Variable Geometry of African integration and AfCFTA

By:

Sewagegnehu Dagne

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In 2012, the states and governments of the African Union (AU) decided to establish a continental free trade area (CFTA) by 2017. The Agreement Establishing the AfCFTA was signed in Kigali, Rwanda, in October 2018 by 44 heads of states and governments of the AU member states. By April 2019 except Nigeria, Eretria and Benin the other 52 member states of AU already signed the agreement. It also fulfilled the minimum threshold of ratification to implement the agreement and entered into force by May 30 2019.[1]

The agreement is expected to help the continent to improve the present low level of trade and other development initiatives if effectively implemented. However, the possible effects of liberalization of trade on countries, especially on less industrialized countries and others who are dependent on tariff revenues as their main source of income raises questions about its full-fledged implementation. In addition, past experience tells us that there is often lack of political will for some countries to open their market under the commitments

they make in regional trade agreement.[2] Fortunately, the design of the AfCFTA accommodates flexibility as a principle so that that signatory countries can adopt different speeds in the integration process.[3]

Variable geometry is a concept first raised in the EU integration process which means moving in different speed towards the integration. Variable geometry gives states the flexibility to choose the pace of their integration process and a choice to accept or not to accept from different agreements used for implementing the statutory treaty. In addition to the EU, the concept of variable Geometry began getting attention in the WTO system and other integration initiatives after the breakdown of the Doha development agenda because of difficulties to reach to consensus between member states of the WTO.[4] Some scholars have argued that variable geometry is a defining feature of African regionalism.

Flexible geometry seeks to minimize the short-term cost of liberalization by accommodating the different levels of industrial development and commitment towards the integration agenda. In a continent with more than 55 countries, the existence of these differences and challenges are unquestionable. However, variable geometry comes with its tradeoffs. It for example is unclear that accommodating too many countries from the full liberalization commitments will realize the predicted increases in intra-African trade or in Foreign Direct Investment. In short, notwithstanding the fact that variable geometry will accommodate the participation of many countries in the AfCFTA, it will also limit the full potential of realizing the AfCFTA's goals.

I strongly believe that the experience with variable geometry in Africa in the past 60 years requires a different path – strict adherence to treaty commitments and uniform compliance. In its journey of integration, the OAU/AU used very flexible approach to treaty adoption and ratification processes. From the 66 treaties adopted by the OAU/AU only 5 of them got full signature from the member states. In addition, only 32 of them got the minimum level of ratification to enter in to force.[5] Full adoption and ratification also have never been a guarantee to implementation of the treaty. The initiatives of NEPAD and African Economic community are some of the treaties which have got full endorsement from the member countries, but adherence to them in practice

has been disappointing.

In the case of the regional trade agreements variable geometry has been implemented in a self-defeating manner. For example, many countries are parties to overlapping regional trade agreements. For example, in West Africa there is Mano river union (MRU) and Western Africa Monetary Union (UEMOA) as a sub-regional trade agreement in which all countries are members of Economic Community of Western Africa States (ECOWAS).[6] The MRU and UEMOA as the first layers of integration and the ECOWAS as the second layer of integration. All members of ECOWAS are members of the Community of Sahel and Sahara states (CEN-SAD) which is a third layer of integration. These layers of integration or overlapping arrangements complicate the implementation of variable geometry. Even more, the members of CEN-SAD signed the agreement establishing AfCFTA with the exception of Benin and Nigeria. So if AfCFTA enters full-fledged implementation without harmonizing these different layers of integration the probability it would end up as an unimplemented fourth layers of integration like the previous initiatives is very high.

At this point, it is unclear how variable geometry will be implemented in the AfCFTA. The implementation of variable geometry in the trading system needs not only a clear roadmap but also clear scope of its coverage in the way it helps the integration agenda. Based on Article 14 of the Treaty for the Establishment of the AfCFTA, ‘’decisions of the AfCFTA institutions on substantive issues shall be taken by consensus.’’ In this arrangement the issues covered by consensus and issues left open for variable geometry which gives flexibility for member states is not clear.

In my view variable geometry is likely to further slow down the implementation of the AfCFTA because it is a way to accommodate less advantageous countries or countries unwilling to move as fast as others. Even if variable geometry is the only way to move forward in trade agreements of the 21th century as some have argued, it makes trade liberalization more complicated and slows down integration initiatives. More detailed research on variable geometry from an African perspective needs to be undertaken because the continent cannot afford the potential failure of the AfCFTA.

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[1]https://www.tralac.org/resources/by-region/cfta.html

[2]**Adekeye Adebajo ,** https://www.pressreader.com/

[3]Article 7 of the treaty establishing the AfCFTA.

[4]P. Sutherland and others 'The Future of the WTO: Addressing Institutional Challenges in the New Millennium: Report by the Consultative Board to the Director-General Supachai Panitchpakdi' 2004, available at http://archive.ipu.org/splz-e/wto-symp05/future_WTO.pdf from 61-64. (accessed on 25 April 2019)

[5] https://au.int/en/treaties [6]*Babatunde Omilola 'To what extent are regional trade arrangements in Africa fulfilling the conditions for successful RTAs?' 2011 3(6),Journal of African Studies and Development at 109-111.*

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