

Africa needs economic integration

By [Mariam Isa](#)

27 Mar 2013

African countries must integrate their economies in order to support a new wave of industrial development across the continent, Department of Trade and Industry Minister Rob Davies said Tuesday (26 March).



Image: GCS

Davies told a business forum ahead of a summit of Brics leaders in Durban that Africa was at a commercial disadvantage to the emerging market bloc as its countries did not have the wealth needed by large consumer markets.

The Brics alliance includes Brazil, Russia, India, China and SA. The theme of this year's summit is *Brics and Africa: Partnership for Development, Integration and Industrialisation*.

"In the current global climate these large domestic markets (Brics) have been significant drivers of economic growth," Davies told business executives and officials at the forum.

"But if you start to add up the numbers across our regions we then have the critical mass to support a new industrial wave," he said.

"The first phase of integration should focus on expanding existing regional communities and creating large trading blocs," he said. "These include the Southern African Development Community (SADC); the Common Market for Eastern and Southern Africa (Comesa); and the East African Community (EAC)," he added.

"We are currently engaged in the process of negotiations for a free trade area - those negotiations are well on track to be concluded by the deadline set by heads of state of next year," he said.

"The broader free trade area would embrace 26 countries with between 600m and 700m people, and a combined gross domestic product of one trillion dollars," Davies said.

Davies said the biggest barriers to creating a sizable market in Africa were not only trade tariffs but "inadequate infrastructure and under-developed production structures."

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