

Malawi, Mozambique and northern Zambia. In most areas, rainfall is largely seasonal, falling over a period of just a few months, often in the form of intense thunderstorms or showers. Where vegetation cover is reduced, this can lead to higher rates of soil erosion. Likewise, most of the subregion experiences high variability in rainfall, and frequent or prolonged periods of flooding and drought. Grazing lands currently constitute 49 per cent of the area, predominantly in the form of savannas and grasslands, especially in the drier countries where forest cover is lower. Permanent crops and arable lands cover slightly less than six per cent of the land area and are predominantly rain-fed, except in South Africa where irrigation potential is relatively well developed.

Regional Integration in Southern Africa

Regional integration is aimed at promoting the transformation of African economies. The resultant effect of integrating countries would be the achievement of comparative advantage, which would lead to efficiency in production and ultimately an increase in the quality and quantity of factors of production. Regional integration brings about convergence in addressing common political and social problems and consolidating peace, and in achieving economic and social development through joint initiatives. Southern African countries have become involved in various regional integration initiatives. To date, the following initiatives have gained prominence in the SADC region:

Common Market for Eastern and Southern Africa (COMESA)

Comprising 21 member states, COMESA is a large economic and trading unit capable of overcoming some of the barriers faced by individual states. COMESA's strategy is trade liberalisation through market integration. COMESA offers a range of benefits to its members including a wider, harmonised and more competitive market, greater industrial productivity and

competitiveness, increased agricultural production and food security, rational exploitation of natural resources, harmonised monetary and fiscal policies, and reliable transport and communications infrastructure.

Regional Integration Facilitation Forum (RIFF) RIFF has grown out of the Cross Border Initiative (CBI) Programme implemented in 1992. It was established primarily with the aim of creating conditions for a more beneficial integration of the countries of eastern and southern Africa into the regional and world economy. It aims to achieve this by facilitating the dismantling of barriers to the cross-border flow of goods, services, persons and capital. It seeks also to ensure the consistency of national adjustment programmes and regional integration measures. The CBI/RIFF was never meant to be a permanent structure nor is it a new kind of regional organisation. Its main purpose is to boost effective implementation of the regional integration agenda at the country level. It promotes a pragmatic approach of variable speed towards regional integration (so that progress is not determined by the slowest-moving member state).

Southern African Customs Union (SACU): SACU is the world's oldest customs union. A renegotiation of the SACU Agreement was concluded in 2002, but it still has to be ratified by all parties. The 2002 SACU Agreement, provides for a more democratic institutional structure; a dispute settlement mechanism; the requirement to have common policies on industrial development, agriculture, competition and unfair trade practices; and a new system for the common revenue pool and sharing formula. It is hoped that once in force the new SACU Agreement, combined with multilateral trade liberalisation and outward orientation, will help SACU countries accomplish their integration into the world economy.

East African Community (EAC) East Africa, Kenya, Uganda and Tanzania decided to join hands and form a trade bloc called the East African Community (EAC) in January 2001. The new

trade bloc aims to work towards economic policies that are pro-market, pro-private sector and pro-liberalisation through pooling the bloc's resources and promoting free trade within the region.

Multilateral Monetary Agreement South Africa, Namibia and the kingdoms of Swaziland and Lesotho constitute a single monetary area known as the Common Monetary Area. There are no exchange control restrictions between these countries, and similar exchange control measures are applied by each country in respect of all countries outside the Common Monetary Area.

The Southern African Development Community (SADC) Comprising 14 member nations, SADC is organised to facilitate development and economic growth throughout the region. As with the other regional agencies, SADC's chief motivation is to build a larger, more significant market from which to compete in the global marketplace. SADC's main objective is to achieve the levels of policy harmonisation and resource rationalisation required for the complex task of regional economic integration. One important step is the creation of a SADC Free Trade Area, which was initiated in 2000 and will be fully implemented by 2008. In the process of the creation of a full-fledged FTA, intraregional trade and investment is expected to grow significantly as the issues of market access, rules of origin and non-tariff barriers are resolved.

While all the above regional initiatives have gained ground within the region, the most prominent remains SADC. It is the only regional body in which all southern African countries have membership. It is believed that SADC provides the best basis for successful regional integration and, more importantly, economic cooperation because of South Africa's (the region's largest economy) close involvement in the subregional grouping. The *Annual Report on Integration in Africa 2002* highlights the pace of integration in SADC, and the diagram below clearly illustrates SADC's exceptional progress in this

regard compared to that of the other subregional groupings in southern Africa.

Table 13: Regional institutional membership

Country	SADC	COMESA	SACU	EAC	MMA	RIFF
Angola	X	x				
Botswana	X		X			
DRC	X	x				
Lesotho	X		X		x	
Malawi	X	x				X
Mauritius	X	x				
Mozambique	X					
Namibia	X	x	X		x	X
Seychelles	X	x				
South Africa	X		X		x	
Swaziland	X	x	X		x	X
Tanzania	X			x		X
Zambia	X	x				
Zimbabwe	X	x				X

Source: Kritzinger-Van Niekerk & Pinto Moreira (2002)

Figure 8: Pace of integration by Regional Economic Community

Pace of integration by REC				Pace of integration by REC			
Above average		Average		Close to average		Erractic	
UEMOA	6.6%	CEMAC	4.7%	EAC	3.7%	CEPGL	
ECOWAS	6.3%	CEN-SAD	4.6%	IGAD	3.7%	ECCAS	
SADC	6.0%	UMA	4.2%	COMESA	3.6%	IOC	
						MRU	

Source: UNECA (2002)

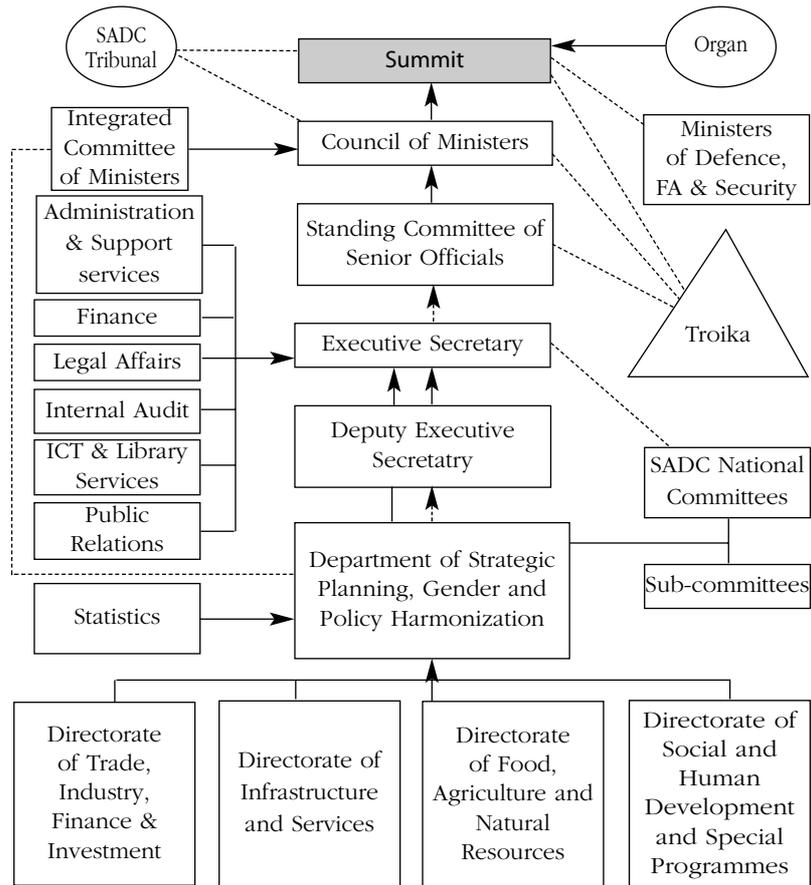
Progress toward regional integration SADC's commitment towards convergence and cooperation is best reflected in the community's protocols. The signing and ratification of protocols commit member states to 'operate, coordinate, harmonise and integrate policies and strategies in one or more sectors'. To date, nine of the 20 signed protocols have been ratified by member states as indicated in Table 14.

Table 14: Protocols ratified under SADC

	Protocol	Date of signature	Ratified
1	Immunities and privileges	1992, August	x
2	Shared watercourse systems	1995, August	x
3	Transport, communication and meteorology	1996, August	x
4	Energy	1996, August	x
5	Combating illicit drugs	1996, August	x
6	Trade	1996, August	x
7	Education and training	1997, September	x
8	Mining	1997, September	x
9	Tourism	1998, September	x
10	Wildlife conservation and law enforcement	1999, August	
11	Health	1999, August	
12	Tribunal and the rules of procedure	2000, August	
13	Legal affairs	2000, August	
14	Revised protocol on shared watercourses	2000, August	
15	Amendment protocol on trade	2000, August	
16	Politics, defence and security co-operation	2001, August	
17	Control of firearms, ammunition and other related materials	2001, August	
18	Fisheries	2001, August	
19	Corruption	2001, August	
20	Culture, information and sport	2001, August	

Source: Isaksen & Tjønneland (2001)

Figure 9: Organogram of SADC structure

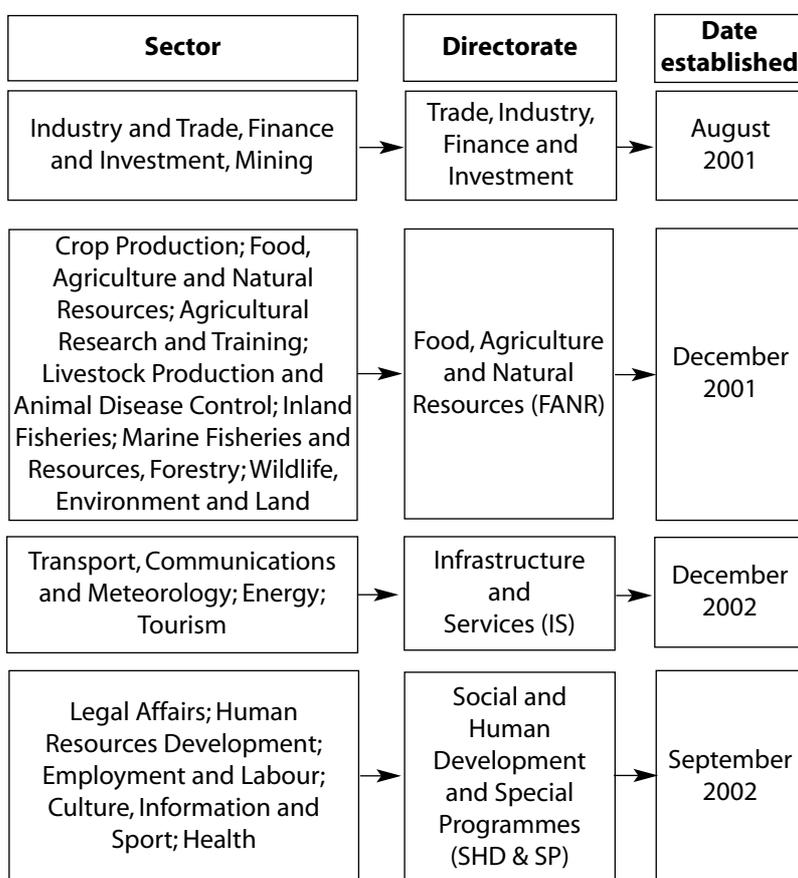


Key: — Reporting Relationship
 - - - - - Functional Relationship

Source: <http://www.sadc.int/index.php?lang=english&path=about/structure&page=organogram>

SADC has begun vital reforms of its structure aimed at closer integration at least in the political sense. These include centralising some functions in the SADC secretariat instead of their being administered independently by member countries.

Figure 10: SADC's new sectoral structure



Source: SAIIA (2003)

Challenges to regional integration in southern Africa

HIV/AIDS: life expectancy in most SADC countries fell during the early 1990s owing to the pandemic. Nine countries⁷ saw a drastic reversal of their gains in life expectancy between 1990 and 1998. This has had a devastating effect on national economies in particular because most those dying of AIDS are the economically productive members of society in the 25–48 age group. Part of the solution is to reduce the cost of anti-retroviral drugs to lessen the impact of the pandemic.

Armed conflict: civil wars in Angola and the Democratic Republic of Congo have had a substantial impact on these countries as well as on regional trade. In dealing with these wars and preventing further armed conflicts, SADC needs to pursue war prevention and resolution measures vigorously by strengthening regional collective peace and security initiatives such as the SADC Organ on Defence and Security. On the political front, there are signs of encouragement as well as concern. The end of the civil war in Angola and the successful elections recently held in Lesotho can only be good news for regional integration. The elections in Zambia, though flawed, also produced an ‘acceptable’ result. However, the crisis in Zimbabwe and the slow progress towards peace in the DRC are cause for concern and have hindered political and economic development in the region. Regional security issues have also led to numerous challenges. In 2001, SADC formalised the Organ on Politics, Defence and Security (OPDS). The role of the OPDS is to coordinate the security policies of SADC members in accordance with the goals of the Protocol on Politics, Defence and Security Cooperation (ratified by seven member states and requiring two more ratifications before it can be enforced). Yet the OPDS faces many obstacles including lack of operative policies, operational capacity and financial resources.

Migration, displaced populations and refugees: unequal development of colonial capitalism in southern Africa led to the emergence of white settler states (South Africa and Zimbabwe) with the rest of the countries in the region relegated to cheap labour suppliers. The effects on the supplying countries include rural poverty, destabilised social structures and intensified rural-urban migration. According to the *2000 SADC Regional Human Development Report*, SADC member states should revisit the regional protocol on the movement of people in order to develop a common regional labour market and migration policies.

Economic development: the SADC has to increase and sustain economic growth rates at between six to eight per cent a year to reduce poverty significantly. Increasing investment rates to between 25 and 30 per cent of GDP would help achieve the desired levels of economic development. Between 1991 and 1998, only Mauritius and Mozambique achieved an average annual growth rate above five per cent. Underlying tensions in the southern African region is the fear of dominance by South Africa. This is partly due to the fact that South Africa's economy is fairly industrialised and contributes almost three-quarters of the region's GDP, thereby creating a somewhat skewed economic relationship between itself and the subcontinent.

Economic challenges: the private sector should play a bigger role in the formulation of sectoral policies and protocols. The costs and benefits of regional integration measures should be made more transparent to policy makers and civil servants. The implementation capacity and responsibility of the secretariat should be strengthened and expanded so that regional integration can be accelerated.

Mobilising natural resources for human development: most SADC economies are highly dependent on natural resources. This underlies the growing competition and conflict over environmental resources in the region. Regional integration can

improve access to and use of resources through projects that coordinate resource management and sound exploitation of natural resources.

Land reclamation policies: the controversial land policies of Zimbabwe have damaged international relations and undermined local currencies.

Climate: the area is further traumatised by erratic climatic conditions, which have brought natural and human devastation to thousands of people facing starvation in Zimbabwe, Zambia and Malawi.

Institutional and organisational challenges: SADC has to contend with a lack of political will to establish effective and dynamic supranational institutions and to implement agreed treaties and protocols. It, for example, does not advocate sanctions against nonperformance. It also relies heavily on tariffs for fiscal revenue. Within SADC there are inadequate mechanisms for equitable sharing of the costs and benefits of integration. There are also overambitious goals and unrealistic time frames. Finally, the subregion is challenged by poor public participation practices and by the non-observance of the rule of law and good governance codes.

Political convergence: ambiguities in respect of violations of good governance principles and democracy should be avoided, deviant regimes should not be supported. Interstate conflicts should be settled regionally, and an enforceable regional democratic code of conduct agreed upon.

Overlapping membership: several members are unable to manage effectively or fund adequately the many regional integration arrangements (RIAs) they are associated with. A key problem facing the southern African region is the multitude of regional integration arrangements with similar or overlapping objectives. Table 13 illustrates the extent to which countries have associated

themselves with more than one regional arrangement. The two major regional integration arrangements in the region are SADC and COMESA. All 12 southern African countries belong to the SADC regional grouping. In contrast, COMESA enjoys the support of seven of the members already encompassed in the SADC grouping. Various problems have, however, arisen with countries allying themselves with more than one regional grouping. These include countries having to choose between differing approaches to regional integration. Members of both COMESA and SADC find themselves faced with a choice between COMESA's trade-related approach to integration and SADC's sectoral approach. The approaches differ widely as do the policies associated with them. Overlapping membership hinders the move towards achieving a regional identity as it fosters unhealthy competition between regional organisations.

Regional Infrastructure

The benefits of a well-developed infrastructure are crucial in improving the prospects for regional integration and enhancing regional identity. In this regard, over 800 spatial development initiatives (SDIs) have been identified; they are valued at US\$32.4 billion and have the potential to generate more than 85 000 new jobs. The most important are:

- The Maputo Development Corridor, which links up to the Mozal aluminum smelter and iron and steel plant in Maputo. This initiative has already attracted over US\$3 billion in investment.
- The Lubombo SDI, regarded as one of the most important tourism developments in Africa. The governments of South Africa, Swaziland and Mozambique are driving it.
- The Coast-to-Coast SDI, which seeks to link the nodes of Walvis Bay and Maputo.

Other SDIs include the Beira Corridor, the Okavango and upper Zambezi International Tourism Initiative, the West Coast Development Initiative and the Fish River SDI.