



United Nations
Economic Commission for Africa

Strengthening capacity to design and implement policies and identify solutions that promote transport connectivity for the achievement of the SDGs

Regional experiences on data for monitoring transport connectivity,



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Why such index?

- **Conference of African Ministers of Finance, Planning and Economic Development & Conference of African Ministers in Charge of Integration (CoM VI; March 2013):**
 - **Called for the enhancement of the monitoring and evaluation of Africa's integration.**
- **In response, ECA-AfDB-AUC have jointly developed the Africa Regional Integration Index (ARII).**
- **What for?**
 - Measuring and monitoring progress towards pan-African integration frameworks (e.g. Abuja Treaty, MIP, PIDA, AfCFTA and BIAT initiative);
 - Helping African countries and RECs diagnose their performance in different aspects of integration & providing incentive to progress further;
 - Creating an improved dataset on regional integration in Africa to enable better policy analysis and policy making.

Why such index?

- There is growing robust evidence that Africa should first deepen its own regional integration before being in better position to open up with the rest of the world
- Even more urgent with Covid-19

ARII 2019 vs. ARII 2016

- To date, 2 multidimensional indexes produced: ARII 2016 and ARII 2019.
- ARII 2019 builds on ARII 2016, with essentially 3 key improvements:

1) Ranking

- ARII 2016: countries only ranked within their RECs;
- ARII 2019: countries ranked within their RECs and within Continent.

2) Weighting

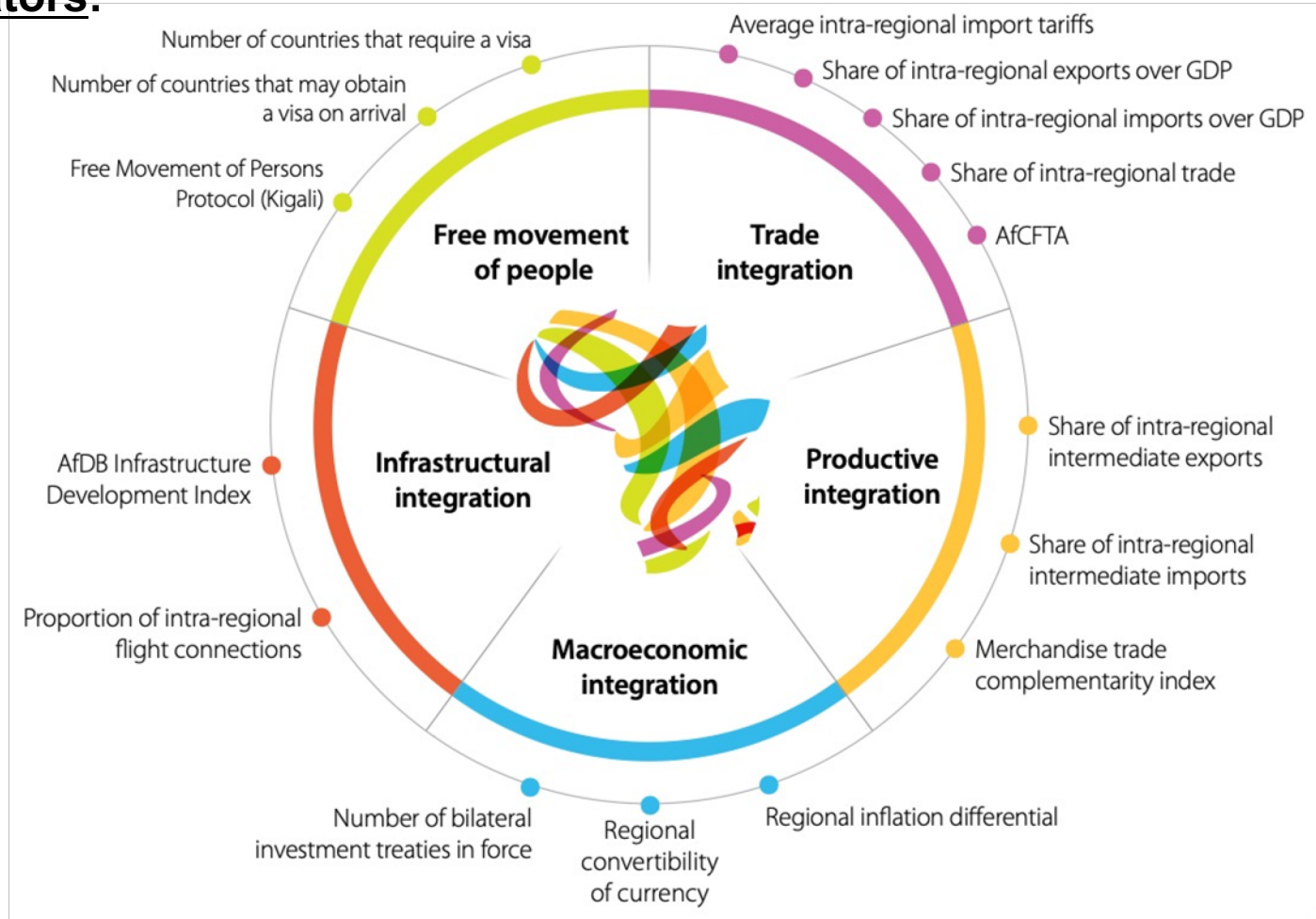
- ARII 2016: all dimensions & indicators weighted equally;
- ARII 2019: weights can vary for dimensions/indicators and assigned, based on structure of data, through principal components analysis (PCA).

3) Checking

- Use of PCA in ARII 2019 making possible to check robustness of data and refining indicators from ARII 2016.

What is ARII 2019 about?

- A multidimensional index to measure progress towards greater regional integration in Africa and African RECs – Made up 5 dimensions and 16 indicators:



- PCA used to assign weights both at dimensional and indicator levels.

What challenges faced in building ARII 2019?

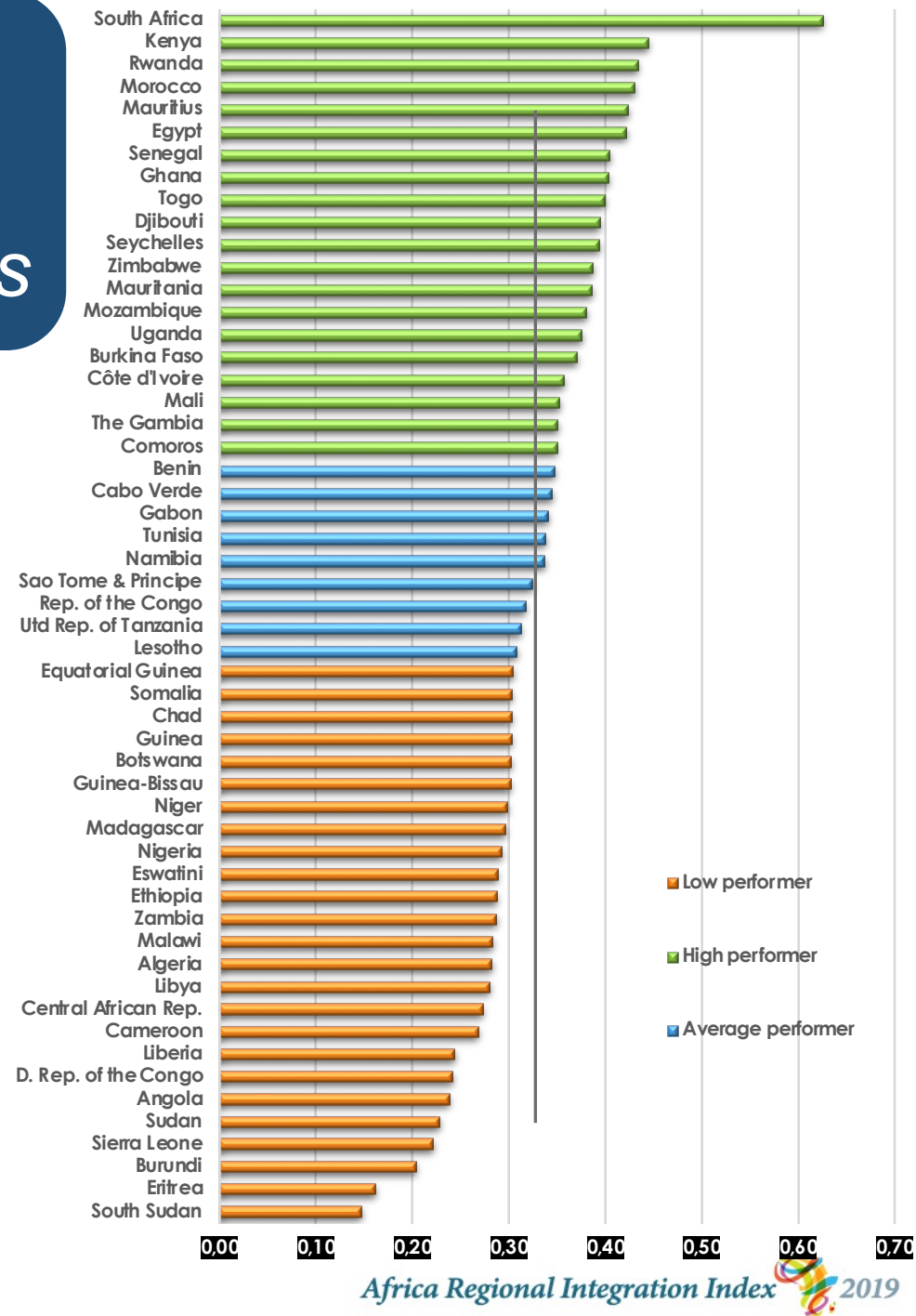
- **Defining regional integration:**
 - Conceptual construct: 54 countries and 3 institutions.
- **Measuring state of regional integration vs. measuring efforts towards greater regional integration.**
- **Availability of data:**
 - Poor quality of data or inexistent data for many countries;
 - Limit the variables that can be used (e.g. use of number of bilateral investment treaties rather than FDI).
- **Limits of principal components analysis:**
 - Time consuming: changes in data/variables require re-computation;
 - Not necessarily easy to disseminate.

What does ARII 2019 tell us?

Continental focus

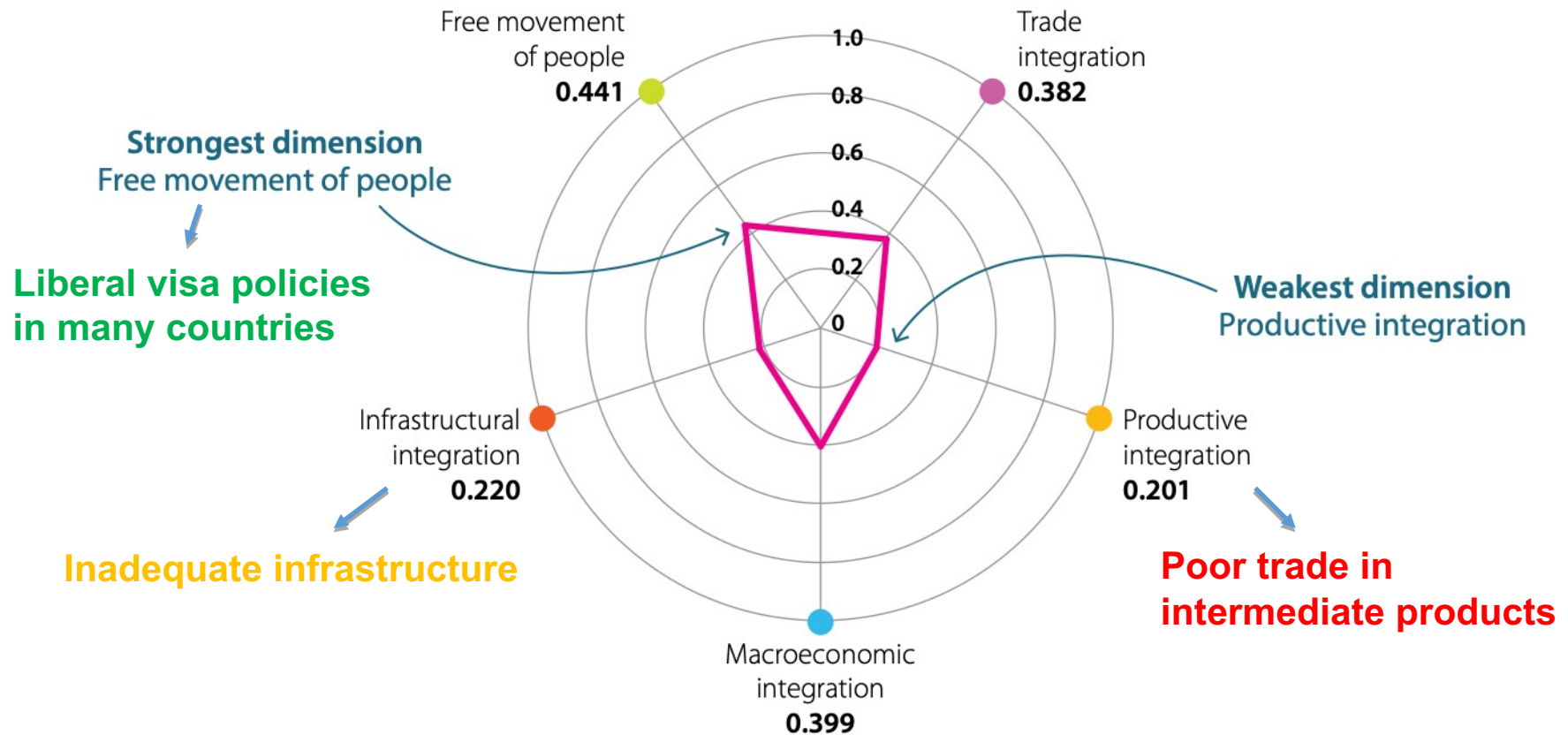
- Regional integration in Africa is low as compared to what it could potentially be:

- An average score of 0.327 as assessed in ARII 2019;
- There are remarkable differences across countries: South Africa vs. South Sudan;
- A maximum score of “only” 0.625 suggesting that there is room for increased integration on the continent and tap into the benefits.



What does ARII 2019 tell us?

Continental focus – Dimension and indicators



What does ARII 2019 tell us?

RECs focus - Dimensions

- On average, regional integration performance in RECs is relatively comparable to that of the Continent, with a few exceptions:

	Strongest dimension	Weakest dimension
AMU	Macroeconomic integration	Free movement of people
CEN-SAD	Free movement of people	Productive integration
COMESA	<u>Trade integration</u>	<u>Infrastructural integration</u>
EAC	<u>Free movement of people</u>	<u>Productive integration</u>
ECCAS	Macroeconomic integration	Productive integration
ECOWAS	Free movement of people	Productive integration
IGAD	Free movement of people	Productive integration
SADC	<u>Free movement of people</u>	<u>Infrastructural integration</u>

Narrowing down on SADC members perf. within SADC vs. within Africa: Dimensions

- **Reminder for SADC avg.: Free movement of people (best); Infra. integr. (worst).**
- **At country level, notable differences:**

<u><i>Within SADC</i></u>	South Africa	Mozambi.	Zimbabwe	Mauritius	Seychelles	Namibia	Zambia	Botswana	Lesotho	Malawi	Tanzania	Madag.	Eswatini	Angola	DRC
Trade Integration	0.54	0.35	0.39	0.24	0.24	0.59	0.41	0.48	0.57	0.28	0.20	0.21	0.58	0.20	0.16
Productive Integration	0.99	0.24	0.28	0.12	0.07	0.35	0.40	0.33	0.06	0.12	0.15	0.08	0.09	0.28	0.16
Macroeconomic Integration	0.63	0.66	0.41	0.72	0.33	0.37	0.23	0.39	0.32	0.37	0.70	0.50	0.30	0.09	0.22
Infrastructure Integration	0.89	0.11	0.23	0.45	0.51	0.20	0.22	0.22	0.05	0.11	0.07	0.04	0.10	0.11	0.02
Free Movement of People	0.22	0.80	0.68	0.34	0.62	0.22	0.39	0.22	0.56	0.66	0.39	0.64	0.22	0.46	0.41
	High performers			Average performers								Low performers			

<u><i>Within Africa</i></u>	South Africa	Mauritius	Seychelles	Zimbabwe	Mozambi.	Comoros	Namibia	Tanzania	Lesotho	Botswana	Madag'	Eswatini	Zambia	Malawi	DRC	Angola
Trade Integration	0.63	0.35	0.35	0.55	0.41	0.20	0.71	0.32	0.65	0.50	0.30	0.73	0.43	0.37	0.30	0.31
Productive Integration	1.00	0.17	0.13	0.22	0.24	0.14	0.27	0.21	0.05	0.24	0.12	0.10	0.32	0.17	0.12	0.34
Macroeconomic Integration	0.42	0.63	0.35	0.36	0.32	0.41	0.30	0.42	0.30	0.34	0.35	0.28	0.19	0.22	0.29	0.08
Infrastructure Integration	0.90	0.49	0.53	0.26	0.14	0.17	0.22	0.20	0.08	0.24	0.13	0.12	0.26	0.15	0.11	0.15
Free Movement of People	0.09	0.43	0.65	0.57	0.94	1.00	0.08	0.42	0.44	0.10	0.65	0.10	0.23	0.58	0.41	0.39
	High performers					Average performers				Low performers						

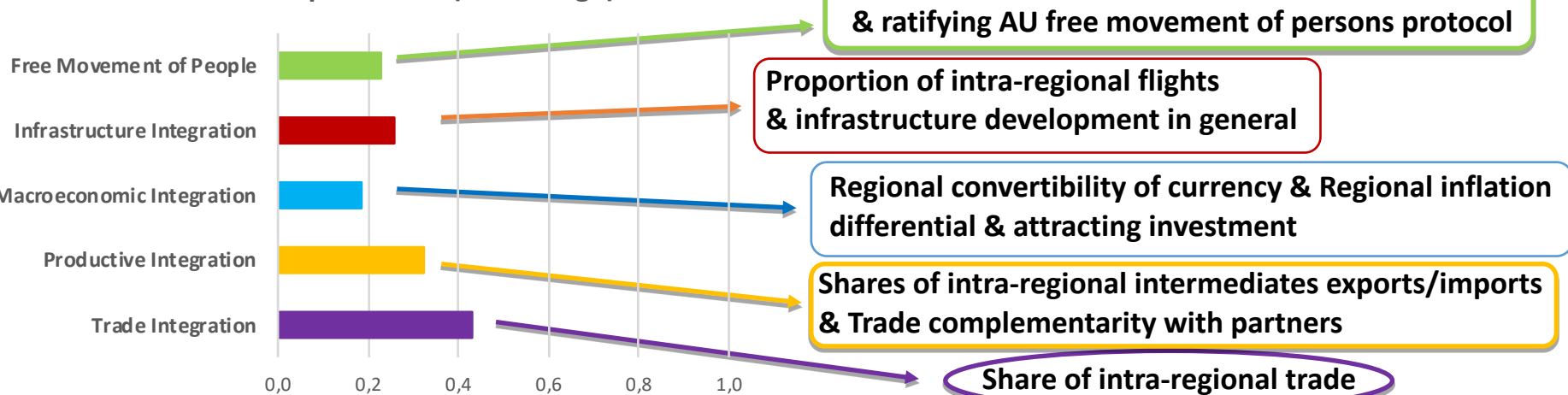
Narrowing down on SADC members

Performance within Africa: Indicators

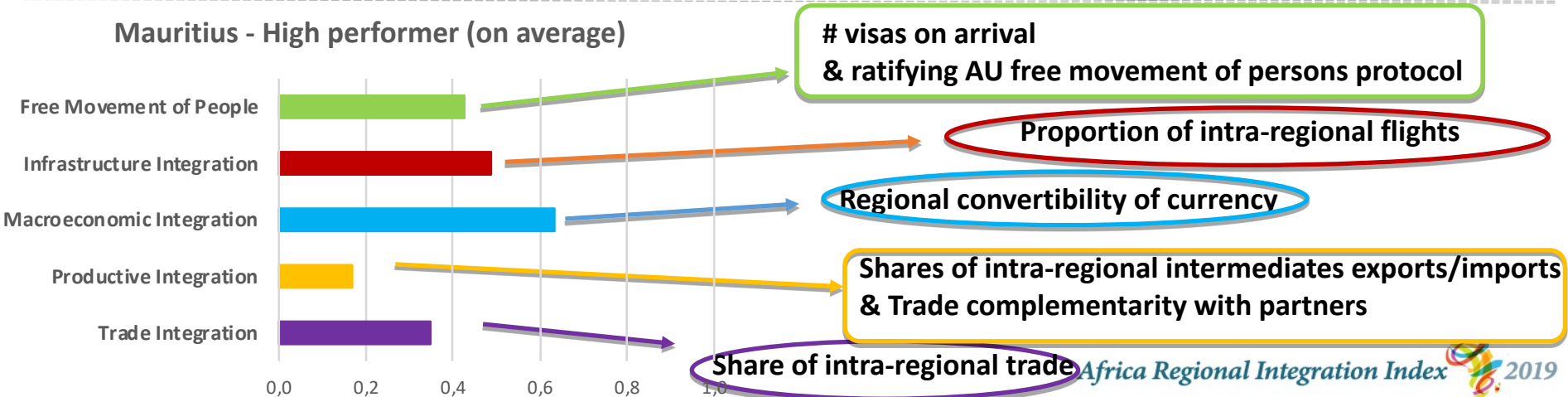
- **Poor or high performers (on average): all have areas for improvement**

Areas currently  (improvement needed)!

Zambia - Low performer (on average)



Mauritius - High performer (on average)

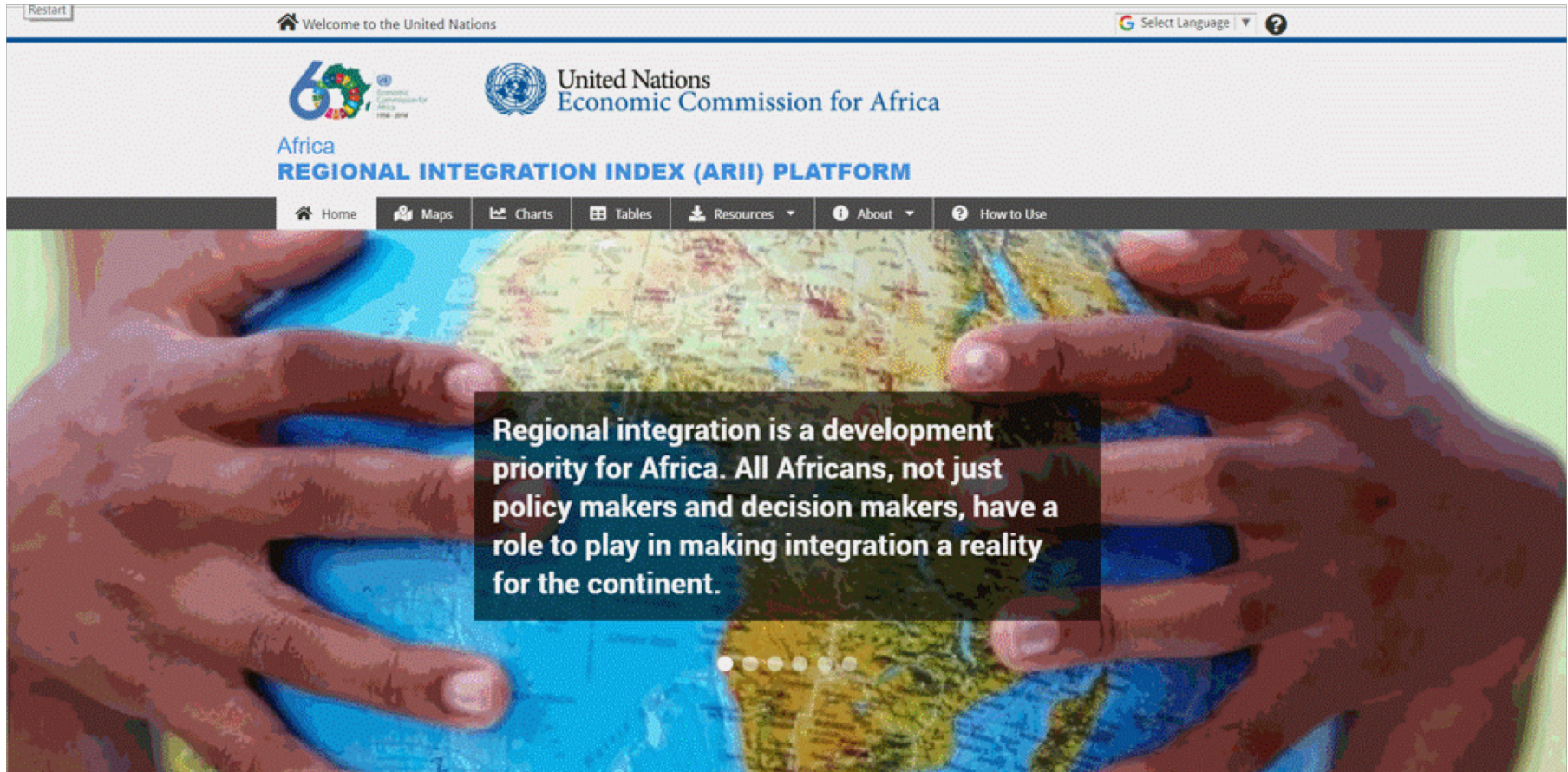


Conclusion

- Don't just look at the overall score (**explore the data**)!
- ARII is probably most useful to identify key strengths and weaknesses for a country's regional integration performance;
- Overall scores for COMESA, EAC and SADC countries show huge room for improvements, especially to integrate within Africa (**highest: 0.44 - Kenya**);
- Looking at dimensions & indicators is critical:
 - Although there are exceptions requiring attention, COMESA-EAC-SADC countries tend to perform poorly in productive integ. (**low intra-regional trade in intermediates**) & infra.l integ. (**poor infrastructure & often limited air connectivity**);
 - ✓ ***Making it imperative to increase trade in intermediates, developing regional value chains (RVCs) and building infrastructure for trade.***
- Moving forward:
 - AfCFTA can play a critical role to create conducive environment (**also in assisting with COVID-19 recovery**), as expected to help boosting intra-African trade and developing much needed RVCs;
 - ✓ ***Development of Regional AfCFTA implementation strategy for RECs (common issues & coherence) and National AfCFTA implementation strategies for their member States (digging into specificities).***

Where to find more on ARII?

- Global website (<https://www.integrate-africa.org/>)
- Dedicated ECA Web Platform (<https://arii.uneca.org/>) – Home page at a glance:



- ARII 2019 Core Report, Technical Report and Methodological Note;
- User Guide;
- IDEP's online training on ARII 2019 ([coming soon](#)).

Thank you for your attention

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THANK YOU!

Ideas
to
Action