

PART III DONOR STRATEGIES, INVOLVEMENT AND PROJECTS IN SOUTHERN AFRICA

International development partners of the southern African countries such as the World Bank, the International Monetary Fund, the European Union, the African Development Bank, the Development Bank of Southern Africa, and Japan are actively participating in the efforts to promote regional integration within the sub-region. The purpose of this section is to highlight regional work programs and projects of some of the major or prominent donors and financiers in ESA, with emphasis on SADC.

III.1 THE WORLD BANK PROGRAM AND PROJECTS

The World Bank is involved in various regional activities in ESA region. During the 2001/2002 financial year (F02) multi-year grant financing for regional integration in the sub-region (from either own funds or funds under its administration) amounted to US\$3 million, with a further US\$4.3 million from the Global Environmental. These grants were in addition to annual administrative budgetary outlays, the latter which also supported the preliminary work and pre-appraisal activities related to investment lending for a 'regional project' amounting to about US\$225 million. The remainder of this section gives a broad indication of some of the Bank's regional activities in ESA.

(i) Regional Transport

For FY02, two main activities were scheduled. These included ongoing dialogue, including support to a SATCC conference, and air transport liberalization.

- *Ongoing dialogue and conference support:* Activities included an assessment of the Bank's operations in SADC countries; maintenance of contact with SATCC to obtain information on sectoral developments; support to preparations for the SATCC Transport Investors Forum; and definition of the main elements of a future regional transport and transit facilitation initiative.

- *Air Transport Liberalization:* In this area, the team initiated joint discussions with COMESA, SADC/SATCC and the EAC on their programs and especially their actions for the implementation of reforms. Subsequently it has deepened the dialogue with and technical advice to these three RIAs on various aspects of the Yamoussoukro Decision to promote its implementation.

(ii) Financial System Infrastructure

The main focus for FY02 was extension of a grant for the **SADC Payments and Settlement System**, for the implementation of payments system reforms aimed at harmonizing payment systems in SADC countries, and the **Financial System Infrastructure** grant. The main focus areas under this initiative, included: (i) Monitoring of the progress being achieved by the SADC IT Forum core team in implementing a Bank Grant for a web-site development; capacity building and training; development of software applications for off-site surveillance and advanced economic analysis tools; SADC telecommunications status and vulnerability analysis; annual conference; and forum coordination arrangements; and (ii) Technical advice, particularly, in regard to central bank computer assisted applications. Another grant-supported focus area was the strengthening of accounting and auditing capacities and frameworks in the ESA region.

(iii) Strengthening Statistical Capacity

The main activities financed through administered grant funds included: (i) Statistics capacity building to support development and implementation of evidence-based poverty reduction strategies in SADC member states. This is aimed at strengthening national statistical systems through developing statistical development plans and sequenced information strategies for poverty monitoring and evaluation. (ii) Strengthening statistical capacity and monitoring and evaluation through

dissemination of the Second Generation Live Data-Base in 6 SADC countries.

(iv) Education

The SADC Capacity Development Initiative In Education Policy Development, Planning and Management grant includes support for development of effective capacity for education policy development, planning and management in the SADC Member States, the establishment of mechanisms for information capture and exchange on available resources and expertise in the region, and for creating mechanisms for documenting and sharing lessons of good practice. Activities include establishment of Project Management Unit and hiring of project staff; holding an Education Policy Forum; development of training plans for policy makers and planners; and creating a web-site and knowledge management work.

**(v) Energy and Telecommunications:
Southern African Power Market Project**

In this area Bank activities largely revolved around preparation for the Southern Africa Power Market Project. For this project the Bank involvement would consist of providing support, both financing and advice, to the Coordination Centre and financing of the construction and upgrading of the Malawi-Mozambique, Zambia-Tanzania interconnections (see detail in previous section on Energy). Activities during FY02 included (i) preparation missions to the SADC countries involved in the project to make arrangements for the financing by the Bank of the proposed interconnections (Malawi-Mozambique, Zambia-Tanzania, Zambia-DRC) and to agree with the SAPP management on the scope of technical assistance package to the SAPP Coordination Centre to be included in the proposed Southern African Power Market project; (ii) review of the existing technical studies for the proposed interconnections and initiation of the new studies as required (e.g. in the case of the Zambia-DRC interconnection); (iii) preparation of economic analysis for the proposed interconnections that would take into account recent development in the regional power market; (iv) design of the legal structure

of the project and preparation of the required agreements; (v) identification or design of the project implementation vehicles on the SAPP and national levels; and (vi) preparation of the Environment/Social Assessment.

**(vi) Environment and Natural Resources
Management**

With regard to *water resources management*, the main activity was to identify and explore opportunities for joint management and development of the Zambezi River Basin (southern Africa's largest river basin), with a focus on analysis and riparian dialogue. Analyses was carried out in the context of ongoing SADC cooperation, such as the Southern Africa Power Pool (SAPP), as well as existing Bank and donor supported programs in each of the eight riparian countries (Angola, Botswana, Malawi, Mozambique, Namibia, Tanzania, Zambia and Zimbabwe).

With regard to the *environment sector*, the main activity included the conceptualization of a Regional Environment Information Management System (PRISMES). Activities for this initiatives included (i) taking stock of on-going activities related to environment both in the Bank and in SADC countries; (ii) identifying the possible actors and beneficiaries; (iii) setting up the initial working group in the field; (iv) refining the program concept; (v) integrating GEF concerns in the proposal; and (vi) consultations with regional and national stakeholders as well as with other donors. Furthermore, a GEF grant supported project – the Regional Environmental Information Management Project – has been ongoing, with the aim of improving and strengthening natural resources management and planning in the Congo Basin through information provision to stakeholders.

(vii) African Connection Initiative

Grant-financed support to the ongoing African Connection Initiative is aimed at creating a forum to promote policy reform continent-wide. The objective is to use global connectivity and information technology to enhance Africa's competitiveness while improving living standards through effective access to services for health, education, agriculture, and other sectors. This initiative contributes to ongoing country programs (Lesotho, Senegal, South Africa and Uganda) and to regional programs.

(viii) Macro and Trade Dialogue

This main activities under this initiative was to identify the scope of analytical and capacity building support on an inter-regional COMESA-SADC basis, e.g. in the areas of NTBs, capacity building for the use of trade information bases, etc. Together with SADC and COMESA and some of their other development partners, such as the IMF, the Bank has also initiated analytical work on trade performance and integration in ESA.

Under this rubric, the Bank has also conducted preliminary work on clarifying concepts and points of departure for future assistance for regional integration. Similar to its approach for developing a country assistance strategy, on the regional level the Bank's assistance strategy would be responsive to SADC's RISDP, its vision, strategies and priority programs. During FY02 and up till now, that is the design phase of the RISDP, ongoing dialogue has taken place between the Bank and the RIAs in ESA to define ways to align the World Bank's program with their strategic priorities and to explore ways in which a Bank strategy for the sub-region could be developed and how Bank instruments and approaches could support such a strategy. In this process, a special effort has been made to ensure that country assistance strategies (CASs) are formulated within a broader regional perspective by explicitly taking into account elements of the Bank's assistance strategy that are directed toward deepening regional integration.

The completion of SADC's RISDP, therefore, will be crucial for a full-fledged Bank regional assistance strategy for this sub-region. At this point in time, potential areas for cooperation include trade, finance and investment and infrastructure. As SADC progresses with the formulation of the RISDP, the World Bank and SADC/COMESA is continuing with information exchanges and policy dialogue on areas of common interest.

III.2 THE IMF STRATEGY AND WORK PROGRAM IN ESA REGION

The main goals of the Fund's work in the area of regional integration in Sub-Saharan Africa are:

- To help reduce barriers to the free flow of goods, services, capital and labor;
- To encourage an outward-looking approach to integration;
- To assist in the improvement and harmonization of macroeconomic policies;
- To facilitate structural reform and regional cooperation through technical assistance;
- To provide surveillance of monetary and associated institutions.

In its regional initiatives, the IMF emphasizes the importance of cooperation between regional institutions in ESA and the dangers of retreats from open regionalism. It also intends to increasingly take into account integration initiatives in its country support programs. Furthermore, the IMF's activities on regional integration will seek close coordination with development partners such as the World Bank and European Union. The **core elements of the work program** are the following:

- **Technical assistance in the fiscal, monetary, financial and statistical areas**. In ESA the Fund initiated **regional surveillance** initiatives by preparing material on economic developments, prospects and policies for peer review and by participating at the RIFF and other activities in ESA at meetings of ministers and central bank governors. **Convergence issues** have been analyzed with the objective

to forge greater policy consistency within and between the regional bodies. The Fund's African Department also prepared a paper that described recent development in regional integration in ESA and the Fund's overall approach.

- In ESA, the IMF's priorities are:
 - * Ongoing promotion of consistent, outwardly oriented approaches to regional integration by all the RTAs in ESA through analytical material, use of RIFF and coverage in Article IV consultations and program negotiations of the implications of overlapping preferential commitments.
 - * Ongoing technical assistance to COMESA and SADC in the areas of financial and monetary management (domestic and cross-border payments systems; harmonized supervision, regulation and accounting and auditing standards; regional capital markets, etc); response to the fiscal implications of trade liberalization (regional and multilateral); prevention of wasteful tax competition; macroeconomic indicators; and improved statistics and databases.
 - * Assistance towards the development of policy convergence criteria, the closer integration of financial markets, and other work of COMESA and SADC.
- The IMF has initiated more analysis on the benefits of broad integration and cross-country issues. It is also considering new publications on African regional issues and encouraging rationalization of regional bodies. Recently, it has undertaken preparatory studies for the proposed cross-border payment system for COMESA and conducted two studies on the **fiscal implications of a free trade area** in SADC and COMESA: (i) *The Revenue Implications of the Removal of Tariffs on Intra-COMESA Trade*. IMF, December 1999; and (ii) *The Revenue Implications of the Elimination of Intra-SADC Tariffs*. IMF, February 2000.

III.3 THE EUROPEAN UNION PROJECTS IN ESA AND INDIAN OCEAN

The European Union is actively involved in regional integration in ESA region (See Attachment 4 for list of EU projects in ESA region).

(i) *EU/SADC Regional Projects*

The European Union support to SADC dates back to the mid-1970s when the Community allocated funds to the Southern Africa region under the first Lomé Convention in 1976. Since then, the European Commission has allocated about **ECU 490 million** for regional cooperation in Southern Africa. Under the 8th European Development Fund (EDF), which entered into force in mid 1998, the Commission has made **available ECU 121million over a five-year period** to assist regional cooperation in Southern Africa.

Other sources of financing available for SADC countries include: the SYSMIN facility that can benefit to countries that depend on the mining sector, resources of the European Investment Bank (EIB), humanitarian and rehabilitation aid, co-financing of NGO projects, support for democratization and human rights projects, etc. Under the Berlin Initiatives (created in 1994), the EU supports mechanisms for promotion of trade and investment between SADC and the EU; special programs such as clearance of landmines; reintegration of former military personnel (most affected countries are Angola, Mozambique, Namibia, South African and Zimbabwe); a SADC private sector business organization; electoral commissions; combating illicit drug trafficking; water and energy resources management; and combating of HIV/AIDS.

In respect of SA, special financial treatment is offered under a specific program called the 'European Program for Reconstruction and Development', which is a multi-annual program with a regional dimension. The main regional issues benefiting from financing under this

program are: health and education, private sector development, governance and democratization.

(ii) Priority Areas of EU Financing Support

The financial envelope of ECU 121million of the EC to SADC is focused on two priority sectors: (i) infrastructure and services and (ii) trade, investment and finance.

In the area of **infrastructure and services**, examples of **projects** that are being financed or considered for financing are:

- **The Namibia Corridor:** rehabilitation of sections of road between Lubango (Angola) and the Namibian border;
- **Rehabilitation of sections of the Monze-Zimba road** in Zambia, which forms part of the North-South trunk road to the Zimbabwean border and the Trans-Caprivi highway in Namibia;
- **The Nacala Corridor:** rehabilitation of the railway line between Cuamba (Mozambique) and the Malawi border.

In the area of **trade, investment and finance**, financial support aims to assist SADC in the implementation of the Trade Protocol and other mechanisms of intra-regional trade and investment. Examples of projects include:

- **EU/SADC Investment Program**, which would include Industrial and Business Fora in the SADC region;
- Projects to improve the **training of statisticians** and the **development of statistical methodology**.

(iii) Other Activities Under Preparation

These include:

- A livestock development project focusing on combating animal diseases prevalent in the region;
- A sustainable regional training program for food and security issues;
- An intra-regional skills development program concentrating on maximizing the use of regional educational institutions;
- Assistance with the monitoring, control and surveillance of fishing activities in SADC coastal waters;
- A regional drug control program to help combat illicit drug trafficking and reduce the effects of drug abuse;
- Support for the implementation of the SADC plan of action to combat the spread of HIV/AIDS.

Other areas for investment projects that could benefit from funds of the European Investment Bank include: energy, water supply, telecommunications, transport and industrial development.

(iv) EU/COMESA Regional Projects

The following table shows that the EU has committed a financial envelope of EUR38 million through EDF 7 and 8 to support regional integration in COMESA. As of 22 February 2001, EUR15 million has been disbursed equivalent to 40% of the financial envelope. Detailed information regarding these projects is available in Attachment 4.

Table 3.1: List of Ongoing Regional Projects Funded by EDF 8/7 and Implemented by COMESA (As of February 2001)

	Financial Envelope (EUR '000)	Disbursed (EUR '000)	Undisbursed (EUR '000)
EDF 8			
1. Regional Harmonization of customs and Trade Statistics Systems	12,600	1,464	11,136
2. Regional Integration Program (Phase II)	8,500	3,308	5,192
3. Air Transport Liberalization	745	0	745
4. East Africa Regional Statistical Training	3,000	0	3,000
5. COMESA Africa Trade Insurance Agency	740	740	0
Sub-Total	25,585	5,512	20,073
EDF 7			
6. COMESA SQMT(1) Project	1,998	171	1,827
7. Computerization of Customs and Foreign Trade Statistics	1,000	759	241
8. TA Support in Info. Technology to COMESA Secretariat	500	252	248
9. Advance Cargo Information System (ACIS)	9,300	7,744	1,556
10. Preparation of Regional Export Services Agency (RESA)	150	75	75
Sub-Total	12,948	10,001	2,947
Total EDF 7+8	38,533	15,513	23,020

Source: European Commission

Note: (1) SQMT Project: Standardization, Quality, Metrology and Testing Project.

III.4 DBSA'S FINANCING ROLE IN SADC

The SA Government has allowed the DBSA, a wholly-owned national government development finance institution to allocate 33% of its shareholder capital to other SADC countries. As the growing SADC portfolio illustrates, the Bank has a potentially significant developmental role beyond SA, which is driven by the South African Government's wider role in the region. The DBSA's focus is primarily on its core mandate of infrastructure funding, but in the rest of the SADC region, institutional coverage of non-core areas such as SMMEs and agriculture is also allowed, although to a limited extent. It provides loans, equity and technical assistance and does that in partnership with

donors and other financiers. In contrast with donors such as the EU, USAID and others, but similar to the World Bank and the AfDB, the DBSA has limited annual grant financing for regional coordination functions. Its financing is more suitable for regional 'public goods and services' and or multi-country projects. It has nevertheless provided grant financing and technical assistance to e.g. the African Connection Initiative, the SADC Finance and Investment Sector, particularly for the work program of the Development Finance Subcommittee and to SATCC for regional transport initiatives.

The following table shows DBSA approved loans to countries in SADC.

Table 3.2: DBSA's Cumulative Loans by Country

	Rand million	%
South Africa	17,294	74.0
Botswana	242	1.0
Lesotho	1,449	6.3
Malawi	61	0.3
Mauritius	536	2.3
Mozambique	1,251	5.4
Namibia	770	3.3
Swaziland	568	2.5
Zambia	534	2.3
Multi-state	338	1.7
Total	23,104	100.0

Source: DBSA, Projects of 1999/2000. Building Foundations for Development.

III.5 USAID STRATEGY AND FOCAL AREAS

(i) Background for the USAID's Involvement in SADC

The USAID's involvement in SADC is informed by the view that Southern Africans see regional cooperation and integration as the way forward, with market integration becoming a priority. Awareness is growing in the region of the need for democracy and the rule of law to create and sustain a better environment for trade and investment is growing. However, the fragility of democracy in most Southern African countries, combined with underdeveloped democratic norms and standards, requires constant support to pro-democracy actors at both the regional and bilateral levels to assure that democracy takes firmer root. Additional development challenges are presented by the devastating HIV/AIDS pandemic, politico-military conflicts, and recent natural disasters. Although SADC enjoys strong popular support throughout the region, national governments that support SADC and a regional approach to major problems all too often demonstrate reluctance when asked for cooperation on specific issues and can be slow to implement agreed-upon protocols and policies. USAID, therefore, is helping the region meet these challenges by actively engaging SADC and its various structures, while simultaneously supporting private organizations that promote the adoption of region-wide democratic standards in governance and human rights, and public-private sector partnerships in trade, transport, agriculture and environmental management. USAID's regional program with SADC focuses on the challenges of regional integration that are largely cross-border in nature and beyond the manageable interest of USAID bilateral programs. Emphasis is on (i) developing regional norms and standards in democratic governance; (ii) implementation of SADC trade area; (iii) sustainable management of shared natural resources; and (iii) market oriented agricultural trade in technologies and commodities. All of these areas should stimulate regional integration and economic development at the national and regional levels.

USAID actively collaborates with other donors in the region. In promoting regional market integration, USAID works closely with European Union, the World Bank, and the African Development Bank. USAID collaborates with bilateral donors such as France, Germany and Canada on regional activities for improving communication and information exchange; transboundary natural resources management; and agricultural research. In SADC, programs are also complemented by work and funding from bilateral USAID missions such as in SA for HIV/AIDS and customs controls, which are to the benefit of the entire region. USAID's regional program also compliments bilateral development programs and broader U.S. foreign policy initiatives, such as the Africa Growth and Opportunity Act (AGOA).

(ii) Focal Areas

In 2001/2002, the USAID Regional Centre for Southern Africa (USAID-RCSA) program sharpened its focus in the following areas:

- building democracy,
- encouraging broad-based economic
- growth through regional market integration,
- sustainable management of shared natural resources, and
- expanding commercial markets for agricultural technologies and commodities.

Democracy and Governance: Formal structures for multi-party democracy are in place in most of the SADC nations. The effectiveness, however, with which these relatively new nations practice democracy, varies from the admirable to abysmal. USAID support for the promotion of democratic "best practices" throughout the region is generating increased momentum and achievement by key partners in the development of regional standards in areas such as anti-corruption initiatives, conduct of elections and political processes, and media diversity. If sustained, these strengthened standards will make undemocratic behavior less tolerable at both regional and national levels.

Economic Growth: USAID's investments over the past decade to improve rail and road infrastructure efficiency, liberalize customs and trade, support privatization and restructuring of telecommunications and railroads are contributing to the flow of trade and information critical to private sector development. FY 2001/2 activities focused on areas critical to the region's economic integration and growth, such as implementation of the SADC Trade Protocol and development of the Finance and Investment Protocol to facilitate foreign investment.

Sustainable Management of Shared Natural Resources: Unsustainable land-use practices, especially in wildlife areas and ecosystems, threaten the region's environment and economy. USAID's community-based natural resources management program has demonstrated that the sustainable use of wildlife and indigenous plants is a viable rural development approach. The 2001/2 program built upon this approach as a foundation for a new, more ambitious effort to promote cooperation across national boundaries in the management of shared resources such as water, wildlife and critical ecosystems.

Agriculture: Strong interest by Southern African countries to take advantage of global trade opportunities coincides with RCSA's new focus on promoting market oriented agricultural trade that focuses on improving access to improved technologies and establishing grades and standards. The RCSA program strives to expand commercial markets for agricultural technologies and commodities in the region by supporting the development of better technologies and the promotion of rules-based agricultural trade through market development and building capacity for rules-based agricultural trade.

The RCSA functions on a 5-year cycle-program, the current one which ends in 2003. Its 5-year budget amounts to more than US\$100 million, which is supplemented by funds from the USA-SADC initiative as well as complemented by bilateral USAID program funding. About 60% of the RCSA's funding is allocated for the regional market integration program (falling under the above heading of economic growth).

Projects for 2001/2 are elaborated upon in Attachment 4.

III.6 AFDB STRATEGY AND PROJECTS

The AfDB has financed a major study titled *Economic Integration in Southern Africa* during 1991-1993. This seminal work has had a material influence on thinking regarding regional integration in southern Africa. In addition, the AfDB has also financed the Trans-Kalahari Highway linking Botswana to Walvis Bay port in Namibia

Taking into account its past experience and lessons learned from regional integration in Africa, in February 2000 the AfDB's Board of Directors approved its new *Economic Cooperation and Regional Integration Policy*. According to this policy, the guiding principles for its intervention would be:

- Open regionalism;
- Private sector participation;
- Progressive integration using bottom-up and variable geometry approaches;
- Encouraging member countries to support regional integration initiatives;
- Addressing the compensation issue;
- Rationalizing regional integration activities;
- Promoting collaborative work with other institutions; and
- Promoting regional cooperation on crosscutting themes. The focal thematic areas would be: policy-based operations; regional cooperation in infrastructure; private sector promotion; institution building; and ensuring sustainable development

Subsequent to the approval of its new policy on regional integration, the following projects have been financed in southern Africa (up till the third quarter of 2001):

- *Africa Rehabilitation Project*, through a technical assistance fund (TAF) loan under the ADF of UA1.20 million.⁶¹

⁶¹ AfDB's Unit of Account (UA) = US\$1.26065 as at 31 March 2001

- *Southern African Development Community Integration Capacity Building*. This entails institutional support and technical assistance under a TAF to the amount of UA0.8 million to the SADC Secretariat in order to strengthen its role in promoting regional integration.
- *Tazama Pipelines – Single Point Mooring Project*. This project is for the renewal of the Single Point Mooring System (SPM) and is made up of the renewal of submarine and land pipeline to the Tazama Pipelines Tank farm and the provision of handling equipment at the SPM. The project has been funded by the ADF to the amount of UA8.0 million.
- *Public Procurement Reform in COMESA*. The project consists of the following components: (i) data collection on the existing public procurement laws, institutions and practices; (ii) forum of stakeholders; (iii) development of a COMESA model that guarantees transparency and accountability in public procurement; (iv) legislation to support a public procurement reform in each member state; (v) institutional reforms and capacity building in national public procurement agencies; (vi) training of public procurement agencies staff; (vii) creation of capacity for the procurement information collection and publication (dissemination) at the COMESA Secretariat; and (viii) creation of capacities to sustain good procurement practices in COMESA. A TAF to the amount of UA1.35 million was provided for this project.

III.7 CONCLUSION

In relation to the EU and the USAID, the World Bank is not only a relative newcomer to the regional integration arena in southern Africa, but in terms of annual grant financing, even if leveraged by trust and other funds, it is also a 'small player' in the area of regional coordination functions. However, as the experience of the DBSA shows, a small grant budget need not be equated with insignificance and available funds for regional coordination functions could be used to eventually support

financing for 'regional public goods and services' or multi-country projects, while also providing 'seed capital' to crowd in the grant financing of other donors.

Given the paucity of detailed information on the EU's program, for both the EC's regional indicative program (RIP) and the EU-SADC 'Berlin Initiative' (and the relationship between these two), it is difficult to determine exactly what programs are being financed, how they are being implemented as well as the implementation schedule of these. The 'bottom-up approach' - of collating the various SADC sectors' information (project-by-project) - also to determine donor support for regional integration initiatives, is not yet sufficiently advanced to gain a clearer insight. However, what is clear from the past is that SADC has failed to absorb huge amounts of annual EU RIP allocations. The reasons for this (usually attributed to SADC's weak institutional capacity, but hardly ever to the EC's administrative procedures) might be an issue for closer investigation, no less to determine opportunities for the Bank to 'unlock' and 'leverage' such funds.

From the USAID program and experience, it seems their modus operandi might be the opposite of the more 'passive' EU approach. USAID is widely involved in SADC programs, but in a highly performance-driven way. Due to built-in incentives in the functioning of USAID-RCSA, they seem to have a much more hands-on approach in the management and implementation of issues that they support than the EU. The down side of such an approach is that the donor and regional initiatives would not necessarily be synchronized. A great advantage is that they can provide (substantial) grant funding for 'regional institutions' such as the SAPP coordination centre as well as being closely involved in institutional strengthening or day-to day- operations within the sub-region. This is also due to the size and quality of their field offices, and specifically the SADC-RCSA in Gaborone.

There seems to be some overlap between the respective programs of the EU and USAID-

RSCA. A case in point is their support for the Finance and Investment Sector, where the EU has allocated a large amount of money for the protocol development process, while USAID focuses on two or three sub-components of this sector such as macro-economic convergence and investment. This again underlines the need for close cooperation among donors in their support of regional integration in the sub-region.