

Appraisal Stage | Date Prepared/Updated: 17-Apr-2023 | Report No: PIDA35329

Project Information Document (PID)



BASIC INFORMATION

A. Basic Project Data

Country Eastern and Southern Africa	Project ID P180117	Project Name Building Institutions And Systems to Harness And Realize Agenda 2063	Parent Project ID (if any)
Region EASTERN AND SOUTHERN AFRICA	Estimated Appraisal Date 10-Apr-2023	Estimated Board Date 30-May-2023	Practice Area (Lead) Governance
Financing Instrument Investment Project Financing	Borrower(s) African Union	Implementing Agency African Union Commission, African Continental Free Trade Area Secretariat	

Proposed Development Objective(s)

To improve the capacity of the AUC and the AfCFTA Secretariat in supporting Member States to negotiate and implement selected commitments to enhance regional integration and intracontinental trade in Africa.

Components

Improved effectiveness of the AUC management functions Improved capacity for implementation of commitments to enhance intracontinental trade Project Implementation, Results Based Management, and Stakeholder Engagement

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	50.00
Total Financing	50.00
of which IBRD/IDA	50.00
Financing Gap	0.00

DETAILS

World Bank Group Financing



International Development Association (IDA)	50.00
IDA Grant	50.00
Environmental and Social Risk Classification Substantial	
Decision The review did authorize the team to appraise and negotiate	

Other Decision (as needed)

B. Introduction and Context

1. Two years after the devastating effects of the COVID-19 pandemic, Africa faces challenges of slow growth, rising inflation and mounting debt as the global economy is hit with another set of exogenous shocks. Africa's economic growth is expected to remain low at to 3.8 percent in 2023 before returning to near post-pandemic levels of 4.1 percent in 2024.¹ The upward trend of inflation following the post-pandemic period was exacerbated by the Russia's invasion of Ukraine, soaring to record highs in many countries. Despite the aggressive monetary policy used by several countries, inflation has remained stubbornly high in most of them. The fiscal responses to the current economic crises are constrained because of high levels of debt across Africa, rising borrowing cost, and depleted public savings. As a result of high debt levels, African governments more than doubled the share of their revenues to external debt servicing from five percent in 2010 to 16.5 percent in 2021. As a result of high debt servicing costs and currency depreciation, countries with high external debt now face exchange rate risks.

2. Africa remains home to the most extreme poor—with a poverty rate four times higher than the closest region, despite a general decline in the poverty headcount rate.² In recent years, rising inflation has worsened poverty, eroding household purchasing power and disproportionately affecting the most vulnerable segments of the population-the youth and women. The urban poor were the hardest hit by the pandemic and the assistance provided through fiscal support was not sufficient to help them recover from the crisis. Youth unemployment has worsened and threatens Africa's economic transformation. Of Africa's 420 million youth aged 15-35, one-third are unemployed and discouraged, another third is vulnerably employed, and only one in six is in wage employment. Youth face twice the unemployment rate of adults and remain underemployed, with significant variation by country.³ The compound effects of inflation and the increasing youth bulge have raised levels of food insecurity sharply in many countries as average households allocate a large proportion of their spending to food. Millions of people—especially women, children, and the elderly—have been driven into extreme poverty, food insecurity, and acute hunger and malnutrition.

¹ IMF. Global Economic Outlook, 2023.

² World Bank (2022). Poverty and Shared Prosperity. Washington, DC: The World Bank, p. 38.

³ A. Donkor (2021). "Africa's Youth Unemployment Crisis Is a Global Problem". Foreign Policy. Available at

https://foreignpolicy.com/2021/10/19/africa-youth-unemployment-crisis-global-problem/



3. Agenda 2063 is the AU's plan to put Africa firmly on a strategic path for inclusive growth and development and to improve the continent's competitiveness in the global economy. In 2015, the AU Summit adopted the 50-year business plan with the objective of "transforming Africa into the global powerhouse of the future."⁴ The seven aspirations of *Agenda 2063* reflect the AU's commitment to achieving its goal of transformation through 13 priority projects, beginning with the AfCFTA, SAATM, and FMP which have been identified for fast tracking. The AUC is also undergoing significant internal reforms to improve its effectiveness including targeted restructuring in departmental configurations, staffing, and financial management and procurement policies and procedures as part of its institutional reforms agenda since 2016. Given that African economies are a minor player in global trade, the successful implementation of the three Agenda 2063 flagship projects is likely to provide Africa with the opportunity to leverage the advantages of regional economic integration through free movement across the continent and promote intra-Africa trade leading to improved economic growth.

4. The prospects are encouraging: *Making the most of the AfCFTA* reports that the AfCFTA may increase intra-African cross-border investment by 68 percent, and total foreign direct investment (FDI) by up to 159 percent. The joint effect on trade and FDI may raise incomes for the whole African continent by 9 percent and reduce extreme poverty by 50 million by 2035.⁵ Women and skilled workers are likely to see the biggest wage gains from the trade agreement. Wages of female workers are expected to be 11.2 percent higher in 2035, and male workers' wages could grow by 9.8 percent. The trade pact alone, not counting increased FDI flows, is expected to reduce the number of people in Africa living in extreme poverty (on less than US\$1.90 a day in purchasing power parity terms) by 40 million in 2035, to 277 million, after accounting for the increase in poverty caused by the COVID-19 pandemic. Similar estimates on the benefits of air transport liberalization in Africa is expected to add 31,000 direct jobs in Africa's aviation sector, and up to 96,000, including indirect employment Moreover, approximately US\$1 billion in annual Gross Domestic Product (GDP) could be generated by African countries. Similarly, it is projected that liberalization and easing visa processes could potentially attract an additional four million visitors to Africa spending a total of US\$ 1.65 billion. During this period, the tourism sector could add over 268,000 jobs contributing approximately US\$1.40 billion per annum.⁶

5. The AUC is making significant progress in advancing the implementation of *Agenda 2063***.** Several Member States have anchored Agenda 2063 into their domestic policies or national development plans. The First Continental Report on Implementation of Agenda 2063 noted the significant progress made towards achieving the targets but emphasized the need for increased effort to accelerate implementation, especially by addressing the challenges of domestication, implementation, and monitoring. The proposed project constitutes the World Bank Group's (WBG) contribution to supporting the AU's aspirations to achieve its vision of "an integrated, prosperous, and peaceful Africa," a vision consistent with the WBG's own Twin Goals: Ending Extreme Poverty and Promoting Shared Prosperity.

⁴ African Union (2021). The Africa We Want: Agenda 2063. Addis Ababa: African Union Commission.

⁵ Roberto Echendi, et. al. (2022). *Making the Most of African Free Continental Free Trade Area. Washington*, DC. World Bank.

⁶ African Union Commission (2021). *Continental Study on the Benefits of SAATM and Communication Strategy for SAATM Advocacy*. Addis Ababa: African Union Commission.



Sectoral and Institutional Context.

6. The continent of Africa—home to over 1.3 billion people—is also among the most fragmented continent despite previous efforts to integrate the continent, such as the Lagos Plan of Action in 1980 and the Abuja Roadmap of 1994. In the meantime, several countries have formed regional blocs many of which have overlapping memberships. *Agenda 2063* is by far the most ambitious effort to pull together regional efforts towards a pan-continental strategy to facilitate Africa's integration by 2063. Unlike previous efforts, Agenda 2063 focuses on a broad set of issues aiming to address cross border challenges that have undermined Africa's growth potential, and which require a collective regional approach to resolve.

7. The case for regional integration in Africa is compelling: The African Integration Report ranks African's regional integration at 0.62 on a scale of 0 to 1.0— several steps from achieving full integration. The picture on regional integration is mixed: some RECs, such as East African Community (EAC), Economic Community of West African States (ECOWAS), Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC) and Economic Community of Central African States (ECCAS) are progressing faster while others such as Inter-Governmental Authority on Development, Community of Sahel-Saharan States and the Arab Maghreb Union are lagging.⁷ Trade and movement of people stand out across all the dimensions of regional integration as showing the most promise for improvement. There is increased free movement of people and trade within RECs, in most cases exceeding the continental level averages for integration. The establishment of the AfCFTA and the ongoing efforts to complete ratification of SAATM and FMP protocols are significant milestones expected to boost Africa's competitiveness in the global economy.

8. Africa's exports remain low despite huge potential because of high trade costs associated with low levels of economic integration. The high trade cost results from border and logistics costs, inefficient trade policies, and limited integration with regional and global markets. The result: Africa currently under-trades (regionally and globally), despite large opportunities to drive growth through exports. A gravity model shows that SSA countries under-trade with each other by 21 percent and with the rest of the world by 39 percent. Low integration has also become a major barrier to FDI flows- mainly because of fragmentation, institutional barriers to FDI entry and regulatory risks associated with lack of integration.

9. The challenges of integration are also prominent in regulatory barriers associated with intra-continental travel and movement of persons. Though countries have made considerable progress in bringing barriers down for people's movement through visa-free travel, visas on arrival and other simplifications for other African countries, the level of implementation and enthusiasm for the continental FMP Protocol as such remains low. The number of African countries which offer an e-visa for African visitors has increased by 27 percent from nine countries in 2016 to 25 countries in 2023. The FMP, intended to accelerate free movements of people across the continent, has experienced slow uptake in ratification despite an enthusiastic endorsement by African countries in 2018. If successful, the FMP would provide a significant avenue to achieve the benefits of regional integration.

10. The low level of liberalization in the air services market is yet another obstacle on Africa's path to economic integration and regional connectivity. In 1999, 44 African countries signed the Yamoussoukro Decision (YD) to foster competition and access. In 2001, the YD became effective, promising free entry and market access, free determination of capacity and the granting of air traffic rights, especially 5th Freedom rights⁸ to achieve full liberalization. Yet intra-African air transport connectivity levels remain among the lowest in the world, in large part due to a lack of affordability for the average African national. Connectivity challenges emanate from the sector's operating environment, as higher provisional cost of essential infrastructure (including airports and air navigation services) and lower industry demand together generate market distortions that result in higher net costs than global averages. Presently, the level of 5th Freedom traffic penetration provides intra-regional connectivity for only 14.5 percent of Africa's market (approximately



2.09 million passengers). SAATM's role is to expedite implementation of YD principles and is therefore considered to be critical for bolstering thin intra-African routes and improving affordability. Several analyses project that Intra-Africa traffic volumes would increase by 51 percent, with average fare levels declining by 26 percent, generating fare savings estimated at US\$ 1.46 billion per annum as a result of competitive market forces. Connectivity and travel convenience are also expected to improve, with an additional 145 country-pairs receiving direct service and frequencies on existing routes increasing by 27 percent.

11. The success of efforts to integrate Africa will depend, to a large extent, on the effectiveness of implementation of these efforts. This will require the AUC to effectively play its role as a coordinating body both to administer the cross organizational functions required to manage the day to day program of the continental body and to perform the AUC's convening roles with managing Member States relations among countries and supporting negotiations and implementation of its decisions by governments and RECs. Both the AUC and the AfCFTA Secretariat will need to play a key role in facilitating Member States and RECs to effectively implement agreements that foster regional integration through free trade, free movement, and liberalized air travel. These endeavors will require the provision of technical assistance to governments to establish and/or strengthen domestic institutions to administer, monitor and enforce agreements, and where ratification has not happened, to support cross-government coordination to ensure full ratification. Member States will also need to engage with their private sector --and other State and non-State actors-- to ensure they fully grasp how new regional integration mechanisms, including the AfCFTA, SAATM and FMP can contribute to diversifying exports, attracting investment and generating more and better jobs.

C. Proposed Development Objective(s)

To improve the capacity of the AUC and the AfCFTA Secretariat in supporting Member States to negotiate and implement selected commitments to enhance regional integration and intracontinental trade in Africa.

Achievement of the Development Objective will be monitored with the following indicators:

- a. Increased compliance of State Parties with AfCFTA Treaty obligations (Text)
- b. Trade among countries benefitting from the preferential tariff regime under AfCFTA (Number)
- c. Air transport capacity provided by African airlines through 5th Freedom Rights (Percentage)
- d. Increased effectiveness of critical financial management processes of the AUC (Text)
- e. Share of female employment in AU Organs and institutions (Number)
 - Of which, in position of Head of Division and higher (Percentage)

⁷ African Union. 2021. African Integration Report. Addis Ababa: African Union Commission, p.18.

⁸ Privilege granted by one country to another allowing airlines from the first country to transport passengers or cargo in a third country.



D. Project Description

12. The proposed project is a five-year US\$50 million Investment Project Financing (IPF) with Performance Based Conditions (PBC). The project represents a continuation of the institutional reforms underway at the AUC as well as improvements in policies, skills, and modernization of systems for Financial Management (FM), Human Resource Management (HRM), Procurement, and Information and Communication Technology (ICT). These system improvements in cross-cutting core management functions are designed to provide a solid organizational foundation for AUC to play its role as coordinating body to support implementation of *Agenda 2063*. Out of the 13 *Agenda 2063* flagship projects, the proposed project will support the implementation of the SAATM, FMP, and the AfCFTA Treaty selected by the AUC for the first ten-years of the *Agenda 2063* because of their strategic value in leveraging continental development in the short to medium term. The selected PBCs are designed to incentivize key reforms to ensure achievement of results at the PDO level. The PBCs will incentivize achievement of key results required to advance the outcomes in these three areas, for instance, to leverage efforts to modernize systems, and mainstream the functioning of a Trade Policy Review Mechanism.

Component 1: Improved effectiveness of the AUC management functions

13. This component will finance activities to accelerate the deepening of measures to strengthen the institutional capacity of the AUC to support the implementation of Agenda 2063. The activities supported under this component related to institution building of the AU include measures to support the strengthening of FM, HR, ICT, and procurement functions, among others.

14. A sub-component to support the modernization and streamlining of FM, Procurement and oversight will allow the AUC to harness the efficiency and improved productivity from integrated fiduciary systems and internal oversight. This will enable the AUC to become the center of excellence in FM and transfer its institutional knowledge and experience to its regional offices and regional bodies. The AUC has a well-established FM and internal control systems that are supported by policies, procedures, financial regulations, manuals and guidelines. However, it has struggled to meet the required level of efficiency and effectiveness. The previous project supported some elements of FM systems but did not go deep enough in tackling the foundational problems that undermine effective and efficient FM. This sub-component will support investment in modern tools for effective planning and financial information consolidation to improve budget preparation, results monitoring, and grant management. Additionally, the subcomponent will finance the implementation of a structured mid-year budget review to enable course correction in the course of a Financial Year. Furthermore, the sub-component will finance improvements in budget planning, control and fiscal sustainability by financing improvements in payment systems, processes, and accounting, for example through integration with banks; enforcing applicability and updating all relevant financial regulations, frameworks, systems, and manuals; and strengthening of internal oversight. The AUC aims to evolve its procurement function into a technically capable and efficient supply chain management system equipped with skilled technical experts that can deliver the required best quality service and output within reasonable time frame. Under this sub-component, the project will finance the final phase of e-procurement started under the previous project to enhance the organization's capacity in undertaking procurement processes for goods, works and services. The project will finance provision of training; piloting and roll out of e-procurement at the AUC; and system integration. The project will also finance staff capacity building and improvements in asset management. The Operations Support Services Directorate (OSSD) has prepared a new procurement manual, Strategic Plan, and Service-Level Agreements. The Directorate also plans to train all users across business units, as well as suppliers. AUC SOPs and Staff Rules and Regulations (including travel policies) will change as part of the ongoing reforms. These changes call for continued skill development, system enhancements, and updating of operating procedure. These measures will help to fully professionalize the AUC's procurement function to match best



international practices.

15. A sub-component will support improved HRM functionality at the AUC. The sub-component will support the Directorate of Human Resources Management to improve its recruitment policies, rules, and procedures; improve talent and performance through leadership and capacity building for AU staff; and develop a fair and efficient HR Information System, including performance appraisal system. This sub-component will finance innovations in technology and HRM practices to enable the AUC staff and management to change the existing working culture and establish a high-performing and competent staff. This is in line with the AUC's vision to evolve into a "high-performing efficient and effective organization that is able to deliver on agreed continental priorities, attract and retain the best quality staff at all levels while operating within a strong accountability and performance-based framework".⁹ Activities to be financed include the following: (i) development and implementation of a HRMIS; (ii) deployment of the AUC Document Management System; (iii) review and revision of HR policies; (iv) development and implementation of a 360-degree performance appraisal program; (v) development and implementation of the AUC Employee Learning Program; (vi) revamping the recruitment function; (vii) project coordination to support rollout of AU transition plan; and (vii) strengthening Internal Communication.

16. A sub-component will support the modernization of the AUC's ICT systems and to improve their functionality and performance. The AUC intends to (i) modernize the IT infrastructure; (ii) improve capacity for application development; (iii) enhance professional development; and (iv) strengthen IT security. The AUC has established a Network Operations Center (NOC) with limited capacity to partially monitor, operate, and maintain some of the services it provides. The NOC requires additional enhancement to attain comprehensive 24/7 proactive monitoring and maintain the availability of all services. Enhancing the NOC will significantly improve the business continuity of the organization through proactive management of incidents, as well as a calculated planning of system capacity and utilization. This would enable the system to maintain improved service availability and reduced downtime; improvements in system performance; maximization of return on investment (ROI); and planned timely upgrades.

<u>Component 2: Improved capacity for implementation of commitments to enhance intracontinental trade and investment</u>

17. This component will finance activities to accelerate the deepening of measures to expand intracontinental trade and investment, liberalize air connectivity and enhance free movement of persons. Some of the activities will include PBCs to incentivize achievement of results. The sub-components will support the following activities:

18. A sub-component will support the strengthening of the AfCFTA Secretariat to facilitate the implementation of the AfCFTA Treaty. The AfCFTA Secretariat will need to build its capacity to provide various services to its membership to support the effective implementation of the treaty on the ground. The proposed project aims to strengthen the capacities of the AfCFTA Secretariat to ensure that the commitments made by countries, many of which have limited implementation capacity on their own, are fully implemented and coupled with a parallel agenda to maximize the potential benefits of the AfCFTA. To do this, the proposed project will support selected aspects of the following activities: (i) strengthening institutional capacity; (ii) conclusion of the negotiations of the remaining protocols; (iii) trade and investment facilitation, customs and transit aspects and trade in services capacity and services; (iii) harmonization of standards, promoting mutual recognition, collection of non-tariff measures data, resolution of non-tariff barriers; and promotion of competition policy and trade remedies; (iv) development and implementation of the Dispute Settlement Mechanism, rules of procedure, and related training; (iv) monitoring commitments through trade policy reviews; and capacity building of NICs; (v) capacity building of staff; and (vi) purchase of equipment, and (vii) finalization of annexes to the investment protocol on a Pan-African investment promotion agency and investor state disputes.



19. A sub-component will support the AUC and AFCAC to coordinate the implementation of the SAATM Treaty.

To achieve a truly competitive air transport market in Africa that advances the common interest of regional integration, Member States' Solemn Commitment to the SAATM Treaty set an expectation to remove limitations on air traffic, ease access rights, and foster partnerships that can improve connectivity for travelers and traders. This needs to be complemented with better policy frameworks, both regionally and domestically, adequate safety and security standards, and enhanced market connectivity to raise productivity and encourage investment and innovation. Activities include (i) advocacy for domestication and harmonization of YD principles in member countries; (ii) operationalizing the SAATM Dispute Settlement Secretariat and Mechanism; (iii) development of a continent-wide aviation data and statistics reporting system, African Program on Aviation Data; (iv) completion of a Gap Analysis of the air navigation services infrastructure and development of a comprehensive airspace and air navigation aviation Infrastructure investment plan; (v) development of a framework for the reduction of air transport taxes and fees to boost trade and movement of people; (vi) development of the Africa Air Cargo Development Strategy; and (vii) preparation of a Multimodal Transport Analysis and Modelling.

20. A sub-component will support AUC's effort to accelerate the ratification and implementation readiness of the Protocol on FMP. This support builds on recent gains in the advancement of the FMP agenda as its contributes to the implementation of measures required to enhance movement of African people for education, tourism, and trade. Capacity building will be supported to enable the AUC to better manage the signature and ratification of the Protocol by Member States. Activities include (i) advocacy activities for accelerated ratification of the FMP Protocol in pending countries; (ii) establishment of framework principles and policies to facilitate border management; (iii) support for the development of shared databases to facilitate border management among member states; and (iv) technical assistance to harmonize policies on free movement between the RECs and state parties (e.g.one stop border check).

Component 3: Project Implementation, Results Based Management, and Stakeholder Engagement

21. This component will support activities required to ensure effective project implementation. Activities to be financed include (i) provision of overall support for project management including project coordination, monitoring and evaluation, communication, environmental and social safeguards, FM and procurement; (ii) support for the development of inter-agency/departmental coordination and consultation mechanisms; (iii) independent verification of performance-based commitments, (iv) development of change management and stakeholder engagement strategies for mainstreaming institutional reforms for the AUC AfCFTA Secretariat; (v) Implementation of stakeholder engagement and communication strategies across the AUC and AfCFTA Secretariat; and (vi) Implementation Support workshops and periodic engagements with the Steering Committee.

Legal Operational Policies	
	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts



The activities to be financed by the project will not directly lead to: i) the generation of pollutants to air, soil and water; ii) increased consumption of water, energy, and raw materials; and iii) degradation of biodiversity and living natural resources. Furthermore, no direct community health and safety concerns are anticipated as a result of the project activities. The project will will support Type 2 and Type 3 TAs which include support for the formulation of plans, strategies, or legal frameworks as well as strengthening borrower capacity. However, there are potential downstream EHS risks as the TA activities involve the preparation of a comprehensive airspace and air navigation aviation infrastructure investment plan including noise and vibrations, wastewater, hazardous materials management, solid waste, air emissions and energy and water consumption. Besides, ICT and digitalization activities to be supported by the project could lead to the generation of e-waste.

The potential social risk of the project is rated as moderate for there are no activities with a high potential for harming people or likely to cause significant social risks and impacts. The proposed various institutional reforms under the TAs and feasibility studies for the air transport, Africa manufacturing, and tourism study would have potential downstream social risks and impacts. As the Project will not involve any physical investment, there are no anticipated risks and impacts related to land acquisition, restrictions on land use and involuntary resettlement. Likewise, since the activities under each component focus on institutional reforms, there will be no or limited probability of having activities that require any direct interaction with wider communities. However, a requirement for stakeholder engagement will be limited to the AUC, AfCFTA, and other implementing units. On the other hand, the implementation of TA activities could be disrupted due to the contextual risks of the security situation in western and eastern Africa. Furthermore, as the proposed activities involve the engagement of project workers (both direct, contract as well as supply) for the proposed reform activities, there could be potential risks related to labor and working conditions including risks around discrimination/exclusion based on gender and ethnicity, Occupational Health and Safety (OHS), workers? security, and risks related to gender-based violence (GBV). However, there would also be no issues related to forced labor and child labor.

The proposed TA activities have moderate SEA/SH risks due to their downstream impacts through targeted policy reforms that would be implemented in 55 nations of different socio-economic and political contexts due to labor management and the strategic implementation of the project in the contexts of beneficiary member states. The direct implementation of TA activities and their downstream impacts in the implementation areas? context may create or exacerbate the risks and impacts related to social and gender exclusion, social conflicts, SEA/SH or other forms of GBV.

E. Implementation

22. The AUC will be responsible for overall project implementation and coordination. The Office of the Director General will lead overall implementation. The Directors of participating departments will be responsible for implementing activities falling within their purview. The Bank will provide regular implementation support. The AUC will establish a Steering Committee (SC) comprising directors of all participating departments of the AUC and the AfCFTA Secretariat to provide strategic guidance for project implementation, including approval of the key performance indicators, and the annual work plan and budget. The AUC Director General and the AfCFTA Chief of Staff will co-chair the SC and the Project Coordinator will be the Secretary to the SC. The SC will meet twice a year (every six months): at the beginning of the year to approve KPIs, end year report, and budget and in the middle of the year to approve the mid-year progress report. The Project Operation Manual will include more details.

23. The AUC is implementing several Bank-financed projects and both the Finance Department and Procurement Unit are familiar with Bank procedures and have adequate staff to support implementation. The AfCFTA Secretariat already has a Procurement Specialist and a Financial Management Specialist with experience implementing Bank-



financed projects. Project financial management and procurement functions will be mainstreamed into the regular activities of these departments and the project will finance additional staff where necessary. A Project Coordinator attached to the Office of the Director General will provide day-to-day management of project activities in consultation with the directors of participating departments at AUC and AfCFTA. Implementation will endeavor to include the participation of RECs. Both the AUC and the AfCFTA already have a mechanism for engaging RECs in the implementation of Agenda 2063. The AfCFTA Secretariat is in the process of preparing a framework for cooperation between the RECs and the Secretariat in the implementation of the AfCFTA Agreement and for resource mobilization. The proposed project will support the activation of such coordination mechanisms. Finally, all the Technical Assistance and studies planned under this Project will also ensure consultation with the Specialized Technical Committees (STCs) to the AUC's Executive Council and validation workshops involving the RECs.

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APPROVAL

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