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European Union Partnership Agreement on African Regional Integration: Exploring The Role Of Regional Governance Structure

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Abstract: *The study investigates the role of regional governance structure in the achievement and realization of the goals of European Union Partnership Agreement on African Regional Integration. To achieve the purpose of this study, descriptive analytical framework was employed. From the reviewed of related literature and subsequent analysis, it is obvious that regional governance structure would enhance the achievement of the value basis of the partnership agreement. In this case, effort to encourage greater competitiveness within the region through governance would therefore, have a substantial accelerated effect on the regional economy and so some way forward improving the political momentum behind the integration process.*
Key Words: *European Union Partnership Agreement, Regional governance structure.*

I. Introduction

At the beginning of the twenty-first century, the European Union (EU) stands out as an important regional organization. It entertains formalized relations with almost all other groups of states. Although much of its focus and attention is directed to internal integration; obviously, the EU cannot and does not wish to be an isolated entity. Instead it has expressed the desire and ambition to take up a prominent place in the working of international relations. In addition to the general goal of forging good relations with potential political and economic partners across the globe, the Union also wishes to use its place in international relations as a vehicle for advocating some of the values it considers important. Among these values are democracy, social welfare, human rights and liberation.The EU perceives development policy as an important tool to serve both missions. Accordingly an impressive and unique record of development cooperation activities and of structural and comprehensive has been built over time. Until the 1990s, the Africa, Caribbean and Pacific (ACP) states were Europe’s most preferred developing country partners. And ACP–EU relations were the most visible and important component of the EU Development Cooperation Programme. ACP–EU relations started at the very creation of the European Union in 1957 and were elaborated subsequently in the various conventions.

The historical background of African regional integration gave birth to the era of colonialism and the birth of supra national idealism which culminated into the formation of Pan African Movement that centered around political and economic liberation and emancipation of the continent. With the decolonization and eventual attainment of political sovereignty by the African states the Pan African idealism and aspiration of common front against the imperialists translated into number models involving many continental state actors seeking to promote technical and economic cooperation. In the spirit of this, between 1975 and 1983, major trade and economic focused regional organizations were formed. This includes:

1. The Economic Community of West African States (ECOWAS)
2. Preferential Trade Areas (PTA)
3. Common Market for Eastern/Southern Africa (COMESA)
4. The Economic Community of Central African States (ECCAS)

These organizations were formed in response to African ideas of regional integration. The intention was and still is, for total commitment to regional integration. Along the line of integration philosophy the African, Caribbean and Pacific group of states, as a union of states, eventually gained favour to the extent that the EU disused the one-way and unequal trade preferential trade arrangement following the provisions of economic partnership agreement. The European trading relations with members of ACP countries have historically been recognized by series of conventions called the Lome Convention. The Cotonou agreement between the European Union (EU) member states and the African, Caribbean and Pacific (ACP) states marks five generations of agreements between ACP–EC sovereign states. It is the world’s largest financial and political framework for North-South cooperation. This special partnership is characterized by its non-reciprocal trade benefits for ACP states including unlimited entry to the EC market for 99 per cent of industrial goods and many other products, especially for the Least Developed Countries (LDCs) which number 39 in the ACP grouping. In addition, aid packages for each ACP country and region are regularly updated.

A unique feature of the ACP–EU accord is dialogue and joint administration of its content by the Community and the ACP. ACP states are free to table requests which are mutually negotiated with the EC.Thus,A 'National Indicative Programme' (NIP) is mutually negotiated by the European Commission and an ACP state and sets development targets e.g. in primary education or health and contains a-five yearly spending pledges for each country tailored to meeting those needs. The NIP is funded out of the European Development Fund (EDF), the financial protocol to each agreement, to which EU member states contribute.

II. The ACP-EU Partnership Agreement

The "Partnership Agreement between the members of the African, Caribbean and Pacific Group of States of the one part and the European Community and its Member states of the other part" was signed on 23 June 2000 in Cotonou, Benin – hence the name 'ACP-EC Partnership Agreement' or 'Cotonou Agreement'. It was concluded for a twenty-year period form March 2000 to February, 2020, and entered into force in April 2003. It was for the first time revised in June 2005, with the revision entering into force on 1 July. 2008. A second revision of the Agreement was agreed on 11^{th} March, 2010.

The Cotonou Agreement is a global agreement, introducing important changes and ambitious objectives. It is designed to establish a comprehensive partnership, based on three complementary pillars:

- development cooperation
- economic and trade cooperation and
- The political dimension.

The partnership is centered on the objective of **reducing and eventually eradicating poverty** consistent with the objectives of sustainable development and the gradual integration of the ACP countries into the world economy (Art. 1 of Cotonou Agreement).The agreement is based on the principles of ;

- equality of the partners and ownership of the development strategies;
- Participation (central governments as the main partners, partnership open to different kinds of other actors).
- provide role of dialogue and the fulfillment of mutual obligations
- Differentiation and regionalization

The actors of cooperation are:

- States (authorities and/or organizations of states at local, national and regional level);
- Non-state actors (private sector; economic and social partners, including trade union organizations, civil society in all its forms according to national characteristics).

The European Development Fund (EDF) is the main instrument for providing Community assistance for development cooperation under the Cotonou Agreement. The EDF is funded by the EU Member State on the basis of specific contribution keys. Each EDF is concluded for a multi-annual period. The 10^{th} EDF covers the period from 2008 to 2013 and has been allocated €13.8 billion for 2000 – 2007). The cooperation with the ACP States funded from the EDF is complemented by development cooperation funded from the EC budget, through budgetary instruments – the Development Cooperation Instrument, the Instrument for Stability, the European Instrument for Democracy and Human Rights and the European Humanitarian Aid Instrument. The Cotonou Agreement provides for a revision clause which foresees that the agreement is adapted every five year till 2020. In accordance with Article 95 of the Cotonou Agreement, the main reasons for the Second Revision of the Cotonou Agreement are:

- to preserve the relevance and the outstanding character of the Partnership between ACP and EU countries;
- to adapt the Agreement to recent major changes in international and ACP-EC relations;
- to further develop several themes that are essential for both parties;
- the political dimension, institutional issues and sector specific policy issues;
- economic cooperation, regional integration and trade;
- development finance cooperation, including humanitarian and emergency assistance and new development advances in aid programming and management.

The ACP Group of States has its own institutions and decision making processes. It relates with the European Community through the join institution of the Cotonou Agreement. The 2010 consolidated version of the Cotonou Agreement adapts the partnership to changes which have taken place over the last decade, in particular.

- The growing importance of regional integration in ACP countries and in ACP-EU cooperation is reflected. Its role in fostering cooperation and peace and security, in promoting growth and in tackling cross-border challenges is emphasized. In Africa, the continental dimension is also recognized, and the African Union becomes a partner of the EU-ACP relationship.

- Security and fragility – no development can take place without a secure environment. The new agreement highlights the interdependence between security and development and tackles security threats jointly. Attention is paid to peace building and conflict prevention. A comprehensive approach combining diplomacy, security and development cooperation is developed for situations of state fragility.
- For the first time, the EU and the ACP recognize the global challenge of climate change as a major subject for their partnership. The parties commit to raising the profile of climate change in their development cooperation and to support ACP efforts in mitigating and adapting to the effects of climate change.
- The trade chapter of the Agreement reflects the new trade relationship and the expiry of preferences at the end of 2007. it reaffirms the role of the Economic Partnership Agreements to boost economic development and integration into the world economy.
- The revised Agreement highlights the challenges ACP countries are facing to integrate better into the world economy, in particular the effects of preference erosion. It therefore, underlines the importance of trade adaptation strategies and aid for trade.
- More actors in the partnership – the EU has been promoting a broad and inclusive partnership with ACP partners. The new agreement clearly recognizes the role of national parliaments, local authorities, civil society and private sector.
- More impact, more value for money – This second revision is instrumental in putting in practice the internationally agreed aid effectiveness principles, in particular donor coordination. It will also untie EU aid to the ACP countries to reduce transaction costs. For the first time, the role of other EU policies for the development of ACP countries is recognized and the EU commits to enhance the coherence of those policies to this end.

Nigeria and the EU also reaffirmed their desire to deepen their cooperation in the context of the Africa-EU strategic partnership. The New Africa Strategy of EU has its primary objective the achievement of the UN Millennium Development Goals among others, through the doubling assistance of African states by 2015 (EU, 2007, Grimm, 2006). The Nigeria-EU relations in the context of Africa-EU strategy partnership constitute a common vision for development and cooperation. Along economic growth and regional integration, it emphasizes peace, security and good governance as prerequisites for sustainable development in Africa. This strategy was reconfirmed by the Second EU-Africa Summit in Lisbon on 8 – 9 December, 2007, which focused on energy, climate change, migration, mobility, employment, democratic governance, etc.

The strategy is based on assumed comparative advantages of the EU vis-à-vis Africa relative to other international competitors, in view of the age-old economic, political and cultural links between the partners. Therefore, the EU offers itself as Africa's 'natural partner' (EU, 2006). This is the first time that the EU has approved such a comprehensive Africa strategy as a guideline, not duly for its own programmes but also for the bilateral African policies of its 27 member states. It explicitly wanted to replace the former one-sided policy which accepted African governments at most as former partners with a strategic partnership of equals where the African Union (AU), its institutions and its sub regions are on equal footing with the EU (EU 2007, EU 2006).

Trade, regional integration and infrastructure are key areas in the Africa-EU strategic partnership. The primary objective is to assist Africa improve its productive capacities and became less dependent on primary production, and move up simple processed products, to address deteriorating terms of trade (Anthony, 2010). The third of the eight sectoral that Africa and the EU entered into is trade, regional integration and infrastructure. This, it is believed will lead to:

(i) deeper regional integration
(ii) stimulate economic growth
(iii) eradicate poverty
(iv) generation employment

The partnership mentioned three related priority actions to be taken by the strategic partners, each of which had objectives, expected outcomes, including key actors that engage in the defined activities.

First Priority: Support for African Integration Agenda
The expected outcomes are:
(i) Acceleration of integration process through both formal and information sector.
(ii) Improved coherence and convergence of the integration process
(iii) Improved African capacities to implement regional integration agenda.

Activities recommended for the acceleration of the first priority are:
(i) implementation of the minimum integration programme for Regional Economic Communities (RECs)
(ii) EPAs to support Africa's regional integration efforts.

(iii) Rationalization of Integration process
(iv) AU to monitor EPAs and the Euro-Mediterranean Partnership involving North-African countries.
(v) Engagement of private sector, Civil Society to support integration process.
(vi) Implementation of the African Charter on statistics and exchange statistical and other information between the AU and the African side.

Key Actors:

Key actors recognized in the partnership agreement document are:
- The AU Commission/NEPAD, African States, Pan African Parliament
- European Commission/EU member states, European Parliament
- Joint Parliamentary Assembly (JPA)
- Pan African Organizations, such as United Cities and Local Governments in Africa, the African Institute of Governance
- Civil Society, private sector, local authorities, Economic Commission for Africa and others.

The third and final priority needed for the actualization of the integration process in Africa is to ensure:
- Improved and sustained African infrastructure services

Expected outcomes are:
- Enhanced continental and regional integration and trade through better inter-connectivity
- Improved infrastructure networks and services;
- Strengthened African capacities in infrastructure management and policy development.
- Increase participation of the private sector in infrastructure development, including through public private partnerships.
- Increased and sustainable investments in physical infrastructure
- Improved management of shared-course systems

Activities recommend to achieve these expected outcomes are:
- Implementation of the EU – Africa Partnership on infrastructure
- Implementation of the AU/NEPAD Infrastructure Initiative including The Pan-African Infrastructure Development Fund
- Improve the legal and regulatory environment for public-private Partnership
- Build capacities in the field of safety and standards and regulations, in particular for air and maritime transport.

It is believe that effective trade and regional integration will enhance economic growth strategies, maintain micro-economic stability, promoting regulatory reform and humanitarian, protecting intellectual property rights and standards and investment code (EU, 2008). Infrastructure is vital for integration. Roads and rails, ports, energy supplies are some of the basic infrastructure needed for effective regional economic integration. The partnership in this regard identified funding for the implementation of infrastructure for integration scheme or project across Africa. The Africa-EU Partnership on Trade and Regional Integration has witnessed tremendous headway:

(i) Three (3) regional programmes signed between African regions and EU for the period 2008. 2013 represent £1.5 billion. Eastern and Southern Africa (£645m), West African region (£598m),SADC (C116m), Central Africa (£165m).
(ii) The African Charter for Statistics was adopted in 2009 by the Heads of State and Government of the AU. It provides policy framework and advocacy tool for statistics in Africa.
(iii) The enhance engagement on transport for regional integration was supported with £3 billion in the 10th £BF (NIPs).
(iv) Contributions from 13 EU member states and the EDF amount to £165m in the form of grant, an additional £200m were to be made available under the intra ACP funds.
(v) Training course for African experts an "Better Training for Safer Food Africa", Training activities for small and medium enterprises is now being implemented in Africa with a total budget of award £10m (until the end of 2010).

The consolidation of the above achievements cannot enhance regional integration without well organized and defined regional governance structure.

III. The Imperatives

Effective regional economic integration not only requires credible commitment that political promises are actually delivered to citizens and investors. It crucially depends on the regional administrative capacity of regional institutions, the relationship between country membership and their policy making institute along wider segment of regions and the technical and political capability of policy makers in formulating and implementing

regional policies which the political leadership of the regions seeks to pursue. In this regard, the governance structure underlying the process of policy making towards the regional integration is of utmost important.
Recent research on governance and the impact on regional economic performance through integration significantly increased our understanding of the constituent characteristics of such a politico-institutional foundation of policy formulations and implementations (Kaufuna, 2003, Ahrens, 2003).

Country experience as well as empirical cross-country studies shows that it is not only infrastructural development as promised by the EU that is key to successful economic integration and growth. Rather, the quality of institutions and their interplay as well as the inter-relations between regional states and private actors prove to be crucial determinants for economic integration. Overcoming the pretended dichotomy between markets and states, numerous scholars perceived institutional varieties as an integral element of policy making that links the activities of public and private actors towards effective integration (Dutt, 1994). This implies that public goods including institutions crafted and enforced by regional states as well as public policies are the outcome of inter-relations and exchange multiple regional actors, North (1997) and his followers have convincingly argued that it is primary institution which provide individuals with specific incentives for their actions that affects political and economic exchange.

Institutional arrangement also determines the formation and implementation of policies. From that perspective, a proper understanding of governance that relates to economic integration need to go beyond the narrow conception of infrastructure. Governance in this context is based on the capacity of institutional matrix (in which individual state actors, organizations and policy makers interact) to implement policies, enforce rules and regulations and to improve private sector coordination for effective regional integration. Governance is not synonym for government, rather it relates to institutions such as ECOWAS associated with regional governability and accounts for institutional varieties as well as its importance for states capacity in conducting policy reforms (Ebner, 2005). In this context, regional governance clearly focuses on the quality of public policy and its impact on regional economic performance and transformation.
The above will:

(i) reinforce and elevate the African political partnership to address issues of common concern.
(ii) Promote and strengthen peace, security human rights and democratic governance for as panacea for economic and political development.
(iii) Jointly promote and sustain a representative and legitimate institutions.
(iv)[i] Facilitate and promote a broad-based and wide ranging people-oriented partnership to create conditions to enable them play an active role in development, democracy building, and conflict prevention and post conflict peace building in the region.

These will broaden and further deepen economic integration. Despite its size and political and economic importance, Nigeria will have to overcome significant obstacle to realize its full potentials as the engine of regional integration and a major player on the international scene, its dependence on oil has encourage inward looking, protectionist tendencies in the non-oil sector. Effort to encourage greater competitiveness within the country should therefore, have a substantial accelerated effect on the regional economy and so some way forward improving the political momentum behind the integration process. At present, the ECOWAS Customs Union and common market is not yet fully implemented while progress towards the proposed second monetary zone, let alone the eventual ECOWAS wide monetary zone, remains limited.

IV. Conclusion And Recommendations

African position and place in global system is markedly determined by the unequal trade relationship that exists between the south and north. Regional integration one of the strategies employed by countries in the global south to address the imbalanced, inequality that characterized the relationship. This explains why in spite of attendant failure in the achievement integrative objective African states remain committed to regional integration as effective ways of promoting the goal of self-reliance and economic development. NEPAD and AU are programmes in support of regional and continental integration. However, forces within and outside African region continue to render all efforts to ensure effective integration ineffectual. These forces among others include; lack of interest by some African states, strong attachment to their former colonial masters and virtually absence of effective governance structure. The EU Pan African Infrastructure approach to regional integration in Africa can only achieve the intended results if African states put in place an all inclusive governance structure.

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