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**Economic Commission for Africa  
Subregional Office for Eastern Africa**

**Intergovernmental Committee of Senior Officials and Experts**  
Twenty-third meeting  
Asmara, Eritrea, 5-7 November 2019

## **Leveraging New Opportunities for Regional Integration in Eastern Africa**

**The Asmara Communiqué**



A. 19-02442



## The Asmara Communiqué

1. The Twenty-third Meeting of the Intergovernmental Committee of Senior Officials and Experts was held from 5 to 7 November 2019, at the Asmara Palace Hotel in Asmara, Eritrea. The meeting was jointly organized by the Government of the State of Eritrea and the United Nations Economic Commission for Africa (ECA) in Eastern Africa. The theme of the meeting was “Leveraging New Opportunities for Regional Integration in Eastern Africa”.

2. Welcoming remarks were delivered by Ms. Susan Ngongi, United Nations Resident Coordinator in Eritrea, who applauded the ECA Subregional Office for Eastern Africa for choosing Asmara to host the Twenty-third annual Meeting, and the Government of the State of Eritrea for facilitating it. Mr. Godfrey Kabera, Director General for National Planning at the Ministry of Finance and Economic Planning, Rwanda, delivered a speech on behalf of the Minister. The outgoing Chair, the Honourable Minister, extended his regrets for not being able to attend the meeting. Referencing the Twenty-second annual Meeting, he reminded delegates that engagement of all stakeholders, particularly the private sector, was necessary for successful implementation of the African Continental Free Trade Area (AfCFTA). He added that regional infrastructure projects would ease the flow of trade and reduce the cost of doing business, and that it was important to ensure that citizens were informed and consulted throughout the process. The Executive Secretary of ECA, Ms. Vera Songwe, welcomed participants and applauded the organizers and host country. She mentioned that, although the growth had not been as investment- or technology-led as desired, Eastern Africa had nevertheless emerged as the fastest-growing region in Africa. Ms. Songwe touted peace as one of the key factors in having facilitated this. The Intergovernmental Committee of Senior Officials and Experts was officially opened by the Honourable Minister of Foreign Affairs of the State of Eritrea and incoming Chair of the Twenty-third Meeting of the Intergovernmental Committee of Senior Officials and Experts Bureau, Mr. Osman Saleh. After welcoming the participants to Eritrea in his keynote address, he acknowledged the outgoing Chair and mentioned that the landmark peace agreement between Eritrea and Ethiopia recently signed in Asmara was one of the key ingredients for improving regional integration in Eastern Africa.

3. The meeting unanimously elected the following countries onto the 2019–2020 Intergovernmental Committee of Senior Officials and Experts Bureau:

Chair:	Eritrea
First Vice-Chair:	Seychelles
Second Vice-Chair:	Ethiopia
Rapporteur:	The United Republic of Tanzania

The agenda was then reviewed and adopted.

4. Delegations from the following countries attended the Intergovernmental Committee of Senior Officials and Experts: The Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Rwanda, Seychelles, Somalia and the United Republic of Tanzania.

5. In addition to a wide number of stakeholders from the host country Eritrea, the following national, subregional, regional and international institutions and organizations were also represented: African Union Commission; Common Market for Eastern and Southern Africa; Communauté Economique des Pays des Grands Lacs; East African Community (EAC); Intergovernmental Authority for Development (IGAD); Indian Ocean Commission; Northern

Corridor Transit and Transport Coordination Authority; Ports Management Authority for Eastern and Southern Africa; Nile Basin Initiative; University of South Africa; Ministry of Energy of Kenya; University of Nairobi; Kenya Youth in Trade; Centre for Sustainable Peace and Democratic Development; Life and Peace Institute; National Cohesion and Integration Commission of Kenya; Institute for Peace and Security Studies; University of Dar-es-Salaam; Institute of Policy Analysis and Research of Rwanda; Makerere University; Kenya Institute for Public Policy; Tourism Confederation of Tanzania; Office National de Tourisme de Djibouti; Leisure and Tourism; Howarth International; RES4Africa Foundation; International Maritime Organization; TradeMark East Africa; African Development Bank; Sustainable Development Goals Center for Africa; Africa Public–Private Partnerships Network; Kenya Convention Bureau; Invest Afrique; Eastern African Subregional Support Initiative for the Advancement of Women; the Horn Economic and Social Policy Institute; the diplomatic corps and United Nations agencies in Eritrea; the national and international media; consultants; interpreters; and ECA staff.

6. The Intergovernmental Committee of Senior Officials and Experts included the following plenary sessions:

- (a) Macroeconomic and Social Overview of Eastern Africa;
- (b) How to fast-track AfCFTA Implementation in Eastern Africa;
- (c) Boosting Tourism Development in Eastern Africa;
- (d) Crowding-in Investments for Energy and Infrastructure Development in Eastern Africa; and
- (e) Sustainable Development in Eastern Africa: Aligning National, Continental and Global agendas.

7. The Intergovernmental Committee of Senior Officials and Experts also included parallel breakout sessions, the outcomes of which were also discussed collectively. These Ad Hoc Expert Group Meetings were:

- (a) Promoting Regional Trade for Faster Job Creation; and
- (b) The State of Social Cohesion in Eastern Africa.

There was also a further side event on “Harnessing the Blue Economy for Regional Integration”, as well as a High-Level Dinner that considered “Legal Perspectives on Regional Integration in Eastern Africa”.

### **Key messages and action points**

8. The meeting studied an overview of the Macroeconomic and Social Developments in Eastern Africa in 2018, based on the annual ECA report of the same name. The meeting noted the consistently high growth rate of the region, while acknowledging some of the economic risks, such as the fiscal and debt situation in some countries, a lack of structural transformation, the weak trade performance of the region comparative to its potential, climate change vulnerabilities, other global risks, and a slow rate of job creation. The meeting noted the size of the regional market in purchasing power terms, before noting that trade deficits tended to be

driven by manufactured goods, which resulted in the observed high dependency on imports, with 70 per cent of those coming from Asian countries. The meeting took stock of the progress of the Sustainable Development Goals, noting that Goals 3, 9 and 16 had been spotlighted by the Sustainable Development Goal Centre for Africa as a priority, due to slow progress in the region to date. Having reflected on the improvements to life expectancy and female political representation, the meeting recounted significant gender imbalances in literacy rates and the poor food security rating of the region. The participants recognized the solutions and new opportunities presented by AfCFTA, such as accelerating industrialization and creating up to 2 million jobs.

9. Seychelles communicated the country's policies and strategies for development and regional integration, explaining its richness in ocean resources and its strategic approach to sustainably capitalize on this. The meeting saluted the Government's decision to create a new dedicated Blue Economy Department, as well as innovative funding mechanisms, such as blue bonds and debt swap. This supports the implementation of the Seychelles' Blue Economy Strategic Policy and Roadmap. The leading sectors of tourism and fisheries were further highlighted as key pillars of the Blue Economy, with funding available for entrepreneurs to further tap into related opportunities. The meeting noted Seychelles' inclination for regional integration, while being made aware of challenges associated with membership to multiple regional economic communities (RECs).

10. The meeting similarly appreciated some of Rwanda's noteworthy recent developments, such as the progress that had been made in structurally transforming the economy from agriculture to services, the boost to the Rwandan textiles industry through the ban on imports of second-hand clothing, and the success of the "Made in Rwanda" policy in cultivating home-grown industries. The challenge of persistent trade deficits was stated. The meeting noted the Government of Rwanda's belief and confidence in AfCFTA, before stressing the importance of joint projects and regional competitive strategies.

11. The meeting considered that global "risks" such as Brexit and the United States–China trade dispute could in fact be a source of opportunity for the continent. Meanwhile, more information was requested on the informal parts of Eastern African economies, cross-border trade and migrant remittances. Other points raised were the role of RECs in AfCFTA acceleration and the opportunities presented by shared waters in regional integration. The session ended recognizing the need for concrete plans to accelerate regional tourism, the need to involve youth in blue economy activities, and lastly the success of the Government of Rwanda in its detailed and effective monitoring and evaluation framework.

12. The meeting provided a common understanding of AfCFTA implementation, determining the backstory and current status, and recommended ways forward. The meeting ascertained that many technical parts of the Agreement were in place. Participants understood that services liberalization would not happen instantly – with the protocol for services merely establishing the parameters for a first round of negotiations on business, communications, financial services, tourism and transport services. The meeting recollected the five "operational tools" that were launched at the July 2019 summit. Having recognized the profound benefits of AfCFTA, the meeting recommended next steps for the African continent, including the Eastern Africa region. These were to:

- (a) Finalize remaining critical components;
- (b) Increase the number of State parties;

(c) Create institutions, establish operative mechanisms, and introduce obligations into law and regulation;

(d) Optimize implementation, through complementary measures such as national strategies;

(e) Conclude Phase II of negotiations; and

(f) Use AfCFTA as a vehicle for achieving the African Single Market.

13. With the way forward mapped out, the meeting heard that Eritrea was committed to regional integration, deeming it not a choice but a necessity. Panellists pointed out that consultation of the private sector was important for the AfCFTA negotiation process. They also stressed the benefits of financing regional infrastructure for increased productivity, collecting reliable data, boosting private sector competitiveness and harmonizing regulations.

14. With emphasis on the economic potential and importance of tourism in Eastern Africa, a sector that currently employs over 7.2 million people, the meeting received a presentation on the current state of the industry in the region. While acknowledging steady growth, the meeting participants were apprised of the poor ranking of member States in the World Economic Forum Travel and Tourism Competitive Index and the causes for this, namely the narrow range of tourism products and a lack of good quality tourism statistics. The meeting also pointed to emerging opportunities, including the prioritization of the sector by the member States, the growing middle class across the continent with disposable incomes, and opportunities for new product development. The Intergovernmental Committee of Senior Officials and Experts recognized national and regional initiatives being undertaken by ECA to promote regional tourism. This included the IGAD Sustainable Tourism Master Plan, the Ethiopia Sustainable Tourism Master Plan, the African Union Tourism Strategy, the EAC Tourism Marketing Plan, and the tourism satellite accounts for Rwanda, Uganda and Kenya.

15. The subsequent deliberations maintained the regional focus, understanding the tourism concept's failure to appeal to the African market, stringent visa regimes and the high cost of air transport. To improve the yield of tourism, the meeting recommended that delegates support the full implementation of national, regional and continental tourism initiatives. Other recommendations were to:

(a) Improve partnerships between key tourism stakeholders drawn from the private and public sectors, academia and civil society;

(b) Diversify the tourism product range in Eastern African away from nature-based products and towards those that appeal to the African tourist market;

(c) Jointly promote the Meetings, Incentives, Conferences and Exhibitions (MICE) tourism concept, which is high yielding;

(d) Promote the concept of interregional "city-breaking", which is a low-hanging fruit in the context of AfCFTA;

(e) Encourage the relaxation of visa regimes, particularly for African member States;

(f) Support the implementation of the Single African Air Transport Market, while promoting modes of transport; and

(g) Integrate research into tourism development, and produce good quality tourism statistics.

Taking stock of the advice given, the meeting was able to agree on the following actions: developing methodologies to standardize tourism data collection and analysis in Eastern Africa; developing a framework to guide the diversification of tourism products in Eastern Africa, in particular the urban tourism concept; and working collaboratively under the existing regional and continental initiatives mentioned.

16. The meeting considered the importance of ensuring alignment and compatibilization of national, regional, continental and global frameworks. Taking the example of the 2030 Agenda for Sustainable Development and Agenda 2063, the meeting acknowledged where there was convergence, but also deciphered areas that did not converge. The United Nations itself also operates on various geographic scopes across a multitude of frameworks. Drawing on the challenges that the United Nations also experiences, the meeting noted that there was no “Marshall Plan” and hence the financial pressure of alignment. With reference made to the ECA-led Integrated Planning and Reporting Toolkit, the participants concluded that the core alignment of strategies had to take place at the national level, both for planning purposes and because national developments had the “most-felt” impact on people’s lives. Methodologies were shared, including prioritization of the most ambitious goals as a tactic to vertically synchronize the various goals. Participants also applauded the basket fund approach to data collection used in Rwanda, which had facilitated the pooling of resources for meeting statistical needs by mobilizing resources and avoiding duplication.

17. The meeting recognized the transformation taking place in Africa’s energy sector, evidenced by appreciable improvements in energy access, expanding investment sources and improving infrastructure capacity. However, remaining infrastructure gaps were affecting competitiveness of the region in terms of higher freight costs and increased trade costs. Addressing the infrastructure gap would require \$90 billion per year for energy development.

18. The latest global Sustainable Development Goal 7 tracking report warned that current progress on access to electricity would be insufficient to achieve universal access by 2030, and almost 90 per cent of the people still lacking access in 2030 would be in Africa. Given that current funding remained insufficient, crowding in additional public, public–private and private investment resources was discussed. Diversifying the investment resources also involved expanding the scope of public finance, through expanding the tax base, leveraging diaspora remittances, tapping into private equity markets, utilizing bank revenue streams and issuing international sovereign bonds. The session concluded with three actionable recommendations:

(a) Additional investment resources should be crowded in from public and private sectors to sustain investment in Eastern Africa’s infrastructure;

(b) Experience sharing through periodic regional forums should be pursued in order to bolster the Member States that are implementing various solutions to bridge the infrastructure gap; and

(c) Regional infrastructure projects should leverage progress on regional economic integration, especially on AfCFTA, to make a better business case.

19. The meeting broke into the two Ad hoc Expert Group Meetings and the side event.

20. The Ad hoc Expert Group Meeting on “Promoting Regional Trade for Faster Job Creation” unanimously elected the following Intergovernmental Committee of Senior Officials and Experts participants to serve on the Ad hoc Expert Group Meeting Bureau:

Chair: Anthony Mveyange, Trademark East Africa

Rapporteur: Arnold Segawa, NTV Uganda

The theme was introduced, explaining the fast-growing supply of new entrants to the workforce. The Ad hoc Expert Group Meeting noted that, currently, the bulk of employment was in the agricultural sector and the growing importance of the services sector. They recognized tourism and information and communications technology as sources of employment, before concluding that increased intraregional trade associated with AfCFTA implementation would change the labour market, creating between 800,000 and 2 million jobs.

21. The Ad hoc Expert Group Meeting also benefitted from contributions that mapped out the challenges for job creation (namely importation of cheap goods, limited intra-African trade, poor interconnectivity and other non-tariff barriers) and that mentioned the need to train the youth to connect to emerging opportunities. The meeting established that reliability of energy supply was crucial to support industrial activities and highlighted the need for a competition policy and competition commission. The meeting also contemplated the employment situation in Eritrea.

22. The discussion led to the following five actionable recommendations:

(a) Enable labour mobility through regional harmonization of qualification standards;

(b) Leverage the opportunities for job creation that new technologies can offer, despite the disruption they can also sometimes cause;

(c) Formalize as much of the informal sectors as possible, to encourage fair competition;

(d) Encourage and facilitate improvements to Technical and Vocational Education and Training to resolve education and job mismatches; and

(e) Support the implementation of the AfCFTA Free Movement Protocol to enhance regional and continental labour mobility.

23. The Ad hoc Expert Group Meeting on “The State of Social Cohesion in Eastern Africa” unanimously elected the following Intergovernmental Committee of Senior Officials and Experts participants to serve on the Ad hoc Expert Group Meeting Bureau:

Chair: Yohannes Isaac Yehdego, Director General, Inland Revenue Department, Ministry of Finance



Rapporteur: Berhe Araya Mana, Ministry of Labour and Social Welfare,  
Eritrea

The session opened with a presentation of a report by the same name. The meeting took note of the findings of the report, which were premised on a perceptions survey, disaggregated around five themes: belonging, social inclusion and a shared vision; safety, peace and security; inequality and migration; the effects of cross-border trade; and citizen participation and active engagement.

24. The Ad hoc Expert Group Meeting deliberated on the threats to social cohesion coming from uneven growth and perceived inequalities, which were known to fuel social tensions and conflict. As a result, the Ad hoc Expert Group Meeting recommended that this was one avenue through which to enhance social cohesion, by reducing inequality and improving the lived day-to-day experiences of people across Eastern Africa. With emphasis on the favourability of early intervention for conflict prevention, the meeting noted the existence of the Social Cohesion and Reconciliation Index. The Ad hoc Expert Group Meeting took the example of Kenya to understand themes, patterns and how existing data could build a picture of the current state of social cohesion, as well as touching on new methodologies and data gaps. Key conclusions were that Governments should be at the forefront of social cohesion, in the name of institutional development, and that having a constitution could promote social cohesion. Experiences and reflections were also shared to emphasize the strong positive correlation between the Social Cohesion Index and Human Development Index, while academic insights suggested that the ageing population of the future be considered.

25. The Ad hoc Expert Group Meeting noted Eastern Africa's reservoir of potential for increased social cohesion regionally, and its relative resilience in this regard historically, especially given challenges such as displacement, disparity in levels of economic development, conflict, and the prevalence of national and local identities. Clear diagnosis of the challenges allowed the meeting to put forward actionable recommendations:

(a) There is need to promote policy interventions that leverage cross-border ethnic affinities; advocate for the usefulness of the concept of social cohesion at regional level; undertake a study of regional cohesion; promote peace and civic education in schools, universities and communities; and establish a specialized framework to understand the state of cohesion in the region's island States in order to cater for their specific needs. Also, regional money transfer platforms could and should be established.

(b) Governments are advised to: understand the soft skills that foster a culture of entrepreneurship, and adopt and implement policies accordingly; address inequities; ratify the African Union's Protocol on the Free Movement of People; finance policies that alleviate social tensions, such as those that develop social safety nets; and facilitate cross-border trade. Also, Governments should encourage the use of the language of Kiswahili – and more generally promote cultural exchange and educational programmes.

26. The side event on “Harnessing the Blue Economy for Regional Integration” unanimously elected the following Intergovernmental Committee of Senior Officials and Experts participants to serve on the Bureau:

Chair: Ambassador Tewelde Weldemichael, Director General,  
Department of Marine Development, Ministry of Marine  
Resources, Eritrea

Rapporteur: Aboud S. Jumbe, Policy Planning Research Analyst, Department of Environment, Zanzibar, United Republic of Tanzania

The side event showcased the large Blue Economy potential of Eritrea, in particular in the fisheries and the deep sea mining sectors. The meeting exhibited Blue Economy policy initiatives from the subregion – including Seychelles, the Comoros and Madagascar – with participants also taking note of policy initiatives from the African Union, RECs and intergovernmental organizations, such as IGAD and the Indian Ocean Commission, academia (University of South Africa) and the United Nations (International Maritime Organization).

27. The session raised issues related to the risk of scramble for Africa’s water and sea resources, appreciating that this was being addressed by the African Union through its recently endorsed strategy. The meeting also underlined the need to assess the real socioeconomic value of the Blue Economy and put in place mechanisms to ensure that local communities also benefited from its dividend. The lack of common understanding of the Blue Economy concept and insufficient data and research for policy development were mentioned, with participants underscoring the important role of regional cooperation in fostering sustainable sharing and management of Blue Economy resources and sectors. Environmental sustainability and consideration of climate change were deemed crucial. Creative funding mechanisms, such as Blue Bonds and debt swap in Seychelles, along with high-level consultation mechanisms (Blue Economy Council) and planning tools (Marine Spatial Planning) were further highlighted as success stories.

28. With insights shared and well understood, the session unanimously recommended the following actions:

(a) Align methodologies on how Blue Economy progress is measured in the framework of the United Nations’ 2030 Agenda for Sustainable Development and the African Union’s Agenda 2063;

(b) Work together as regional platforms to avoid duplication and promote good practices so regional policies can be aligned and complementarity achieved at RECs, intergovernmental organizations and regional seas programmes;

(c) Design and formulate strategic communication on the Blue Economy in order to create awareness and mobilize all stakeholders effectively;

(d) Promote a circular economy as a strategy to conserve critical habitats, encourage entrepreneurship and address marine pollution;

(e) Invest in mitigation and adaptation measures to combat climate change and address issues related to natural risks;

(f) Strengthen maritime safety and security through regionally-owned mechanisms so as to address illegal, unreported and unregulated fishing, marine pollution, illegal trafficking, and search and rescue;

(g) Involve academia and research institutions in the science–policy nexus for addressing the Blue Economy in the region;

(h) Incorporate all stakeholders, through dialogue and consultations, including youth and the private sector, to ensure synergies with all other regional initiatives;

(i) Work together at the regional and continental levels to address innovative financing in the implementation of Blue Economy frameworks, through leveraging partnerships with RECs, intergovernmental organizations and regional seas programmes, and adequate budgeting and co-funding;

(j) Develop adequate policy and legislative frameworks to foster deep seabed mining and hydrocarbons extraction in a sustainable way, capitalizing on Marine Spatial Planning initiatives;

(k) Raise awareness and organize an annual or biannual Blue Economy Forum at the regional level;

(l) Adopt, replicate and upscale successful regional initiatives on the Blue Economy; and

(m) Formulate national and subregional Blue Economy strategies or action plans where needed, building on the ECA Blue Economy Policy Handbook and the African Union Blueprint for Africa's Blue Economy.

29. The meeting incorporated a high-level dinner in which participants contemplated the legal aspect of regional integration, presented by Justice Isaac Lenaola, Judge of the Supreme Court of Kenya and Retired Deputy Principal Judge of the Court of First Instance, East African Court of Justice. Emphasizing the lessons that could be learned from history, it was recognized that the legal element of EAC guaranteed the prosperity and longevity of the treaty. EAC could be commended for gains under the EAC customs union, common market and monetary union. Public participation is an integral part of the treaty, meaning civil society – and every East African – should be champions of regional integration, especially since the legal framework exists for the people to be involved and have a say in the process.

30. Courtesy of the Government of Eritrea, international participants were taken on a tour outside of the City of Asmara, during which participants admired Gergera and Logo dams, a solar farm and Halhale Dairy Farm.

31. The rapporteurs reported back to the Intergovernmental Committee of Senior Officials and Experts on their respective sessions in a plenary session.

32. The Intergovernmental Committee of Senior Officials and Experts participants enjoyed a question and answer session with Gabriel Negatu, former Director General for Eastern Africa, African Development Bank.

33. Participants expressed a sincere vote of thanks to the Government of Eritrea for hosting the Twenty-third Meeting of the Intergovernmental Committee of Senior Officials and Experts and the excellent hospitality and facilities provided. The theme and venue of the Twenty-fourth Meeting (2020) will be determined at a later date, in close consultation with the Bureau of the Twenty-third Meeting of the Intergovernmental Committee of Senior Officials and Experts.

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