flagship Programmes that can drive Africa's economic growth and development and lead to the continent's rapid transformation.

Agenda 2063 also identifies key activities to be undertaken in its 10 year implementation Plans which will ensure that Agenda 2063 delivers both quantitative and qualitative transformational outcomes for the people of Africa.

3 Economic and Monetary Community of Central Africa (CEMAC) and the Economic Community of Central African States (ECCAS)

At the CEMAC level

It should be noted that regional integration in the Economic and Monetary Community of Central Africa (CEMAC) is an important subject. Let me provide you with some information on this point.

Context of CEMAC:

CEMAC is an economic organization that brings together six Central African countries: Cameroon, Congo, Gabon, Equatorial Guinea, the Central African Republic and Chad.

It aims to promote economic and monetary cooperation between its members.

The CEMAC countries, based on their past experience, ratified a new treaty in 1994 that proclaimed their desire to strengthen institutional cooperation in the areas of monetary, financial economy. Historically, CEMAC is one of the oldest sub-regional groupings in Africa. Indeed, its first most complete institutional form appeared in 1964 with the creation of the Central African Customs and Economic Union (UDEAC).

With a population estimated today at around forty million people and unevenly distributed over an area of nearly three million square kilometers, it is the smallest of the economic communities in Africa. Its subsoil is extremely rich compared to that of other African countries. For example, five of the six countries that make it up are oil producers.

More importantly, it represents, with the Democratic Republic of Congo (DRC), the second largest tropical forest in the world after the Amazon.

Institutionally, CEMAC is made up of two unions, each governed by a convention. There is one that creates the Central African Monetary Union (UMAC), another one that creates the Central African Economic Union (UEAC).

The main objective of the UEAC is to strengthen the real dimension of integration through the gradual but complete elimination of customs barriers and quotas. More specifically, it aims, for example, to strengthen the competitiveness of economic and financial activities, the convergence of national fiscal policies with the common monetary policy, as well as the attainment of full cooperation in many areas such as industry, tourism, transport, professional training, energy, agriculture, etc.

Role of the CEMAC Commission:

The CEMAC Commission is the executive body responsible for implementing the various integration projects. It works on areas such as the free movement of people, goods and services. UMAC, for its part, appears according to the authors, as the most complete monetary cooperation. UMAC operates under the authority of the Ministerial Committee composed of Ministers in charge of finance where the Bank of Central African States (BEAC) assumes the role of Executive body.

Challenges and issues:

Despite efforts, CEMAC faces recurring institutional problems in matters of governance, there is a need for a balanced distribution of positions of responsibility, compliance with convergence criteria, issues related to the mobilization of resources to finance integration projects, etc.

The reforms of the Economic and Monetary Community of Central Africa (CEMAC) aim to strengthen regional integration and improve the economic conditions of member countries. Here are some key points of recent reforms:

Priority Integrative Projects: CEMAC organized a round table in November 2023 to mobilize the financing of thirteen priority integrative projects, with a target of 7 billion euros.

Common Policies: The IMF published a report in June 2023 highlighting the importance of common policies to support the reform programs of member countries. These policies aim to stabilize the regional economy and strengthen external reserves.

Infrastructure Investments: CEMAC countries are encouraged to better target their spending in infrastructure investments and social sectors, in order to improve the living conditions of people.

Private Sector and Public Services: Reforms are necessary to promote a more dynamic private sector and more efficient public services.

The institutional reform in CEMAC initiated in the early 1990s in a context of economic crisis aimed at reducing transaction costs related to non-cooperation between States and a clear objective of relaunching sub-regional integration.

The discussions led to the drafting of the new CEMAC Treaty. While some provisions of the new treaty implied the abandonment of sovereignty in certain areas, it seems to me that it would have been wiser to consult national parliaments and by way of referendum, this may explain the weakness of the institutions and especially the lack or little interest that the people have in international treaties and conventions.

On the financial level then, the effects of "institutional creation" and the "dilution of preferences" in particular, have had a significant and positive impact in the context of the restructuring of banking and financial system. Indeed, two important measures have been taken at the community level. They concern on the one hand the harmonization of the conditions for exercising banking activity, and on the other hand the creation of the Central African Banking Commission (COBAC). This institution now ensures the prudential supervision of banks and credit institutions operating in the six CEMAC States. Thus, new solvency and liquidity ratios have been defined. They are intended to preserve the liquidity and solvency of banks, as well as the balance of their resources in relation to employment and the quality of the commitments they can make, in order to preserve the credibility of the entire system. COBAC has largely contributed to promoting sound banking practices in the sub-region. Its regulatory role is gradually accepted, despite the persistence of reluctance on the part of some actors. COBAC is responsible for granting and withdrawing licenses, carrying out documentary checks, according to the regulations. This banking system clean-up has been supplemented by that of the insurance sector, microfinance, social security funds, taxation and savings as part of the tax-customs reform and, more recently, payment institutions.

Finally, under the impetus of Equatorial Guinea, other reforms were undertaken in 2006 and concern:

➢ Governance in the institutions and organs of CEMAC with the end of the FORT-LAMY consensus

➢ The revision of the Statutes of BEAC

➢ The transformation of the executive secretariat of CEMAC into

the CEMAC Commission.

In conclusion, given that all these reforms require significant financial resources, the inefficiency of collecting resources from the Community Integration Tax (TCI) does not allow us to wait for the political ambition of CEMAC.

THE ECONOMIC COMMUNITY OF CENTRAL AFRICAN STATES (ECCAS)

IN BRIEF

1. HISTORICAL

The Economic Community of Central African States (ECCAS) was established on October 18, 1983 by the signing in Libreville of its Constitutive Treaty, which was revised and adopted on December 18, 2019 and entered into force on August 28, 2020.

ECCAS is made up of eleven Member States: Angola, Burundi, Cameroon, the Central African Republic, Congo, Gabon, Equatorial Guinea, the Democratic Republic of Congo, Rwanda, Sao Tome and Principe and Chad. It is one of the eight Regional Economic Communities (RECs) recognized as pillars of regional integration in Africa and therefore fully engaged in multiple dynamics related to the construction of the African Economic Community provided for by the Abuja Treaty and the need to refocus and redefine the missions and functioning of the organization to align them with the African Union's Agenda 2063.

The main executive body of ECCAS acquired the status of Commission in December 2019, following an institutional reform. The institution's vision is to promote: "***A common future, in an environment of peace, security and stability, ensured by sustainable development, good governance, the growing improvement of the living conditions of citizens, freedom and justice***".

MISSIONS

According to its Treaty, the Community aims to promote cooperation and strengthening of regional integration in Central Africa in all areas of political, security, economic, monetary, financial, social, cultural, scientific and technical activity with a view to achieving collective self-reliance, raising the standard of living of the people, increasing and maintaining economic stability, strengthening and preserving close peaceful relations between its Member States and contributing to the progress and development of the African continent.

To achieve this, six (6) priority integration axes have been defined by the Heads of State and Government:

• Political Integration, Peace and Security. It aims, through political cooperation, to guarantee, within the region, peace and security, which are prerequisites for a state of integration that generates harmonious and sustainable socio-economic development;

• Economic and Financial Integration. It aims to establish a common market as well as the free movement of goods, capital and services in the regional area;

• Physical Integration through the development of infrastructure and land use planning, which consists of ensuring road, rail, air and sea links and materializing the sense of common space, the establishment of a common regional market, as well as the free movement of people, goods and services;

• Environmental Integration and Rural Development, which aims to preserve the conditions of survival for future generations, thus guaranteeing sustainable development, and a significant increase in the production, productivity and competitiveness of the sub-region, in order to guarantee food security for people of the community and access to regional and international markets;

• Social Integration and Human Development, which aims to eliminate poverty in all its forms throughout Central Africa and ensure that all people from Central Africa can live in good health; and to ensure access for all to quality education, on an equal footing, to acquire technical, scientific and cultural knowledge likely to offer everyone a decent job in an environment where gender equality and equity is ensured. »; and then

• (vi) the pursuit of Institutional and Organizational Reform in order to establish all the different mechanisms of community integration and to revise the legal and regulatory framework.

The integration of Central Africa continues through the merger between ECCAS and CEMAC

Indeed, the adoption of the reform ordered by the Conference of Heads of State and Government of ECCAS during its sixteenth ordinary session held in N'Djamena on 25 May 2015 was marked by the establishment of a Steering Committee for the Rationalization of Regional Economic Communities in Central Africa (COPILREC-AC) aimed at harmonizing the legal frameworks between ECCAS and the Central African Economic and Monetary Community

(CEMAC) in order to ultimately achieve one regional economic community (REC) for the sub-region. An objective that made it necessary to modernize the legal and regulatory framework of ECCAS.

The draft Constitutive Treaty of the new Regional Economic Community to replace ECCAS and CEMAC was examined and validated on August 11 and 12, 2022 in Yaoundé by the Council of Ministers of the Steering Committee for the Rationalization of Regional Economic Communities in Central Africa (COPIL/CER-AC). This text provides for the creation of a Court of Auditors, a Community Parliament, a Court of Justice and Human Rights; as well as Monetary and Financial Markets Authorities.

In conclusion

The African integration process has made considerable progress since its inception, particularly in establishing institutional frameworks for cooperation. However, the continent faces persistent challenges in translating these frameworks into tangible economic and social benefits for its people. The success of key initiatives such as the African Free Trade Area and the AU Agenda 2063 will be critical to the future trajectory of African integration.

The future of regional integration in Africa presents both promise and challenges. These include persistent political instability in some countries, economic disparities among member states, infrastructure and financing deficits, and imbalances between national interests and regional objectives. However, the continent has many advantages that support successful regional integration: a large and growing youth population being a driver of innovation and change, untapped potential in various economic sectors, growing global interest in Africa's markets and resources, and the potential to make leaps in the adoption of new technologies.

Success will require sustained political will, innovative approaches to long-standing challenges, and the ability to adapt to rapidly changing global conditions.

In addition to initiatives already underway (and needing to be completed) such as the African Continental Free Trade Area (AfCFTA), the Programme for Infrastructure Development in Africa (PIDA), the Single African Air Transport Market (SAAT) and others, new initiatives and projects must continue to be explored to deepen integration and thus improve the chances of reaping the benefits of integration.

Possible avenues include harmonizing financial systems and strengthening policy cooperation. Collaborative approaches to managing shared resources, such as water and minerals, and the possibility of jointly negotiating resource extraction agreements with external partners, the growth of mobile money and cross-border payment systems.

<u>The impact of positive regional integration on the lives:</u>

Successful regional integration can have profound and far-reaching effects on the daily lives of people in the integrated area. While macro-level benefits are often analyzed in economic and political terms, the tangible impacts on individuals and communities are equally significant.

These impacts can manifest themselves in various ways:

(1) **Job creation**: Expanding markets and increasing trade generate new employment opportunities in many sectors; (2) **Entrepreneurship**: Easier access to larger markets allows small businesses to grow and expand their operations; (3) **Ease of movement**: Easier border controls allow people to travel more freely for work, education or leisure; (4) **Tourism**: Simplified travel regulations boost regional tourism, benefiting local economies and cultural exchange; (5) **Access to education**: Students have the opportunity to study in other countries in the region, giving them access to a greater number of educational institutions; (6) **Knowledge transfer**: Strengthening academic collaboration and exchange programmes enriches learning experience; (6) **Digital integration**: Harmonizing digital policies can lead to reduced roaming charges and improved cross-border digital services;
(7) **Cross-border banking services**: access to banking services is facilitated throughout the region, including the possibility of opening accounts or obtaining loans in other member countries;

Positive regional integration has multifaceted and transformative impact. It has the potential to create more dynamic, diversified and interconnected societies where people have better access to banking services across the region, including the ability to open accounts or obtain loans in other member countries.

However, the main Disadvantages of regional integration are the following:

Loss of economic policy autonomy: Member countries must give up some economic policy instruments (e.g., the exchange rate) to harmonize their policies.

Fiscal constraints: Countries may be limited in their fiscal management due to integration.

Double peg system: In the case of the CFA zone, the peg to both the region and the euro can make it difficult to manage the exchange rate.