The Crux of the Economic Partnership Agreements: The case of the Common Market for Eastern and Southern Africa

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Abstract

Since 2001, the European Union (EU) has introduced the Economic Partnership Agreements (EPAs) under the trade pillar of the Cotonou Partnership Agreement to foster regional integration in Africa. However, the EPAs have not produced the desired results of facilitating regional integration in Africa. Firstly, the EPAs did not resolve the issues of overlapping memberships in regional economic communities (RECs). As African states have multiple memberships in RECs, they were able to shift between EPA configurations, and hindering the integration process of some RECs. Secondly, the EPAs have been characterized by economic agreements that benefit some more than others, which has led some states, especially the least developing countries blocking the implementation processes. The EU grants the least developing countries duty-free and quota-free access to the European market under the Everything but Arms Scheme. This trade scheme gives the least developing countries no incentives to cooperate in the EPA negotiations as they already enjoy preferential access to the European market. By refraining from the EPA negotiations, these states block the EPA implementations and, subsequently, the integration process of RECs. To examine how the EPAs hamper regional integration in Africa, this thesis will discover how the EPAs affect regional integration in the Common Market for Eastern and Southern Africa (COMESA) through an in-depth case study. The central assumption of this thesis is that the overlapping memberships and the extra-regional privileges enjoyed by African states hinder the EPA implementations and subsequently complicate the integration process for COMESA to integrate further into a customs union.

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List of Abbreviations

AU: African Union

ACP: African Caribbean and Pacific

CET: Common external tariffs

COMESA: Common Market for Eastern and Southern Africa

CU: Customs union

DRC: The Democratic Republic of the Congo

EAC: Eastern African Community

EBA: Everything but Arms

ECCAS: Economic Community of Central African States

ECOWAS: Economic Community of West African States

EPA: Economic Partnership Agreements

ESA: Eastern and Southern Africa

EU: European Union

FDI: Foreign direct investment

FTA: Free trade Agreement

GDP: Gross domestic product

IGAD: Intergovernmental Authority on Development

LDC: Least Developed Country

PTA: Preferential Trade Area

REC: Regional economic community

SADC: Southern African Development Community

UN: United Nations

WTO: World Trade Organization

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1. Introduction

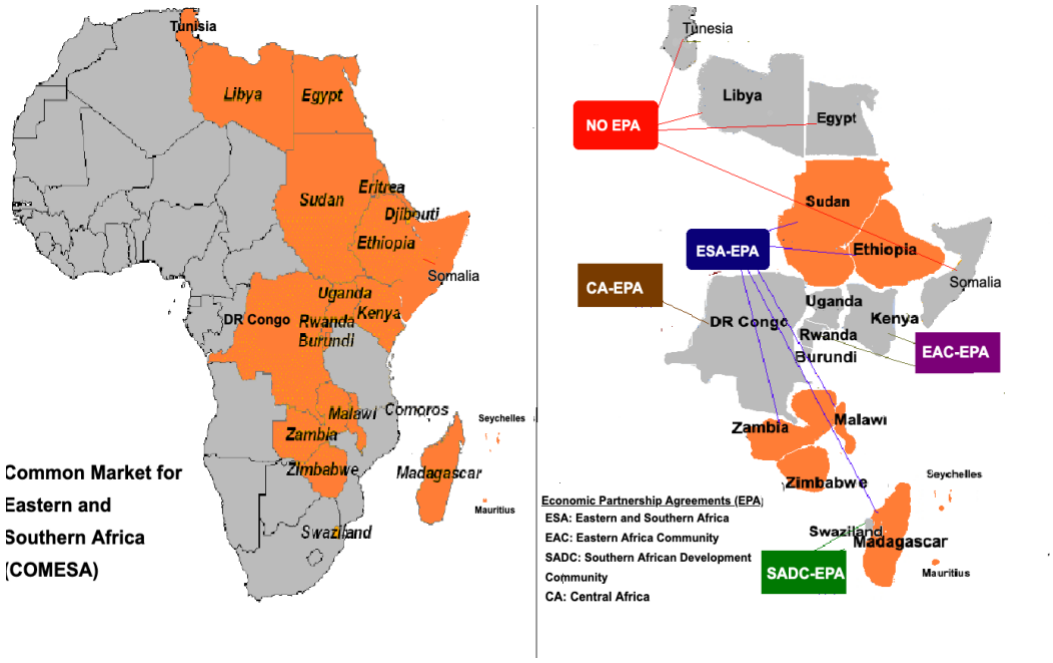
The Economic Partnership Agreements (EPAs) between the European Union (EU) and African states have been characterized by slow and turbulent negotiating processes. African states have been unable to form a homogenous regional block to negotiate the EPAs. While the overlapping memberships in regional economic communities (RECs) enjoyed by African states have led to the shifting in EPA configurations, some states have refrained from the EPA negotiations because they enjoy extra-regional privileges from European Union. Policy entrepreneurs within the European Union have addressed the issue of overlapping memberships. For instance, in the final report of the 11th European Development Fund Regional Indicative Programme (RIP), the European Court of Auditors concluded that "the overlapping memberships poses considerable problems in the EPA processes, as some member countries belong to two different trade areas…these factors pose serious problems for the Commission, in particular for the design and implementation for interventions in the area of regional economic integration" (European Commission, 2017a, p. 9). This issue addressed by the European Court of Auditors indicates how the overlapping memberships complicate forming EPA configurations in Africa.

To examine how the EPAs hinder regional integration in Africa, this thesis aims to answer the research question: **How do the Economic Partnership Agreements shape regional integration in Africa?** I intend to demonstrate the influence of extra-regional factors in regional integration in Africa by testing the theory through a typical case study using the Common Market for Eastern and Southern Africa (COMESA). The case study will be backed by the theoretical assumptions of the extra-regional logic of regional integration developed by Krapohl (2017). COMESA is selected as a case study because there is no regional power within the region. The absence of a regional power within the COMESA allows me to focus on the overlapping memberships and extra-regional privileges within the region, and therefore,

contributing new insights to this study. The new insights COMESA brings to the academic debate of extra-regional logic is that small privileged states with higher intra-regional trade figures than extra-regional trade figures do not always have interests in implementing the EPAs.

The central assumption of this theory is that the EPAs form a stumbling block for regional integration in Africa. The EPAs present structural difficulties since the negotiations were not formed with the existing regional economic communities (RECs). On top of that, the overlaps in RECs led states to join 4 different EPA configurations. The 4 EPAs are the Eastern and Southern Africa, the East African Community, Central Africa and the Southern African Development Community. The split of COMESA into 4 EPA configurations negatively affects the integration process of COMESA because the ultimate goal of integrating further into a customs union is highly unachievable. With this in mind, I assume that the overlapping memberships of COMESA states likely led to the shifting in EPA configurations resulting in the multiplicity of 4 different EPA configurations. Furthermore, I assume that the extra-regional privileged states (the least developing countries) are more likely to refrain from implementing the EPA because it jeopardizes their preferential access to the EU market. As such, I expect to see that the extra-regional privileged states are more likely to refrain from the EPA groupings, hindering the integration process of COMESA. Figure 1 demonstrates how COMESA states (excluding Libya, Tunisia and Egypt) are fragmented into 4 different EPAs.

Figure 1: Illustration of how the COMESA is divided into 4 different EPAs in the region



Following this introductory chapter, the next section discusses different strands on regional integration motivations and points out the existing literature gap. The subsequent chapter discusses the theoretical framework applied to this research. The fourth chapter illustrates the research methodology, which will be conducted to answer the research question. Chapter 5 stipulates the empirical findings of this research. The subsequent chapter analysis the empirical evidence and discusses how the findings relate to the research question and hypothesis. Finally, chapter 6 summarizes the thesis and presents further research on this topic.

2. Literature Review

Over the past decades, the study of regional integration in the southern hemisphere has significant attention. While some political scientists apply grand European theories to explain regional integration in developing regions (e.g., Haas & Schmitter, 1966; Nye, 1968; Muchie et al., 2006; Olufemi, 2007), others use comparative regionalism studies in understanding the motivations and obstacles of regionalism in the global south (Hettne, 2005; Mansfield & Milner, 1999; Mattli, 1999b; Schirm, 2002). This literature has led to the division in the academic studies of regionalism in the southern hemisphere into two main camps; the 'old regionalism' and the 'new regionalism.' The old regionalism literature focuses mainly on the theories of neo-functionalism and liberal intergovernmentalism in explaining the formation of regional economic communities in developing regions. Contrary, the new regionalism literature takes a broader scope from international political economy fields in comparing regional integration across the southern hemisphere. Despite both camps' contributions in the academic debate on regionalism in the global south, both views fail to depict a comprehensive theoretical proposition to regionalism in the southern hemisphere because their background conditions do not prevail in their empirical cases (Krapohl et al., 2017; Muntschick, 2012). With this in mind, this chapter aims to fill that gap.

2.1. Old Regionalism

Concerning the relevance of grand integration theories in regionalism beyond Europe, the fundamental conditions for successful integration according to neo-functionalism and liberal intergovernmentalism theories fail to prevail in empirical case studies conducted by political scientists (Haas & Schmitter, 1966; Muchie et al., 2006; Olufemi, 2007). Haas and Schmitter (1966, p. 284) endeavored to use neo-functionalism to explain the emergence of the Latin American Free Trade Association (LAFTA) but found that the member states cooperated only

when it comes to issues of national economic development but were reluctant to form supranational political institutions. According to neo-functionalism, they believe that cooperation between member states in one sector will lead to integration in another sector, leading to greater political integration (Haas, 1958). However, this was not the case in LAFTA as the functional spillover did not lead to the formation of the supranational institution (the political spillover) to administer the free trade agreement as neo-functionalism would have hoped for (Haas & Schmitter, 1966). As such, Haas and Schmitter (1966) concluded in their research that the political spillover effects do not prevail in RECs in the southern hemisphere. Interestingly, this work of Haas and Schmitter (1966) was contested by Joseph Nye (1965, pp. 870–884) in his book International Organisation, where he tested the validity of neo-functionalism in the case study on the Eastern African Community (EAC). He argues that the political spillovers are irrelevant at the time when those institutions were established (Ibid, p. 872) and concluded that the conditions for a successful integration process are different in regions such as Africa and Latin America due to high and low politics (Ibid, p. 882-884). Moreover, the conditions for successful integration, according to liberal intergovernmentalism, fail to account for the formation of RECs in the southern hemisphere (Börzel, 2007; Muchie et al., 2006; Nzewi, 2011). The favorable conditions include a state-centric approach to the integration process and perceive state actors as a unitary and rational entity whose national preferences are shaped within the domestic political realm (1993, p. 477). This implies that state actors are the predominant drive of regional integration, unlike supranational bodies in neo-functionalism. However, Muchie and colleagues (2006) discovered that member states were not the only dominant actors in the OAU integration process. Instead, the integration process was accelerated by the transnational elites of the Pan African movement led by Kwame Nkrumah of Ghana, Jomo Kenyatta of Kenya, and Peter Abrahams of South Africa (Muchie et al., 2006, p. 11-13). The Pan African movement played a significant role in shaping states'

national preferences (Ibid, p. 13). Similarly, Börzel & Risse (2019) claim that liberal intergovernmentalism cannot explain the formation of Africa's regionalism. In their analysis, they argue that the OAU states' decision of not integrating further to enjoy the full benefits cannot be rationalized because it contradicts the concept of national preferences of liberal intergovernmentalism Börzel and Risse (2019, p. 8–10). With the illustrated examples in mind, it can be argued that the necessary conditions for successful integration according to both neo-functionalism and liberal intergovernmentalism fails to explain the conditions that make regional integration successful or unsuccessful in developing regions such as South America and Africa. Accordingly, this issue raises concerns on what defines the formation of and the fundamental conditions that make regional integration successful or unsuccessful in the global south.

2.2. New Regionalism

The literature on the new regionalism gained attention in the academic debate in the early 2000s as a counterargument to the European integration theories, which could not explain why regionalism in the global south emerged, and or failed to integrate further (Hettne, 2005; Mansfield & Milner, 1999; Mattli, 1999a). While this strand of literature provides insightful explanations by comparing different regional integration schemes, they fail to explain the necessary conditions which make regional integration successful or unsuccessful (Krapohl, 2017, p. 17). Instead, this strand of literature compares the different forms of regionalism in developing regions and argues that globalization is the driving force of regional integration in the global south (Hettne, 2005; Mattli, 1999a; Schirm, 2002; Warleigh-Lack & Rosamond, 2010). For instance, Hettne (2005) claims that the end of the Cold War paved the wave for new global alliances for economic and security reasons. Similarly, Schirm (2002) argues that the emergence of the global markets led domestic powers to concentrate on transnational cooperation to survive the international economic competition. Moreover, Mattli (1999)

emphasizes that globalization drives regional integration in developing regions and that integration can only be successful when the demands (economic profits such as comparative advantages and foreign direct investment) and supply (political willingness of the leaders) are high. Mansfield & Milner (1999, p. 689) complement Mattli's studies and conclude that the desire of the domestic politics of states (interest groups and non-state actors) are likely to shape the national preferences in cooperating in international trade schemes.

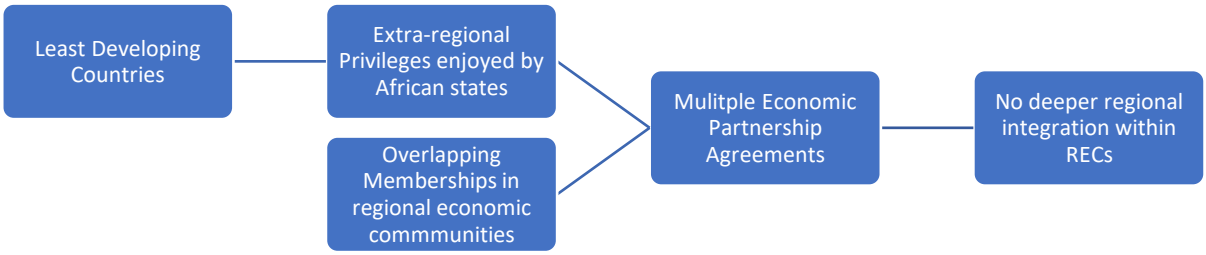
While both strands of literature shape our understanding in the study of regionalism in developing regions, a proper theoretical proposition still lacks to explains the necessary conditions under which regional integration in developing regions could be successful or unsuccessful (Krapohl, 2019; Muntschick, 2012, 2018). Considering the need for a comprehensive theoretical approach within the academic literature, this thesis builds on the approach of Krapohl and Muntschick (2008; 2017) to explain a bunch of conditions that hamper regional integration in Africa. The theory of extra-regional logic assumes that regional integration in Africa is a response to extra-regional economic dependence on other world regions (Buzdugan, 2013; Krapohl, 2019; Muntschick, 2012, 2018). This theory forms the theoretical backbone of this thesis and will be critically tested on the case study on the Common Market for Eastern and Southern Africa to examine how Economic Partnership Agreements affect regional integration in Africa.

3. Theoretical framework on Regional integration

3.1. Introduction to Extra-regional logic of Regional Integration

This thesis aims to test the theory of the extra-regional logic of regional integration developed by Krapohl and Muntschick (2008) in answering the research question of how Economic Partnership Agreements (EPAs) shape regional integration in Africa. The predominant assumption of this theory is that the EPAs hinder regional integration in Africa. The overlaps of RECs in Africa have led to the fragmentations of RECs in different EPA groups whiles the extra-regional privileges have given some states the incentives not to implement the EPAs, and therefore blocking the further integration of RECs in Africa. Hence, this thesis argues that the extra-regional privileges and the overlapping memberships complicate the implementation of the EPAs to foster regional integration in Africa. To test these theoretical assumptions, I will conduct an in-depth case study to analyze how the different EPAs hinder the integration process of the Common Market for Eastern and Southern Africa (COMESA). With this theoretical proposition in mind, I expect to see that the extra-regional privileges and the overlapping membership in RECs hinder the formation of EPA groupings, and subsequently hampering COMESA to further integrate into a customs union. The diagram below stipulates the theoretical framework of this thesis and illustrates how the EPA configurations hinder the integration process of RECs in Africa.

Figure 2: Conceptual Framework for this Thesis



3.2. Extra-regional logic of regional integration

The theory of extra-regional logic focuses on economic integration in Africa (amongst others) and their extra-regional trade with other world regions. This theory argues that African states are economically dependent on investment from and exports to other world regions, and therefore, engage in regionalism to enhance their economic position (Krapohl et al., 2017; Muntschick, 2018). This theory adopts a rationalist approach to regional cooperation, emphasizing that states cooperate in regional economic communities (RECs) to achieve gains in their interaction with extra-regional actors (Kraphol, 2017, p. 17). The rationalist approach in regional cooperation implies that states have consistent, ordered preferences whose decisions are calculated on a cost-benefit analysis (Keohane, 1984, p. 27). Countries that engage in regionalism can be conceived as utility-maximizing actors whose interests benefit from collective actions (Keohane, 1988, p. 65). This implies that African states improve their economies on the global market by joining RECs to enhance their interactions with extra-regional actors. According to the theory of extra-regional logic, an important extra-regional actor for Africa states is the European Union (EU). As explained earlier, the theory of extra-regional logic claims that African states are highly dependent on foreign direct investment from and export to the EU. Due to this high economic dependency on the EU for investments and market access, regional integration in Africa will only succeed when it does not jeopardize African states' economic relations with the EU.

As the focus of this thesis is on the effect of the Economic Partnership Agreements (EPAs) on regional integration in Africa, I aim to examine how these forms of economic interactions influence the integration process of COMESA. The theory of extra-regional logic argues that the EPAs obstruct the integration process due to the extra-regional privileges that benefit some African states more than others and the overlapping memberships in RECs. With these theoretical assumptions in mind, I assume that African states may refrain from the EPA

negotiations as some already enjoy extra-regional privileges or shift between EPA configurations to maximize their economic relations with the EU. These factors hinder the implementation of EPAs, and subsequently, hinder the integration processes of RECs in Africa. Based on these assumptions, I expect to see in my empirical findings (chapter 5) that the EPA configurations obstruct the integration process of COMESA. Expressly, I assume that the overlapping memberships of COMESA states likely led to the shifting in EPA configurations resulting in the multiplicity of 4 different EPA configurations, and subsequently, hampering the deepening of the integration process of COMESA. Moreover, I expect that the extra-regional privileged states, namely, the least developing countries, are more likely to lose interest in implementing the EPAs. These agreements jeopardize their trade relations with the EU. This implies that such privileged states are more likely to refrain from the EPA negotiations. The following section will elaborate on how the overlapping memberships in RECs and the extra-regional privileges complicate forming EPA configurations, thus hindering regional integration in Africa.

3.2.1. Overlapping REC memberships of African States

The theory of extra-regional logic claims that overlapping memberships in RECs complicate the formation of EPA configurations, thus hindering the integration process of RECs. As the EPAs were not formed with the existing RECs and African states enjoy multiple memberships in RECs, it gives the respective states the position to choose the best EPA configuration which suits their economic interests. The overlap in RECs enjoyed by African states enables them to shift between EPA configurations, hindering RECs' integration processes. The overlapping memberships may form a stumbling block in deepening RECs (Hartzenberg, 2011; Krapohl & Van Huut, 2019). Further integration requires a customs union with a common external tariff (CET), which is not achievable when states are members of different RECs (Hartzenberg,

2011). A customs union implies that all states agree on and apply the same external policies to nonmember states like the European Union, which means states cannot have more than one CET. Considering the case of the COMESA, I assume that the overlapping memberships of COMESA states likely led to the shifting in EPA configurations, which has led to the multiplicity of 4 different EPA configurations. The multitude of EPA configurations is likely to complicate the integration process of COMESA since it requires to harmonize the external policies into a homogenous regional block. With this in mind, I assume that the fragmentation of COMESA into different 4 different EPA groups, which results from the overlapping memberships of Africa states in RECs, form a stumbling block for the integration process of COMESA. Hence the first hypothesis argues that: - ***H1: The overlapping memberships of African states in RECs complicate forming EPA configurations, and subsequently hindering the integration process of the regional block (Krapohl, 2017).*** It is expected that the overlaps in RECs enable states to join various EPA configurations which do not form a uniform line with the existing REC, in this case, COMESA (Krapohl & Van Huut, 2019).

3.2.2. Extra-Regional Privileges

Extra-regional privileged countries are likely to become obstructers to the EPAs negotiations, and thus hindering RECs' integration process (Krapohl & Van Huut, 2019). The EU and African trade relations vary in terms of trade potentials and historical ties between each other. This implies that the EU gives some African states different trade treatments than others, which Krapohl and Muntschick (2012) term as extra-regional privileges. One of the extra-regional privileges given to African states is the Least Developing Countries states (LDCs). The LDC status entails that states can export their products to the EU without any tariff under the Everything But Arms scheme (European Commission, 2005). The LDCs may become obstructers in the EPAs negotiation process because the nature of the preferential treatments

under the Everything But Arms scheme may be at odds with the EPAs (Krapohl et al., 2017, p. 48). The EPAs treat all member states equally, which means that the privileged states will need to give up their LDC status in order to integrate with the RECs (Ibid, p. 48). As such, privileged states may leave the EPA negotiation table and obstruct the integration process of RECs.

Notably, the theory argues that small privileged states with higher intra-regional trade than extra-regional trade figures are more likely to implement EPAs since they can benefit from improved access to larger economies of neighboring states within Africa's regional market (Ibid, p. 567). This was proven in the comparative case study on ECOWAS, EAC, and SADC by Krapohl and van Huut (2019). Small privileged states with gross domestic products less than 30 US billion and higher intra-regional than extra-regional trade figures with the EU cooperated in regionalism instead of blocking the EPAs. This was the case of Burundi, Lesotho, Mali, Rwanda, Swaziland, and Togo (Ibid, p. 567-571). Hence, the theory argues that small LDCs with higher intra-regional than extra-regional trade figures are more likely to implement the EPAs. In contrast, the theory contends that large LDCs may become obstructers in the EPA process because these states have less genuine interests in regional integration (Ibid, p. 571). Those states' interests in regionalism are generally low since the small neighboring states cannot consume their exports. Accordingly, large LDCs are more likely to look towards other world regions such as the EU for economic trade. They would, therefore, not jeopardize their already preferential market access to the European market for regionalism with African states (Ibid, p. 572-574).

However, I am not convinced that small privileged states with higher intra-regional than extra-regional trade figures always implement the EPAs. Small LDCs with higher intra-regional than extra-regional trade figures may still become obstructers to the EPA negotiations. This is the case of Eritrea, Somalia, Sudan, and Zambia. These states are small LDCs with

higher intra-regional trade figures than extra-regional trade figures, but they have still refrained from the EPA negotiations. Hence, this thesis argues that both small and large extra-regional privileged are likely to become obstructers in the EPA negotiations and subsequently blocking the integration process of RECs. This is not to say that all small privileged states with higher intra-regional trade figures than extra-regional trade figures block the EPA implementations. In previous studies, Krapohl & Van Huut (2019) showed that some small LDCs with higher intra-regional trade still complied with the EPA implementations. This was the case of Burundi, Rwanda, Malawi, Rwanda, and Uganda. To demonstrate that both small and large privileged states can hinder the implementation process of EPAs, the second hypothesis of this thesis is: ***H2: Small and large extra-regional privileged states are more likely to hinder the implementation process of EPAs and subsequently blocking the integration process of RECs.***

To identify the difference between a small and a large state, I will use the categorization made by Krapohl & Van Huut (2019). I will use this categorization because their approach has been applied to similar cases in studying the impact of the EPAs on regional integration in different parts of Africa. Since my study is comparable to their research, their categorization is the most applicable to this thesis. In their empirical cases, Krapohl & Van Huut (2019, p. 571-574) classified states with a gross domestic product (GDP) between 0-30 billion US dollars as small states and those with a GDP above 30 US billion dollars as large states. To test hypothesis 2, I will identify the small and large privileged states in my empirical findings by analyzing each state's GDP and the intra-regional and extra-regional trade figures of COMESA states. Additionally, I will test whether small privileged states are likely to comply with EPAs and whether large privileged states refrain from EPA negotiations, as Krapohl and colleagues (2017) argue.

4. Research Design

4.1. Case Selection: The Common Market for Eastern and Southern Africa

This thesis aims to demonstrate the influence of extra-regional actors in regional integration in Africa. This study's research question is: "***How do Economic Partnership Agreements shape regional integration in Africa?"*** In answering this question, I will test the theory of the extra-regional logic of regional integration in a case study, the Common Market for Eastern and Southern Africa (COMESA). According to Yin (2018, p. 34), a case study is "an empirical inquiry that investigates a contemporary phenomenon in-depth and in its real-world context, when the boundaries between phenomenon and context are not evident." This implies that my case study will enable me to explore how the different EPAs shape regional integration within COMESA using the theory of extra-regional logic. COMESA as a case is worth investigating because this regional economic community (REC) is an exemplary instantiation of regional integration in Africa (Gerring, 2004, p. 342). A possible downside of case studies concerns the generalizability of the research findings (Gerring, 2004, p. 341). However, an excellent theoretical proposition allows us to generalize case studies (Yin, 2018, p. 73). This implies that when the theory of extra-regional logic and assumptions (extra-regional privileges and overlapping memberships hinders regional integration) can be tested within COMESA, I will be able to generalize the results because this case study sheds light on a theoretical principle, which has also been tested by the political scientist in other RECs (Yin, 2018, p. 74).

COMESA is selected as a case because there is no regional power within the region. According to Krapohl and colleagues (2014, p. 879), a regional power is a state whose gross domestic products (GDP) comes mostly (at least 50 percent) from intra-regional trade within the region. The presence of a regional power dominated in the empirical research of Krapohl (2017),

Muntschick (2012), and Flink (2016). These experts build their hypothesis on the assumption that the presence of a regional power hinders the integration processes, especially in the ECOWAS (Nigeria) and SADC (South Africa). Hence, this case selection is different from the other cases conducted by these researchers and will provide new insights on the study of extra-regional logic of regional integration in Africa. Most importantly, the absence of regional power within the COMESA makes this region an exciting case to focus on the other theoretical assumption of the extra-regional logic theory. The other theoretical assumptions are overlapping memberships and extra-regional privileges enjoyed by African states. Hence, I will critically test the theory of extra-regional logic by presenting new insights on how the 4 different EPA groups (ESA-EPA, SADC-EPA, CA-EPA, and EAC-EPA) hinder the integration process of COMESA. COMESA is by far one of the most complex and ambiguous REC in Africa because the multiplicity of different EPAs makes it difficult for this REC to integrate into a customs union and further. COMESA as a regional organization overlaps with 4 other RECs while the member states have dispersed themselves into 4 different EPA groups to negotiate with the EU (ECDPM, 2017; UN Economic Commission for Africa, 2020a, p. 2). The fragmentation of COMESA into 4 different EPA configurations makes this region an interesting case to study the diversity of EPAs in Africa. In answering the research question on how EPAs shape regional integration in Africa, this case study will allow me to examine the theory of extra-regional logic of regional integration critically. Figure 3 on the next page demonstrates how COMESA is divided into 4 different EPA configurations.

Figure 3: Illustration of how COMESA is divided into different EPA configurations

4.2. Method of Data Collection

I will use desk research to collect primary and secondary data sources, which are highly relevant in understanding the causal story. I will focus on the timeframe between 2000-2020 because the EPAs were initiated within this period. The preliminary data will be examined from the African Union's official websites, the EU, COMESA, UN, and WTO. I will analyze policy papers, press releases, official EPA documents, and regional economic organization reports. These documents will provide a broader understanding of the political, economic, and historical context of the trade relations within COMESA. Notably, the ESA-EPA is the starting point for my analysis because it outlines the trade agreements between the COMESA and the EU. Additionally, secondary sources such as academic literature and media reports will also

be collected from the digital library of Leiden University and used to gain more insight into the dynamics at play in regional integration in Africa.

4.3. Method of Data Analysis

This research will analyze the economic and political trends within the COMESA between 2000-2020. The intra-regional trade in COMESA and extra-regional trade figures with the EU will be examined to determine whether the region is economically dependent on the EU. The political and economic developments within the various EPAs and COMESA will be reviewed to demonstrate the reactions of states to discover whether they have enhanced or hindered COMESA's regional integration process. After collecting the data from various sources, as explained above, this research seeks to explain the outcome based on the qualitative data analysis. This type of analysis helps me to discover patterns that allow formulating conclusions on the study conducted. The hypothesis formulated will serve guide in the data analysis. Ultimately, COMESA is used as a case study to examine how different EPAs affect Africa's regional integration. This case serves as empirical evidence aiming to illustrate how EPA impact regional integration in Africa. COMESA is tested with the theory of the extra-regional logic of regional integration explained in the previous chapter. It is expected that the EPAs exposes the rationalities of African states in negotiating on such trade agreements. I also believe that states' considerations in the EPA negotiations are based on their bargaining position within the region and its relations with the external actors. This means that a state is less likely to cooperate in an EPA when it endangers its trade relations with the EU.

5. Empirical Evidence

This chapter answers the research question of how Economic Partnership Agreements (EPAs) shape regional integration in Africa. The arguments are revealed by testing the theory of extra-regional logic of regional integration explained in chapter 4 in an in-depth case on the Common Market for Eastern and Southern Africa (COMESA). The main argument of this chapter is that EPAs form stumbling blocks for the integration process of COMESA. This chapter shows how extra-regional privileged states (the least developing countries) are more likely to refrain from the EPA implementations and how states with overlapping RECs memberships shift between different EPA configurations and subsequently hindering the deepening of the integration process of COMESA. This chapter is divided into sections, starting with the intra-regional and extra-regional trade figures within COMESA to identify the small and large privilege states, which will help me test hypothesis 2. The third sections unfold how the extra-regional privileges and overlapping memberships influence the EPA groupings and how these factors hinder regional integration of COMESA. The new insight this empirical evidence brings to the academic debate of extra-regional logic is that small privileged states with higher intra-regional trade figures than extra-regional trade figures do not always have interests in implementing the EPAs.

5.1. COMESA and its intra-regional and extra-regional trade figures

COMESA is the largest economic block in Africa in terms of geographical area and covers approximately 13 million square kilometers. This REC consists of 21 member states stretching out from the north to the south of Africa, including some parts of the Indian Ocean Islands. COMESA currently has a free trade agreement and had envisaged to integrate further into a customs union by 2008 and eventually emerged into a political union by 2012 (COMESA, 2020a). Despite its name 'Common Market,' the REC is still in the process of forming a customs

union. Currently, only seventeen states have signed and ratified the free trade except for the Democratic Republic of the Congo, Eritrea, Ethiopia, Somalia, and Swaziland (COMESA, 2020b). Figure 4 demonstrates the 21 member states of COMESA.

Figure 4: The 21 member states of COMESA

After missing the first deadline of becoming a customs union by 2008, COMESA re-launched its strategic plan of becoming a customs union by 2012 with a transitioning period of three years to arrange the customs management regulations, common external tariff, and the common tariff nomenclature (UN Economic Commission for Africa, 2020b). Nevertheless, a customs union has not been achieved yet by the COMESA. The objective of a customs union for COMESA has been hampered because some of the EPA negotiations were not formed with existing RECs such as COMESA (Meyn, 2008, p. 520). Before diving into how the different EPAs impede COMESA's integration process, the following sub-section illustrates the intra-regional and extra-regional trade figures of COMESA states. This is important to test the assumption of the theory of extra-regional logic that African states are economically dependent on extra-regional actors. In Table 1, the total number of intra-regional and extra-regional trade within COMESA and with the EU in 2019 and the gross domestic products of each country are laid out. Furthermore, table 1 demonstrates the gross domestic products of COMESA states, enabling me to categorize between small and large states. In section 5.2.2, I will refer back to table 1 to identify the small and large extra-regional privileged states based on their gross domestic products to test hypothesis 2.

Table 1: Intra-regional versus Extra-regional trade in COMESA 2019

COMESA states	GDP 2019 in US billion	Total trade in US million	Total Intra-regional trade in US million	Total Extra-regional trade with EU in US million	Intra-regional trade as a % of total trade	Extra-regional trade with EU as a % of total trade
Angola	94.64	48,979.39	210.91	10,436.93	0,43	21,31
Burundi	3.01	1,068.12	190.36	145.1	17,82	13,58
Comoros	1.19	250.21	15.87	74.61	6,34	29,82
DRC	47.32	15,802.52	396.85	10,656.64	2,51	67,44
Djibouti	3.32	5,302.2	60.21	311.68	1,14	5,88
Egypt	303.18	31,578.18	80,340.56	30,777.91	2,41	28,16
Eritrea	2.07[5]	884,4	119.88	75.47	13,55	8,53
Ethiopia[6]	84.27	12,145.69	440.54	2,366.46	3,63	19,48
Kenya	95.50	23,056,.41	2,557.53	3,532.17	11,09	15,32
Libya	52.08	44,517.32	987.31	23,289.81	2,22	52,32
Madagascar	14.08	6,461.29	333.18	1,789.99	5,16	27,70
Malawi	7.67	3,854.13	401.61	705,74	10,42	18,31
Mauritius	14.18	7,474.09	458.3	2,193.35	6,13	29,35
Namibia	12.37	14,154.53	1,906.69	2,268.85	13,47	16,03
Rwanda	10.12	4,356.91	916.72	412.9	21,04	9,48
Seychelles	1.70	2,319.42	70.14	656.29	3,02	28,30
Somalia	4.7[7]	4,020.81	196.39	188.1	4,88	4,68
Sudan[8]	18.90	13,895.65	1,362.16	1,075.35	9,80	7,74
Tanzania[9]	63.18	12,942.52	1,276.48	1,542.14	9,86	11,92
Tunisia	38.80	15,501.94	22,219.58	22,190	3,30	60,76
Uganda[10]	34.39	1,792,04	9,817.06	1,142	18,25	11,63
Zambia	23.06	14,68.41	704.92	827.32	13,29	5,83
Zimbabwe	21.44	9,066.83	411.9	360.77	4,54	3,98
Total	**915.17**	**294,114.01**	**829,606.79**	**117,019.58**	**4,95**	**29,23**

[4] Trade figures retrieved from www.trademap.org, that relies on the United Nations Comtrade database
[5] GDP in 2011
[6] Figures from 2018
[7] Somalia's GDP obtained from Trading Economics on 25-11-2020 from: https://tradingeconomics.com/somalia/gdp
[8] Figures from 2018
[9] Figures from 2018
[10] Figures from 2018

Table 1 indicates that the theory of extra-regional logic of regional integration applies to COMESA. This table shows that extra-regional trade is more important than intra-regional trade, as the total extra-regional trade with the EU (29.23%) dominates the intra-regional trade within COMESA (4.98%). Table 1 shows the percentage of extra-regional trade with the EU based on the total trade is higher than the intra-regional trade percentage in 15 out of 23 COMESA states. Hence, external actors become essential factors in the regional integration process. The other 8 states where the intra-regional trade is higher than extra-regional trade are mostly landlocked states; Burundi, Rwanda, Sudan, Uganda, Zambia, and Zimbabwe. These landlocked states are much more dependent on their neighbors with access to seaports (primarily Kenya and Tanzania), as in the theory of extra-regional logic (Krapohl, 2017).

Nevertheless, the trade pattern of Malawi contradicts the theory of extra-regional logic. According to the theory, being a landlocked country would mean that the intra-regional trade is higher than extra-regional, but that is not the case in Malawi. The extra-regional trade figure dominates the intra-regional trade. Similarly, two coastal states, Eritrea and Somalia, should have higher extra-regional trade figures than intra-regional trade, but the reality shows the opposite. Eritrea and Somalia's trade pattern demonstrates that intra-regional trade is higher than extra-regional trade with the EU. This is very strange as it questions the theory of extra-regional logic.

In sum, the total trade pattern of COMESA states demonstrates that extra-regional trade is more important than intra-regional trade, despite the different trade patterns in Malawi, Eritrea, and Somalia. Hence, it can be argued that external actors become essential factors in the regional integration process in COMESA. Due to the strong dependence on extra-regional trade with the EU, some COMESA states may likely refrain from the EPA implementations or shift between EPA configurations to gain the highest benefits from the EPAs with the EU. Such a move will hamper the integration process of COMESA.

5.2. Extra-regional privileges enjoyed by COMESA states

This section aims to identify COMESA states with extra-regional privileges. Identifying extra-regional privileged states in COMESA enables me to analyze whether the theory of extra-regional logic applies to COMESA and how extra-regional privileged states hinder the implementation of EPAs, and subsequently, the integration process of COMESA (in section 5.4.). Since 2000, the EU provides African states with preferential trade agreements for the Least Developing Countries to boost and diversify their economies (European Commission, 2016). These mechanisms were developed by the United Nations and the World Trade Organization to support economic development in developing countries (UN, 2020). The criteria to qualify for an LDC status are based on human assets levels, the economic and environmental vulnerability of a state (UN Economic and Social Affairs, 2018). The EU grants the LDCs full duty-free and quota-free access to the European market under the Everything but Arms (EBA) Scheme (European Commission, 2017b). Within COMESA, 16 states enjoy the LDC status. Table 6 shows the COMESA states that enjoy the LDC status.

Figure 5: The LDCs within COMESA (European Commission, 2017b)

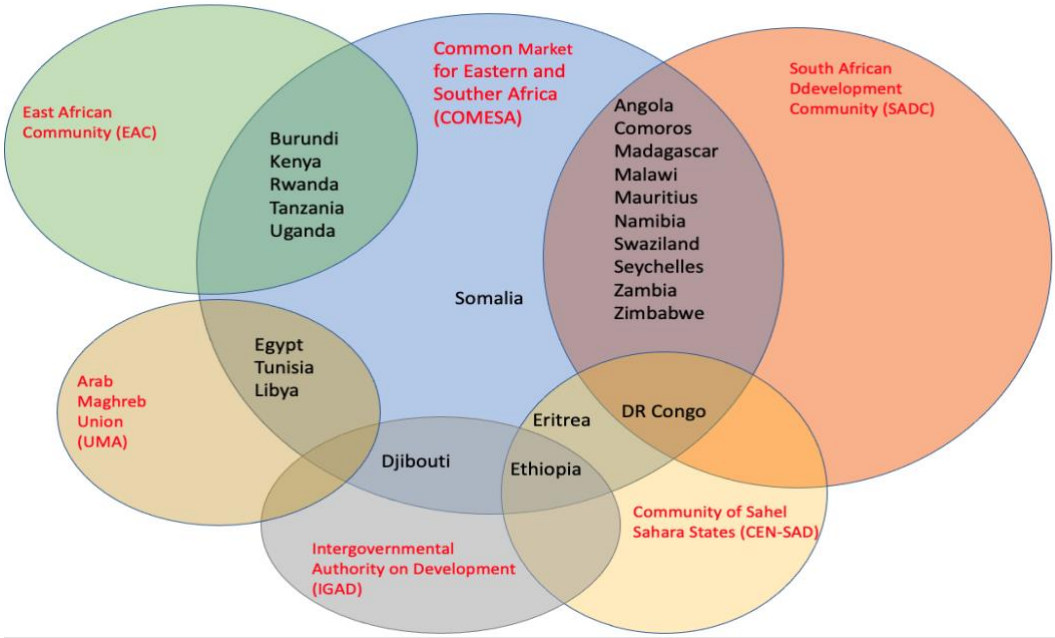
Least Developing Countries within the Common Market for Eastern and Southern Africa			
Angola	Djibouti	Malawi	Uganda
Burundi	Eritrea	Somalia	Zambia
Comoros	Ethiopia	Sudan	
DR Congo	Madagascar	Tanzania	

Notably, the Everything but Arms scheme expires when the LDCs implement the EPAs (Jones & Martí, 2009, pp. 36–37). This implies that the 16 LDCs of COMESA states will lose their preferential access to the European market when implementing the EPAs. In Section 5.4, I will explain how the extra-regional privileges given to LDCs may hinder the implementation of EPAs, and subsequently, the further integration of COMESA.

5.3. Overlapping memberships in RECs enjoyed by COMESA states

This section identifies COMESA states with multiple memberships in RECs. Identifying these states enables me to analyze whether the theory of extra-regional privileges applies to COMESA and how the overlapping memberships in RECs complicate the formation of EPA configurations and subsequently hamper the integration process of COMESA. Each COMESA state is at least a member of two RECs in Africa. The highest overlaps in REC memberships exist with the Southern African Development Community, whereby Angola, Comoros, DR Congo, Madagascar, Malawi, Mauritius, Namibia, Tanzania, Seychelles, Swaziland, Zambia, and Zimbabwe are members of that REC. Furthermore, DR Congo, Eritrea, and Ethiopia are members of the Community of the Sahel-Sahara States. Djibouti and Ethiopia also have memberships in the Intergovernmental Authority on Development. Additionally, DR Congo, Eritrea, and Congo are also members of the Community of Sahel Sahara States. Finally, Burundi, Kenya, Rwanda, Tanzania, and Uganda are members of the Eastern Africa Community. Figure 6 illustrates the overlaps in 5 RECs enjoyed by COMESA states.

Figure 6: The overlaps in RECs memberships of COMESA states in RECs (ECDPM, 2017)



5.4. COMESA and the Economic Partnership Agreements (EPAs)

This section dives further into explaining how extra-regional privileges given to COMESA states, and the overlapping memberships in RECs enjoyed by COMESA states hinder the implementation of the EPAs and the further integration for COMESA into a customs union. This enables me to answer this thesis's research question: 'How do the EPAs hinder regional integration in Africa' using COMESA as a case study. In this section, I argue that the theory of extra-regional logic applies to COMESA. The EPAs have complicated the integration process of COMESA because the states with overlapping memberships maneuver between EPA configuration, hindering ongoing negotiations and the integration process, while those states with extra-regional privileges block the EPA implementations, and subsequently hampering the integration process of COMESA.

In section 5.2, it was proven that the EU plays a crucial role in the integration process in COMESA, as the total extra-regional trade (with the EU) surpasses the total intra-regional trade. Indeed, the EU has made it clear to promote regional integration in Africa through the EPA frameworks. The EU claims that the EPAs foster "smooth and gradual integration of the ACP states to the international economy true trade and investment" (European Commission, 2018, p.1). To smoothen the integration process of COMESA, the European Development Fund has spent over €2.6 billion on fostering regional integration for COMESA between 2008-2015. (European Commission, 2017, p. 1). COMESA is integrating into a customs union, a type of trade bloc based on a common external tariff. This stage of the integration process requires harmonized external trade policies for all member states towards nonmember states (Buigut, 2006, p. 298). The European Development Fund's priority is to advance the COMESA's customs union agenda by implementing the EPAs.

However, the EPAs have not been fully operational due to the overlapping memberships in RECs enjoyed by COMESA states (European Commission, 2017, p. 11). The

EU's initiative to implement the EPA to foster regional integration seems unlikely to be successful. Policy entrepreneurs within the European Union have addressed the overlapping memberships in the EPA implementations for COMESA. For instance, in the final report of the 11th European Development Fund Regional Indicative Programme (RIP), the European Court of Auditors concluded that "the overlapping memberships poses considerable problems in the EPA processes, as some member countries belong to two different trade areas…these factors pose serious problems for the Commission, in particular for the design and implementation for interventions in the area of regional economic integration" (European Commission, 2017a, p. 9). Again, this issue addressed by the European Court of Auditors demonstrates that the theory of extra-regional logic applies to COMESA.

In addition to the above reasons, the overlapping memberships in RECs enjoyed by COMESA states complicate the EPA implementation process, partly because the EPAs were not formed directly with the existing RECs (Godfrey, 2006, p. 7). The EPAs did not resolve the problems of overlapping memberships in RECs, a predominant issue which has even further complicated the issue of blocking COMESA's goal of integrating into a customs union (Hulse, 2016, p. 3). Instead of sticking to the EPA configuration that represents COMESA, states with multiple REC memberships joined EPA configurations that suit their own interests (Afesorgbor & van Bergeijk, 2011, p. 15). In 2000, Tanzania resigned from COMESA and applied for the EAC-EPA configuration with its dual membership in EAC. In 2004, Namibia left COMESA and joined the SADC-EPA, which was only possible as the country is also a SADC member. Namibia left COMESA when COMESA-EPA negotiations were almost launched. Namibia's resignation is more likely to affect the integration process of COMESA than Tanzania because Tanzania left COMESA when the COMESA-EPA negotiations just started. Figure 7 demonstrates how states with multiple REC memberships shifted to other EPA configurations,

hindering the ongoing negotiations for the EPAs implementation and blocking the integration process of COMESA.

Figure 7: Influence of overlapping memberships in EPA formation

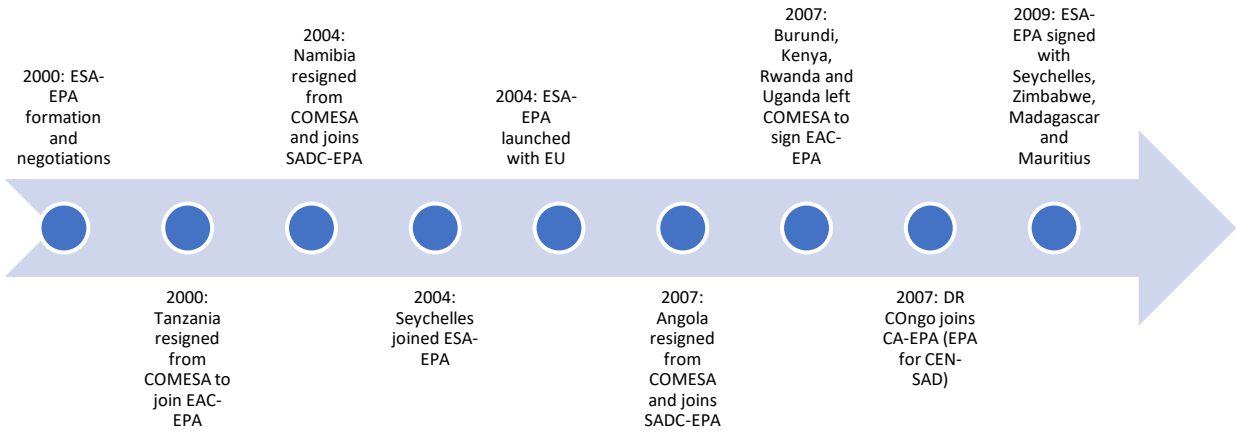


Figure 7 demonstrates that the theory of extra-regional logic applies to COMESA. In 2007, Burundi, Kenya, Rwanda, and Uganda the EAC-EPA configuration (European Commission, 2020, p. 2), a move made possible by their EAC memberships. In the same year, Angola and Swaziland left COMESA to join the SADC-EPA with their SADC memberships (Ibid p. 4). However, Angola has not yet joined the SADC- In 2007, DR Congo joined the CA-EPA configuration, a move made possible as DR Congo is also a CEN-SAD member (Ibid p. 1). In 2009, Comoros, Mauritius, Madagascar, Seychelles, and Zimbabwe formulated the ESA-EPA configuration to represent the COMESA (Ibid p. 3). The remaining 7 COMESA states, Djibouti, Eritrea, Ethiopia, Malawi, Somalia, Sudan, and Zambia, have refrained from the EPA configurations, blocking the implementations of the EPA and the furthering of the integration process of COMESA. The shifting of COMESA states to other EPA configurations has imposed a heavy burden on the limited administrative resources for the states that remained in the COMESA-EPA (Borrmann et al., 2007, p. 8). The shift in EPA configurations was made possible by the overlapping memberships in RECs enjoyed by COMESA states. Therefore, the

overlapping memberships hinder the EPA implementations and, subsequently the integration of COMESA because it has imposed a heavy burden on the rest of the member states. Figure 8 demonstrates how COMESA is fragmented into various EPA groups.

<u>Figure 8: Illustration of how the different EPAs and RECs (Hulse, 2016, p. 2)</u>

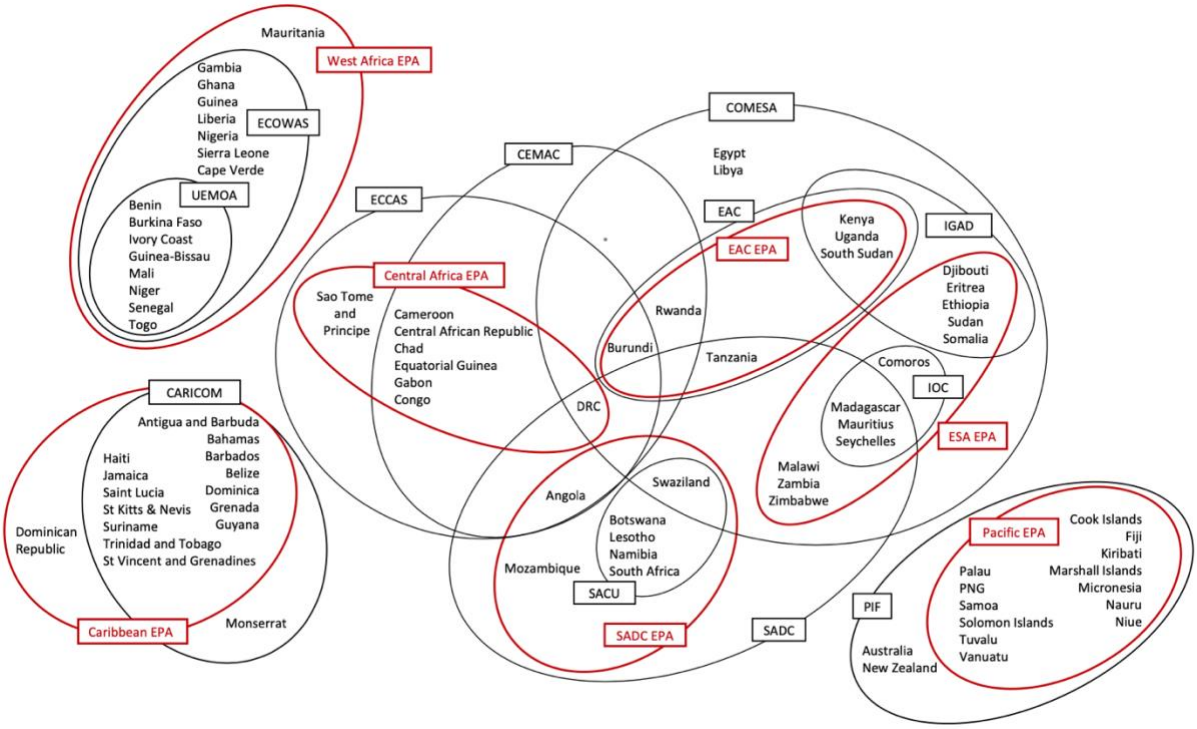


Figure 8 shows that the theory of extra-regional logic applies to COMESA. The fragmentation of COMESA into 4 EPAs configurations negatively affect the integration process of COMESA because the harmonization of the policies seems highly unlikely as each EPA grouping has its common external policies (Afesorgbor & van Bergeijk, 2011, p. 19). As explained earlier, the objective of COMESA is to form a customs union, which implies that the EPA configurations need to harmonize their common external policies to create a homogenous group. The harmonization of external policies seems highly unachievable as COMESA states are fragmented into 4 EPA configurations (Hulse, 2016, pp. 2–3); the Eastern and Southern Africa, the East African Community, Central Africa and the Southern African Development

Community. These EPA configuration hinders the integration process of COMESA because each EPA configuration has its own policies on the most-favored-nation clause, import duty costs, and rules of origin requirements (Mekonnen Mengistu, 2015, pp. 420–424). The diverging trade regimes make it very difficult to forge the different EPAs into one customs union for COMESA impossible (Afesorgbor & van Bergeijk, 2011, p. 19).

ESA-EPA: The ESA-EPA forms the EPA configuration for COMESA. The negotiations started in 2004 with 11 countries: Comoros, Djibouti, Eritrea, Ethiopia, Madagascar, Malawi, Mauritius, Seychelles, Sudan, Zambia, and Zimbabwe (European Commission, 2020, p. 3). 8 out of these 11 countries were LDCs. Mauritius, Seychelles, and Zimbabwe were the only countries with no privileges. This means that these 3 states have no preferential trade agreements and therefore need the EPA to enhance their trade relations with the EU. In 2009, the non-LDC states Madagascar, Seychelles, and Zimbabwe signed an EPA interim to improve their access to the EU market. Mauritius, an LDC state, also signed the interim EPA (European Commission, 2020, p. 3). The main features of the ESA-EPA include rules of origin, development cooperation, fisheries, trade defense, and dispute settlement mechanisms with different dates (ECDPM, 2014, pp. 13–14). Furthermore, Djibouti, Eritrea, Ethiopia, Malawi, Sudan, and Zambia have refrained from the ESA-EPA negotiation table. These states have the LDC status, which implies that they have a fallback option of the Everything But Arms scheme, which allows them to export goods to the EU without any tariffs. The Everything But Arms scheme has complicates the EPA implementations as it creates different trade interests and incentives for the LDC group of states (Borrmann et al., 2007, p. 24). This is very problematic as the LDC states block the ESA-EPA implementation process, and subsequently hindering the integration of COMESA.

The influence of LDCs forming a stumbling block for the EPA implementations have been addressed by the media. For instance, the Global Times published an article that Zambia has refused to sign the ESA-EPA. According to the Global Times, the local newspaper the Post of Zambia published that the Zambian Minister Felix Mutati, responsible for Commerce, Trade and Industry, has refused to sign the EPA (Global Times, 2009). The articles state that "as a least developed country, Zambia would still access the European markets on a duty-free arrangement under the EU's Everything But Arms trade arrangement and "does not need to submit a market access offer to sign the agreement and benefit from its development cooperation and fisheries provisions while negotiations towards the more comprehensive deal continue" (Ibid). Again, this evidence demonstrates how the extra-regional privileges influence the EPA implementations and subsequently hampering the integration process of COMESA.

SADC-EPA: The SADC-EPA contributes to the division of COMESA states into subgroups. 3 COMESA states; Angola, Namibia, and Swaziland, joined this EPA configuration (European Commission, 2020, p. 2). The EAC-EPA has a diverging trade agreement with the ESA-EPA and EAC-EPA configurations. For instance, the SADC-EPA group will liberalize 80% of its trade with the EU by 2030 (ECDPM, 2014, pp. 9). Other prominent features include the duty and quota rates. The diverging trade agreements seem unlikely to achieve a homogenous trade agreement to integrate COMESA into a customs union.

EAC-EPA: The formation of the EAC-EPA has fragmented COMESA states into another group with different trade agreements, hindering the integration process of COMESA. This EAC-EPA contains 5 COMESA states: Burundi, Kenya, Rwanda, Tanzania, and Uganda (European Commission, 2020, p. 2). However, Tanzania has refrained from the EAC-EPA negotiations. Policy officers have addressed the influence of LDC states, forming a stumbling block for the EPA implementations. For instance, the head of European trade policy for the Coalition of the Flemish North-South Movement, Marc Maes, stressed in an interview that

"For Tanzania (now an ex-member of COMESA with the least developed country status), the ultimatum (implementing the EPA) has never been an issue because the country is among the LDCs, so it has free access to the European market under the "everything but arms" regime" (EURACTIV, 2016). Again, this demonstrates how the extra-regional privileges affect the EPA implementations and, subsequently, the integration process of RECs in Africa. On the other hand, the EAC-EPA seems more likely to foster the integration process for the EAC. The EAC-EPA consists of LDCs except for Kenya. The EAC-EPA members are negotiating with the EU to keep their Everything But Arms scheme. Such an agreement would imply that the LDCs will keep their preferential access, and the non-LDCs will receive the same benefits. In return, the EAC group of states will open up their economies by 82.6 % by 2037 for the imports of EU products (ECDPM, 2014, pp. 8). Importantly, this EPA configuration has high potentials to hinder the formation of a homogenous COMESA group. It seems very unlikely that these states will have any incentive to leave such a deal behind and harmonize their common external policies to integrate into a customs union for COMESA.

CA-EPA: The CA-EPA hinders the integration process for COMESA much less because the only COMESA state in this EPA configuration is DR Congo (European Commission, 2020, p. 1). Additionally, DR Congo has not yet joined the CA-EPA negotiations as it enjoys the LDC status. Hence, there is no need to examine how CA-EPA hinders COMESA's integration process.

Ultimately, this section shows that the theory of extra-regional logic applies to COMESA. This section has shown how the overlapping memberships and extra-regional privileges influence the EPA implementations, and subsequently, the integration process of COMESA. As explained in this chapter, COMESA aims to integrate further into a customs union. This implies that it requires to harmonize its common external policies. However, as COMESA has been

fragmented into 4 different EPA configurations, it is doubtful that the REC will integrate further into a customs union. For COMESA to integrate further, it would need to form a homogenous external policy with the 4 EPAs configurations, but this seems uncertain. The only EPA configuration which can foster COMESA's integration process is the ESA-EPA because it is the only configuration that contains only COMESA states. However, this configuration has only reached an interim EPA with only Comoros, Mauritius, Seychelles, and Zimbabwe. Despite that the purpose of the EPAs has not been fully optimized, the 4 countries that have signed an interim EPA can deepening the integration process of COMESA. This is very disappointing, as COMESA initially contained over 20 member states.

6. Discussion

This chapter discusses the empirical evidence explained in the previous chapter to answer the research question and test this research's hypotheses. The research question of this thesis is how the EPAs hinder regional integration in Africa. In answering this question, two hypotheses were formulated. The arguments below summarize the empirical findings of chapter 5 and show how the research question has been answered and how the hypotheses were confirmed. Predominantly, the new insight that the study on COMESA brings to the debate of extra-regional logic is that small privileged states with higher intra-regional trade figures do not always have interests in regionalism.

Based on the empirical findings in the previous chapter, the first hypothesis for this thesis is proven: "*the overlapping memberships of African states in RECs complicate the process of forming the EPA groups, and subsequently hindering the integration process of the regional block.*" The multiple memberships of COMESA states led to the fragmentation of COMESA into 4 different EPAs and thus, created complications for the integration process of COMESA. States with multiple memberships shifted configurations between regional organizations. This is the case for Angola, Namibia, Burundi, Kenya, Rwanda, and Uganda, as these states shifted in the EPA configurations, hampering the integration process of COMESA. Thus, it can be concluded that the overlapping memberships of African states within RECs form a stumbling block for COMESA's integration into a customs union.

The second hypothesis of this thesis is also confirmed: "*small and large extra-regional privileged states are more likely to hinder the implementation process of EPAs, and subsequently blocking the integration process of RECs.*" The empirical findings confirm that the extra-regional privileges of African states hinder the integration process of COMESA. Some LDCs have halted the EPA implementations, and therefore the integration process of COMESA. Djibouti, Ethiopia, Eritrea, Somalia, Sudan, and Zambia are LDC states and have

blocked the ESA-EPA and made it less likely for COMESA to integrate. These LDC states have fewer incentives to partake in an EPA as they already have full access to the EU market under the Everything But Arms scheme.

Interestingly, this case study on COMESA brought new insights into the theory of extra-regional logic of regional integration. The empirical findings found evidence that contradicts the theory of extra-regional logic. According to the theory of extra-regional logic, small privileged states with higher intra-regional trade than extra-regional trade with the EU are supposed to cooperate in EPAs because they depend on the economies of larger neighboring states for trade (see page 17-18). Again, small extra-regional privileged states have gross domestic products between US 0-30 billion (see page 17-18). However, this paper showed that not all small privileged states with higher intra-regional trade than extra-regional trade figures refrain from EPAs negotiations. This was the case for Eritrea, Somalia, Sudan, and Zambia. Therefore, the new insight that COMESA brings to the debate of extra-regional logic is that small privileged states with higher intra-regional trade figures do not always have interests in regionalism.

Furthermore, the empirical evidence showed that the trade patterns of 2 coastal states; Eritrea and Somalia, deviate from the assumptions of the theory of extra-regional logic. This is very strange as it questions the theory of extra-regional logic. According to the theory, the coastal states (Eritrea and Somalia) should have had higher extra-regional trade than intra-regional trade figures because they have access to the seaports and can easily trade with the EU. Another contradiction to the theory of extra-regional logic is the trade pattern of Malawi. According to the theory, being a landlocked country would mean that the intra-regional trade is higher than extra-regional, but that is not the case in Malawi.

7. Conclusion

This thesis endeavored to answer the research question on how EPAs hinder regional integration in Africa. This research focused on the COMESA as the regional organization and examined how the different EPAs hindered the integration process of COMESA through an in-depth case study. This thesis's theoretical proposition was based on the theory of extra-regional logic of regional integration, developed by Krapohl and Muntschick (2008). This theory adopts a rationalist perspective and argues that African states are economically dependent on regions in the northern hemisphere for foreign direct investments and trade possibilities. In this paper, it was identified that COMESA had failed to integrate further since 2008 when it launched the preparation for a customs union. Instead of forming a homogenous EPA block, COMESA has been fragmented into 4 different EPA groupings with diverging trade regimes. The diverging trade interests of the EPA configurations make it impossible to harmonize the trade agreements into a customs union for COMESA. As such, the answer to the research question is that the overlapping memberships of African states in RECs complicate the process of forming the EPA groups and that the extra-regional privileged states also play a role in hindering the EPA implementations, and subsequently blocking the integration process of COMESA.

Essentially, this thesis provided new insights into the theory of extra-regional logic of regional integration. The new insight is that small extra-regional privileged states with higher intra-regional trade than extra-regional trade figures may act as obstructers to regional integration. This was the case in Eritrea, Somalia, Sudan, and Zambia. As explained in chapter 3 (see page 18-19), the theory of extra-regional logic assumes that small privileged countries with higher intra-regional trade than extra-regional trade with the EU are supposed to cooperate in EPAs because they depend on the economies of larger neighboring states for trade and can use the EPAs to enhance their global competitiveness. However, the empirical evidence showed that this is not always the case. Further research should be conducted regarding why

small privileged states with higher intra-regional trade than extra-regional trade with the EU have no incentives for regional integration.

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Appendix 1: Calculation on the intra- and extra-regional trade figures

COMESA	GDP 2019	Total trade (million US dollar)			Intra-regional (million US dollar)			Intra-regional	Extra-regional trade with the EU			Extra-regional
	(US$ billion)	Import	Export	Total	Import	Export	Total	trade as a % of total trade	Import	Export	Total	trade as a % of total trade
Angola	94.64	14,160.15	34,819.24	48,979.39	80.29	130.62	210.91	**0,43**	6,104.48	4,332.45	10,436.93	**21,31**
Burundi	3.01	887.35	180.77	1,068.12	150.75	39.61	190.36	**17,82**	126.33	18.77	145.1	**13,58**
Comoros	1.19	201.19	49.02	250.21	10.57	5.12	15.87	**6,34**	46.28	28.33	74.61	**29,82**
DRC	47.32	7,448.62	8,353.9	15,802.52	1,424	8.06	396.85	**2,51**	1,183.28	950.9	10,656.64	**67,44**
Djibouti	3.32	5,134.17	168.03	5,302.2	52.15	8.06	60.21	**1,14**	298.98	12.7	311.68	**5,88**
Egypt	303.18	945.63	30,632.55	31,578.18	78,657.52	1,683.04	80,340.56	**2,41**	21,471.65	9,306.26	30,777.91	**28,16**
Eritrea	2.07	385.4	499	884,4	118.55	1.33	119.88	**13,55**	71.09	4.38	75.47	**8,53**
Ethiopia	84.27	9,359.83	2,785.86	12,145.69	324.11	116.43	440.54	**3,63**	2,162.18	204.28	2,366.46	**19,48**
Kenya	95.50	17,220.38	5,836.03	23,056,.41	1,135.92	1,421.61	2,557.53	**11,09**	2,224.6	1,307.57	3,532.17	**15,32**
Libya	52.08	15,054.8	29,462.52	44,517.32	832.05	155.26	987.31	**2,22**	5,221.53	18,068.28	23,289.81	**52,32**
Madagascar	14.08	3,896.89	2,564.4	6,461.29	254.42	78.76	333.18	**5,16**	804.85	985.14	1,789.99	**27,70**
Malawi	7.67	2,941.15	912.98	3,854.13	196.26	205.35	401.61	**10,42**	415.92	289.82	705,74	**18,31**
Mauritius	14.18	5,600.49	1,873.6	7,474.09	223.89	234.41	458.3	**6,13**	1,327.74	865.61	2,193.35	**29,35**
Namibia	12.37	7,715.2	6,439.33	14,154.53	1,370.47	536.22	1,906.69	**13,47**	858.44	1,410.41	2,268.85	**16,03**
Rwanda	10.12	3,195.16	1,161.75	4,356.91	415.27	501.45	916.72	**21,04**	330.52	82.38	412.9	**9,48**
Seychelles	1.70	1,474.53	844.89	2,319.42	50.92	19.22	70.14	**3,02**	341,402	314.89	656.29	**28,30**
Somalia	4.7	3,612.91	407.9	4,020.81	191.60	4.79	196.39	**4,88**	158.25	29.85	188.1	**4,68**
Sudan	18.90	10,276.4	3,619.25	13,895.65	668.89	693.27	1,362.16	**9,80**	969.87	105.48	1,075.35	**7,74**
Tanzania	63.18	8,514.02	4,428.5	12,942.52	477.83	798.65	1,276.48	**9,86**	1,031.07	511.07	1,542.14	**11,92**
Tunisia	38.80	557.85	14,944.09	15,501.94	21,573.85	645.73	22,219.58	**3,30**	11,143.05	11,046.95	22,190	**60,76**
Uganda	34.39	717.02	1,075.02	1,792,04	6,729.38	3,087.27	9,817.06	**18,25**	601.37	540.63	1,142	**11,63**
Zambia	23.06	7,726.9	6,962.51	14,68.41	703.734	1,182.56	704.92	**13,29**	682.31	145.01	827.32	**5,83**
Zimbabwe	21.44	4,787.45	4,279.38	9,066.83	283.64	128.26	411.9	**4,54**	289.76	71.01	360.77	**3,98**
Total	915.17	131,813.49	162,300,52	294,114.01	817,534.38	12,072.41	829,606.79	**4,95**	57,864.95	50,632.17	117,019.58	**29,23**

$$\frac{\text{Sum of intra-regional trade}}{\text{Total trade}} \times 100\%$$

$$\frac{\text{Sum of Extra-regional trade}}{\text{Total trade}} \times 100\%$$