International Journal of Science and Research (IJSR)
ISSN: 2319-7064
Index Copernicus Value (2016): 79.57 | Impact Factor (2017): 7.296

Principal Constraints to the Regional Integration of Economic and Monetary Community of Central Africa States (EMCCAS)

James Pavel NGALEBAYE

Abstract: ***This paper examines the principal constraints which hamper the integration of economic community of central African states (EMCCAS). Transactions carried out within EMCCAS zone never exceed 2% of their external exchanges which explains why the zone remains the less integrated of the continent. The study demonstrates that the principal constraints to the economic integration of the EMCCAS depend to the insufficiency of infrastructures as well as to non-respect by the member states of the convergence criteria. Therefore, decision makers are suggesting a set of measures in order to boost the exchanges within EMCCAS member states.***

Keywords: constraints, regional integration, infrastructures, convergence criteria

1. Introduction

The EMCCAS is composed of 45 million of inhabitants located in central Africa and includes currently six countries: Cameroon, CAR, Congo, Gabon, Equatorial Guinea and Chad. Integration into this zone takes to the franc zone, the countries share historically a single currency in accordance with habitual principles related to monetary union to which are added some specificities of monetary cooperation between France and the concerned countries (mechanism of the operation accounts). The majority of the EMCCAS member states countries have numerous assets which enable them to make the integration of their economies a positive result for the development of the sub-region. The former is endowed with the land in sufficient quantity, a developed hydraulic network, a conducive land and climate for agriculture, forests which cover million of hectares and important oil and mine resources.

Despite these opportunities, les EMCCAS extra exchanges are very insignificant when compared to the exchange of the rest of the world. The EMCCAS have an insignificant endowment of basic infrastructure in contrast with the other regions of the continent. The political situation of the sub-region remains unstable and still requires a certain improvement in terms of stability and accountability. The macroeconomic relatively favourable as well as important natural resources and mine still have a mere impact in reducing poverty.

The economy of the majority of the sub-region countries depend deeply on oil sector. The sub-region is characterized by a weak capacity of production of goods and services, low competitiveness and a weak level of investment. We also report a multiplicity of tariff barrier and non-tariff barrier of trade in the sub-region. The former is often confronted to protectionism. The free circulation of goods, peoples and services is not effective. This is due to the imposition of visa Gabon and Equatorial Guinea to the EMCCAS member state citizens before interring a receiving country.

The sub-region countries export raw products in a large quantity. The industrial sector of the EMCCAS is very weak. The raw material and the base products are hardly processed. The manufacturing industries hardly contribute to the GDP. These constraints are not likely to improve regional integration which is considered as a prior axis in the strategy of growth and economic development of African countries. Definitely, the African continent comprises several regional communities; it includes more than two hundred (200) organisations in charge of cooperation and of politic and economic integration (FDA, 2000).

The integration of these countries is possible regarding its several assets among which we quote three of them. The first is the improvement of the negotiating power in the context of the world economy where the weight of all the countries is not the same. Second advantage of the integration is the possibility it gives to establish a viable economic space. The Small markets that minimize the size of enterprises or projects would merge and become more competitive. And the last but least, the third advantage is that the integration can also improve the credibility and the continuity of economic reforms through the respect of the State of Law , copyright , the efficiency of the judiciary system and good-governance.

The development of regional intra-trade leads to market enlargement; this can encourage a growth of the investment in the member state, improve the productivity and enable knowledge transfer and technology. The regional integration offers one of the most friable strategies to solve the problem of development to which the African continent is confronted given the amount of weaknesses each country has in terms of resources and other affiliated economic aspect.

This pertinence of the study stands on the fact that regional integration of EMCCAS is characterized by a weak regional intra-trade (1.6% total exchanges). It is the weaker of the continent when we analyse the regional intra-trade of the different other zones in Africa. It is important to analyse deeply the regional integration of the ECCAS in order to explain the principal constraints of this former. The other advantage of the study is that it provides the opportunity to make some recommendations and reforms at the purpose of improving the regional integration of EMCCAS.

Definitely, another aspect of pertinence of the study is that it enables to analyse an integration zone composed of the countries which have a deposit of natural resources, of a high income country (non OECD), of a medium income country (senior brackets), of a medium income country (inferior bracket), of an inferior country, of high rate of poverty and weak level of human development. The current study is unique in the sense that there are not yet deep studies done on the impact of the structure of exportation of the EMCCAS country. The study demonstrates that the weakness of intra-regional trade is imputable to the structure of exportation of EMCCAS member state countries in one hand, and, by the non-respect of the running principles of the economic community, in the other. Hence, the country within the region must diverse the means their economies, improve basic infrastructure and put good governance in place in order to prevent armed conflicts within different countries member states and develop the economy of the sub-region .

The objective of the study aims at analyzing the principal constraints of the process of integration into the EMCCAS.

Given the weakness of the exchanges among EMCCAS countries, therefore our task consists on answering the following question: What are the principal constraints to the sub-regional integration of EMCCAS member states?

The question raises the hypothesis as follow: the principal constraints to the sub-regional integration of EMCCAS countries depend on the lack of integration's infrastructure as well as to non-respect of convergence criteria by the member states.

To achieve the conclusions of the study the methodology applied methodology consists of highlighting the principal weaknesses points of the process of integration into the EMCCAS, by analyzing notably the infrastructure of integration and the non-compliance with convergence criteria.

The article focuses on the three sections. The first relates to a brief literature review. The second highlights the weaknesses in the process of EMCCAS integration. Third stage proposes political economic measures to enable the improvement of transactions among EMCCAS member states.

2. Literature Review

Over the last decades, the issue of regional integration is heartedly preoccupied the scholars of development of the African continent. In an international environment characterized by a stiff liberalisation, the implementation of the regional economic is supposed to speed up the economic growth and constitute a prerequisite for an effective participation to the world economy.

2.1 Genesis of regional integration

It is after WWII that the concept of economic integration has been used in a specialized literature. One of the first definitions of the integration has been used by J. Tinbergen. He confides the integration is the creation of the structure of the most desirable international economy due to the removal of artificial obstacles at its optimal operation and the voluntary introduction of all needed elements of the coordination and unification (Tinbergen, 1954). And for the Dutch economy the removal of practices and of the restrictive institutions and the establishment of freedom in the economic transactions among countries are the undeniable sign of their integration.

According to the French economist Perroux F. (1954), the regional integration represents one of the most ambiguous concepts found in the economics. The ambiguity of the concept comes from the fact that integration designates a process of but also it is a result of that process. Other authors confide that we speak of regional integration when several countries are engaged in the process. Some argue that this is not enough because integration must be assessed according to the results.

2.2 Empiral analysis

According to Aly A. (1994), developing countries suffer from structural imbalance and lack a well developed and industrial sector. Invariably, they produce primary goods and the external trade is carried out with advanced countries whereas trade within developing countries remains insignificant. Then, we cannot expect the relocation gain to increase under this stated imbalance scheme between production and external exchanges. Integration can at best be neutral if not useless when it is shown that of these countries produced a defined commodity. In this case the removal of barrier among countries brings no changes in the process of trading that commodity; each country which keeps the import of this commodity from the cheaper supplied source beyond the zone. Merdam N. (2012), the institutional deficiency, lack and /or the bad conditions of the infrastructure, combine EMCCAS.

According to the framing document the improvement of the regional intra-trade of the fish (2013), the lack of a regional structured economic scheme and some difficulties to set up an efficient regional economic integration hamper the development of trade intra –EMCCAS. despite its roundabout position, the diversity of the natural resources and its ecosystem, the central African zone remains the less integrated zone of the continent in terms of transaction flows inter-states the movement of people or the interconnection of the physical infrastructures .

The ignorance resulted from the poor knowledge of the EMCCAS free trade instruments by the economic regional operators is striking. In addition, there is the objection of the member states to comply with commercial rules notably in terms of tariff barriers. The application of TEC is not systematic either standardised within countries. Some countries apply the variable rate over certain products to preserve domestic advantages. This is case in CAR which following the tremendous loss of customs income has introduced a new agreement with other countries , the customs duties in the entrance of its territory, for products coming from the EMCCAS. In Chad, the products are also systematically imposed without a differentiation of its origin.

The above passage shows that the situation of EMCCAS is akin to Aly A findings. In fact, the member states of the so called community are specialized in the production of raw materials and export in large quantity raw products. Hence, the production of industrial products is insignificant. The expected gains of the integration in terms of commercial exchanges are not applied because of the structure of imports. The extra regional exchanges of member states of the Union are more significant (more than 98.4% of total exchanges) and remain oriented principally towards EU and emerging countries notably China.

3. Analysis of Principal Constraints into the Economic Integration of ECCAS

The principal constraints of regional integration of ECCAS countries depend on the lack of basic infrastructure as well as the non-compliance with the convergence criteria.

3.1 Constraints related to basic infrastructures

Central Africa has a weak endowment of basic infrastructure compared to other regions of the continent. The filed in which the region has a deficit in contrast with the rest of the continent are: the infrastructure of transportation, the electricity and information communication technology (ICT).

According to the geographic view point, the integration is characterised by the effect of agglomeration and polarisation. In one side, there is a reduction of distances and, mainly, reduction of the role of geographic proximity in connection with technological revolutions and the weight of the invisibles. But, in another side, we observe that the role of territory entail the agglomeration effects. For the territory to exchange each other there must be an existing productive system which creates a diversified market size and products (therefore complementarity of agglomeration). But, it requires physical interconnection infrastructure (network) and then a spatial capital. This one generally leads to diffusion effects or the contagion of growth by reducing the cost of transportation, prioritizing the knowledge transfer or by lowering the cost of transactions. This diffusion can be done by the external trade (transfer of corporate copyrights) by the coordination non trading agreements (internalisation within firms or «ethnics» network).

Land transport is the dominant means of transportation in central Africa either for countries' internal exchanges or exchange within countries for intra-community liaising. In EMCCAS, eight (08) corridors of multimodal transportation identified which two (02) are operational and aiming at decongesting CAR and Chad.

Here are the corridors:

- Douala-N'Djamena length 1850 km by 1416 (76%) covered in 2011, with 1830 km along the territory of Cameroon and 20 km to Chad ;
- Douala-Bangui length 1455 km by 1030 km (71%) covered in 2011, with 850 km to Cameroon and 650 km in CAR.

The poor state of roads of integration of EMCCAS accounts for the relative distance length of the tracks. In Comparison with European Union (table 1), the EMCCAS transporters take not less than eighteen months of journey to reach the equal distance.

Table 1: Comparative Analyse of road delays in the EMCCAS and EU

Institutions	Corridors de transit	Distance (Km)	Duration	Observations
EMCCAS	Douala-Bangui	1455	5 à 7 days	Covered by 71%
	Douala - N'Djamena	1850	5 à 8 days	Covered by 76%
UE	Rome-Lyon	1180	8 hours	Fully covered
	Barcelone-Amsterdam	1570	10 hours	Fully covered

Source: *Study done by Delta management in 2005*

The table below shows that one corridor of transit de 1455 km is run in 5 days in the EMCCAS. Whereas, a corridor of transit by 1570 km is run about 10 hours in the European Union. This situation is imputable to the bad state of the EMCCAS roads and to the multiplicity of the checkpoints alongside the community.

The table 2 presents EMCCAS countries roads coverage

Table 2: EMCCAS covered roads

Countries	Total of covered roads over the whole network (%)	Density by roads covered (Km/100Km^2)
Congo	20	0.29
Cameroon	15	0.85
Gabon	8	0.23
Equatorial Guinea	10	1.04
CAR	7	0.11
Chad	6	0.03

Source : *UNDP(2012) and CEA (2009)*

On the whole roads that EMCCAS owns only 11% are covered. In terms of air transport, although the central Africa is the most liberal region in this sector but the former suffers from a lack of connectivity among countries because of several airline companies' bankruptcy in the region, the outdated state of the planes, a failure of completion and a few existing airline infrastructure. Since 2006, a growing number of countries of the central Africa confront situation of being added in the blacklists by the European Union, following the decision makers incapacity to ensure domestic control of their airline whose safety is of paramount importance.

During the Bangui summit (2010), all the EMCCAS countries agreed to raise funds in order to form « Air CEMAC » Airline, with head office in Brazzaville. But this regional ambition failed because of the countries' national selfishness. The state of Airline (air) port in EMCCAS hamper the integration within the EMCCAS member states countries as shown in the following table:

Table 3: State of EMCCAS Airports

Country	Number of covered airports	Number of covered airports	Total of covered airport	Rate of covered airports (%)
Congo	6	19	25	24%
Cameroon	11	23	34	32.35%
Gabon	13	31	44	29.54%
Equotorial Guinea	6	4	10	60%
CAR	2	35	37	5.40%
chad	8	45	23	15.09%
EmCCAS	48	157	203	22.66%

Source : *UNDP (2012)*

The table below demonstrates that on 203 airports EMCCAS owns only 46 are covered by 22% of the total airline network of the so-called zone.

3.2 Constraints related to principles of integration and convergence criteria

Integrating a zone supposes that every applicant has to comply with the convergence criteria.

The principles of EMCCAS integration

The EMCCAS is governed by a given number of principles, notably:

The principle of supranationality

It confers to a community space a unique center of decision to be placed above the different national power. It appears that the community economy may be successful provided that the principal member states could delegate a part of their sovereignty of a supranational entity. That delegation of power is conceived as voluntary and legitimate so that it favours the implementation of the community politics. In fact, certain EMCCAS countries tend to mind national interests rather than the community one. For instance, Gabon and Equatorial Guinea has tendency to freeze the principle of free circulation in the EMCCAS by establishment of the entrance visa at the borders for the EMCCAS member states citizens.

The principle of complementarity

This principle aims at encouraging transactional exchanges in the community. In fact, one of the fundamental conditions to the intensive inter-regional trade is the production of supplement goods within the economy of the community. This implies that each country has to specialise in the production and the exports of distinctive goods, but complementary to others. In the same way, it necessarily implies the diversification of the economy of member states countries. To achieve these objectives, the community can institutionally resort to the division of tasks through the project planning regarding the competitive advantage.

The constraints in the application of this EMCCAS rule depend on many factors. Regarding institutional plan, the division of the community projects in the different member states countries requires to reach a consensus. The consensus is difficult to reach as the member states economies are not diversified and actually developed.

However, the economy of the EMCCAS is less diversified. These member states produce the same produce (cons, rice, cassava, plantain, groundnuts, and yam) and import products (cocoa, coffee, cotton, rubber, palm oil, timber, sugar, raw oil), this diminishes consequently the common market competitiveness in the economic plan, and therefore it increases EMCCAS states dependence on the rest of the world. Regarding the IMF report (2012) on the common policies on the EMCCAS member states, the later depend on deeply on oil which represents 41% of regional GDP and 86% of its exports. The principal import products are: oil, timber and diamond. On the six (06) member states countries, 5 countries export oil out of four (04) they represent 80% of import income.

The principle of coordination

The principle depend on the fundamental rule stating that the development and policies plans shared in the EMCCAS zone must be compatible. The compatibility enables different projects initiated in EMCCAS zone to thrive in the context of regional integration. So, it is mandatory to coordinate policies in order to prevent discrepancies and misunderstanding which may hamper the ambition of economic community.

Coordination comprises two major constraints within the EMCCAS. To start with, the member states tendency to set priorities on the national interests instead of those of the community. Consequently, there is an imbalance between domestic investments and those designed for the regional community. Above these obstacles, are added the weaknesses of the information system due to the deficiency of means of communication.

The principle harmonisation

It is one of basic principles of the economic integration. It aims at the creation of a relatively homogenous zone in the community by the establishment of a similar mechanism within the member states countries. These mechanisms concern the fiscal and customs regime as well as the implementation of common policies in the field of agriculture, trade, military and transports etc. this system also concerns the establishment right and the business law , in general.

The trade integration in central Africa essentially lies on the good running of the existing customs union, and especially of the EMCCAS. Since its adoption at the end of 90, the commonly external tariff (TEC) of the union has not actually evolved. Its application has been somewhat affected by changes included in customs tariffs added for individual sake to the member states, this leads immediately to the non-application of that commonly external tariffs. The existence of customs exemptions undermine the right application of the TEC. Definitely, the non-application of free practices (clearance of imports at the main entrance in the union) as well as the sufficient harmonisation of customs procedures and of the method of value assessment remain critical issues (FERDI ; 2012).

However, because of incomplete legislation and strong failures in the tax administration, internal direct taxation dries out the cost of production. This is due to the fiscal remanence of different origins and the ineffectiveness of the fiscal administration. The choice of high VAT rate applied to the legally narrow tax base drive to the establishment of additional exemption and broadens the scope of the reduced VAT. This tendency increases the obstacles of the reimbursement of the VAT credits and introduced a high risk of spoiling the VAT system. Concerning direct taxation, harmonisation remains critical, because the exoneration and incentives. The scope of the regional harmonisation of direct taxation is also reduced by the illegal quality regarding to the country's administration and control.

According to the article 156 of customs code, the transit goods sent benefit from tax exemption, tax, prohibitions and other economic measures, fiscal or customs applicable to goods. In this perspective, the cleared of goods in one of the EMCCAS countries cannot be imposed. The first country which holds the customs duties should apply them to a receiving country. But, in reality, goods from thirds countries with clearance right in an EMCCAS country are again cleared off without sending them to an EMCCAS country because the first country did reserve this right to the receiving country.

The principle of subsidiarity

The application of the subsidiary principle enables to avoid the confusion of roles among the organs at the community and national levels as well as the conflicts of competences that could result from that confusion of roles. This will also help to improve the efficiency in running the organs of the community under their preview. This preview lays on the idea that at least two (2) members of the community are concerned. The subsidiary principle has not yet covered the legal interests within the EMCCAS, we note an excessive hypertrophy in the course action of the subsidiary principle.

The EMCCAS is an integration zone which minimalist institutional structures and the community lack of legal order does not allow them to apply the subsidiarity principle. The weakness of the EMCCAS constitutes the principal obstacle to the settlement of conflicts within EMCCAS zone. Indeed, this institution of economic integration, EMCCAS, instead of excluding, would prefer to consider the objectives of political integration as secondary. This explains why they do not consider the settlement of conflicts as a priority. The EMCCAS institutions are not capable of solving conflicts occurring in the zone, this is imputable to the discrepancy of judiciary power. For instance, the Bakassi conflict concerning Cameroon and Nigeria had shown the deficiencies of the EMCCAS. As a matter of fact, the silence of Congo, Chad, Gabon and CAR was remarked whereas Equatorial Guinea backed Nigeria.

The convergence principle

The economic convergence can be defined as the reduction of gaps between the whole sets of indicators related to countries. In the contrast with the divergence which shows gaps between different kinds of economy (Nguyen, 1996).

One of the constraints in the application of the convergence principle of the EMCCAS concerns the development gap between the member states countries. In fact, advanced countries comply with the convergence because the gaps of development among them are not striking and the levels of exchanges are high (about 70% for UE countries), this factor makes the convergence possible within the member states of the economic community

Inversely , the LDCs especially central African countries find it difficult to apply the principle because their economy do not temporarily converge but the existing convergences among them are likely to increase as they overlap. For instance, in the EMCCAS we observe the increase of the gap of GDP per capita between the member states. In fact, from 2000 to 2016, the GDP per capita of equatorial Guinea increased by 975.97%, of Chad de 534.59%, of Congo by 204.47%, of Gabon by 176.37%, of Cameroon by 115.78% and CAR by 72.11% (table 3).

Table 3: Real GDP per capita, and population of EMCCAS countries

Country	GDP (in billion USD)		Population (millions of inhabitants)		GDP/per capita (USD) country	
	2000	2016	2000	2016	2000	2016
Congo	3.2	13.68	3 126 204	4 366 266	1029	3133
Gabon	5	18.38	1 225 527	1 608 321	4135	11428
Chad	1,3	12.89	8 301151	10975 648	185	11428
E. Guinea	1,2	17.7	518 179	10975 648	2398	25802
CAR	0.91	2.184	3 638 316	5 057 208	251	432
Cameroun	9,2	25.32	8 301151	20129 878	583	1258

Source: *Word Bank*

There exists in the ECCAS an important gap of GDP per capita between Equatorial Guinea which ranks the first by a GDP of 25 802$ per capita and the CAR which at the bottom of the list with a GDP of 432$ per capita. In fact, the GDP per capita of the CAR is about le 60 times less than that of the Equatorial Guinea.

Convergence criteria

The EMCCAS member states established the multilateral system of watching out aiming at improving the process of regional integration. It is accompanied with a collegial follow up of macro-economics, headed by the ministry meetings. Given the title III of the convention which governs the economic union of Central Africa (UEAC) of 1994, ratified in 1999, this follow up is transferred in the executive secretary of ECCAS in 2001, transformed in Commission of EMCCAS since 2007. The directive of august 3, 2001 set the criteria and indicators of macro-economic convergence which are similar to the prior criteria of monetary and economic community of West African states (EMCOWAS).

Four criteria of 1st rank had been defined by the Pact of convergence: three criteria of public finance (budgetary balance base, public liabilities debt and outstanding) and the inflation criteria. They are completed in the ECCAS zone by indicators of 2nd rank: the external convergence rate of the currency, wage bill, investments funded by external, intensive taxation rate, common external balance. There is no hierarchy of criteria in the ECCAS zone compared to EMCOWAS.

Table 4: Criteria of convergence EMCCAS

Criteria	Threshold
First rank criteria	
1) Basic budget balance (% GDP)	≥ 0
2) Annual inflation rate	≤ 3 %
3) Public liabilties debt (% GDP)	≤ 70 %
4) Accumulation of arrears (external and internal)	= 0
2nd rank indicators	
1) Wage bill / tax income	≤ 35 %
2) Investment funded by domestic resources from tax income	≥ 20 %
3) external balance base (% GDP)	≥ 5%
4) intensive tax rate	≥ 17 %
5) import –export ratio on the currency	≥ 20%

As a supporting element of budget stability and risk prevention on currency shortage and insolvency, the multilateral watching out device of ECCAS play an important part in restoring monetary discipline and the economic convergence movement in the zone.

The multilateral watching out balance sheet depends essentially on the nominal convergence; it is appreciated according to the evolution of imposed criteria. The device will be assessed here regarding to the criteria of 1st rank for the reason of availability data because the sanctions are exclusively applicable to these indicators. This is what the table below illustrates as an example.

Table 5: Evolution of the inflation rate and public debt rate in EMCCAS

Denomination	2012	2013	2014	2015	2016	2017	2018 prev.
inflation rate (%, critère : ≤ 3)							
EMCCAS	**3.8**	**2.0**	**3.2**	**2.5**	**1.1**	**1.0**	**1.8**
Cameroon	2.4	2.1	1.8	2.7	0.9	0.6	1.5
CAR	5.9	4.0	17.8	2.0	2.7	4.1	3.4
Congo	5.0	4.7	0.9	2.7	4.6	1.6	1.3
Gabon	2.7	0.5	4.7	- 0.3	2.1	2.7	2.8
Equatorial Guinea	3.6	3.0	4.3	1.7	1.4	1.1	1.6
Chad	7.5	0.2	1.7	3.7	-1.6	-0.9	1.7
Countries level of compliance	2	4	3	5	5	5	5
Public debt rate (en % du PIB ; critère : ≤ 70)							
ECCAS				41.5	44.6	45.4	44.0
Cameroon	185	203	228	281	300	333	335
CAR	35.1	59.1	52.7	62.2	56.4	54.5	45.3
Congo				79.8	119.9	110.8	103.8
Gabon	16.3	24.4	29.5	36.9	50.6	45.4	44.5
Equatorial Guinea				27.2	36.8	41.1	43.2
Chad	19.8	23.4	29.6	39.6	36.5	33.2	34.6
Countries level compliance	6	6	6	5	5	5	5

Source : Commission of EMCCAS

The community observed in 2007 three criteria out of four, these are the referential budgetary balance, inflation and debt. Equatorial Guinea and le Chad fulfilled three criteria out of four, except that regarding the absence of outstanding. Cameroun and Gabon applied two criteria, those regarding the inflation rate and debt rate. The CAR also fulfilled two criteria on referential budgetary balance and the debt. As for Congo, only the criteria applied to inflation rate is fulfilled.

4. Recommendations

Based on this study, we notice that EMCCAS has some problems concerning the running principles of the economy of the community. These problems are multiple, the non-diversification of the economy of the ECCAS , Civil wars that plague the region, lack of basic infrastructure , administrative procedures (red tape) and the export s structure of the countries in the zone. The principal short run challenge of ECCAS is to increase its growth, sustainable and inclusive in order to improve the living conditions, create more jobs and speed up the reduction of the poverty. We end the study with some recommendations which could help the ECCAS to improve its regional integration as follows:

a) Political reforms

The politico-military crisis mainly due to bad governance, is likely to be repeated and overspread in the ECCAS zone if efforts are not made in the governance improvement, there is necessity to promote democratic institutions in order to reinforce a sustainable and inclusive growth . To achieve this objective ECCAS has to establish an organ to monitor member states policies. The organ must prevent and care about peace and security issues. It must condemn and punish the countries whose leaders do not comply with human rights, legislation as well as child armed.

b) Reforms of countries export structure

The member states of the union should put in place a policy aiming at intensifying the investment of manufacturing industries and export more finished products rather than raw ones. This will necessarily increase income, adjust the balance of payment and prevent the worldwide market shock of raw materials. The plan, de liberalisation of exchanges is hampered by the ECCAS countries dependency towards an array of reduced products made for the exportation and a few diversifications of products. Consequently, member states of ECCAS has to create not only a conducive environment to attract domestic and foreign investors but also take into account sub-regional dimension in their strategy of diversification in order to avoid similar situations of production

c) Agriculture sector reforms

The EMCCAS must first start promoting the diversification of the economy and after develop their economy in order to encourage the complementarities. It is worth to improve the product offers and create network within the region, improve the fluidity of information as well as of the business climate. The development of agriculture must be a priority within the EMCCAS zone in order to reach food sufficiency, reduce poverty and create jobs. The EMCCAS institutions have to put in place a programme of specialisation connected with the five agro-ecologic.

d) Institutional reforms

There a necessity of introducing a balanced in terms of national and community interests this will force the member states to work out the community decisions. In so doing, they will remove constraints related to the coordination of community policies of EMCCAS. this shall be effective with the establishment of networks which liaise businesses among the member states countries and the reinforcement the community institutions by endowing them the necessarily means to look after the application of decisions made by supranational organs and impose sanctions in the case of non- compliance with decisions.

e) Basic infrastructure reforms

Mangers of EMCCAS should reinforce their policies in order to develop basic infrastructure, notably water, electricity, and more efficient transport system.

f) Fiscal and customs tariffs Reforms

It is suggested to harmonize customs tariffs, by removing the different customs barriers and administrative procedures which hamper the intra-regional trade. Concerning tax reforms, an important part of tax income in the EMCCAS derived from natural resources exploitation notably oil. These external incomes are vulnerable before the raw material worldwide market shock. Taxation is in the heart of the efforts in the course for the economic development and constitutes one of the pillars of the national legislation for the investment and growth. It ensures not only a stable flow of income in order to finance the priorities of programme of development notably those connected with the regional integration as the programme of infrastructure. The EMCCAS should then implement a balanced tax policy to attract entrepreneurs and investors as well as gathering much income for the public expenditure.

g) Reforms on the funding mechanism of the integration

Given the different constraints related to the funding as mentioned in chapter 4, there is a necessity to replace the mechanism of funding obtained from UDEAC in its integrality and/or to complete it by other source of funding more diversified. This will enable the EMCCAS to be more efficient and less dependent on APD and budgetary constraints of the states with a reinforced budget by more important income, stable and forecasted.

5. Conclusion

This paper analyses the principle constraints to the regional integration of economic community and monetary of central African states countries. After analysing the integration's infrastructure and the application of the economic community principles, we confirmed the initial hypothesis that the principal constraints to integration of EMCCAS member states countries depend on the insufficiency of basic infrastructure and non-compliance of the member states with convergence criteria. Therefore, the study shows that the export structure of EMCCAS member states has a negative impact on the process of the regional integration.

From the above, we have learnt that the regional integration did not contribute to the improvement of the economic growth rate of EMCCAS. This situation has not favoured intra-regional exchanges. The EMCCAS member states did not succeed to use integration as development leverage.

Most of EMCCAS countries, the principle obstacle to an inclusive growth lays on a productive base related to some food stuffs unproductive and vulnerable to external shock , insufficiency of infrastructure of communication and national interest selfishness. The positive results concerning the economic growth are fragile regarding the low competitiveness of the economy of the region. The business climate is not promising and favourable, the results of EMCCAS countries in ranking Doing Business by the World Bank and the competitiveness of private sector is weaken as well.

To remove obstacles to regional integration of EMCCAS, the study proposes an array of measures especially on basic infrastructure, customs tariffs and convergence criteria of the economy of EMCCAS. If EMCCAS countries have in common the use of currency (XAF) and common external tariffs, the strict application of the principles by all member states is unrealistic. In addition, the monetary mismatch between the countries of the economic community of the central Africa has decreased the transactions effects, reduced the exchanges and forced the business people to use foreign currency such as dollar and euro.

References

[1] Agence française de développement- AFD (2004), *Rapport thématique Jumbo*, AFD.

[2] **AkaniHonvo A. (2003),** « Intégration régionale, effet frontière et convergence des économies en développement », *Revue Région et Développement*, n°17-2003.

[3] **Avom D. (2007),** « La coordination des politiques budgétaires dans une union monétaire : l'expérience récente des pays de la CEMAC », *Revue Tiers Monde*, 2007/4, n°192, pp.871-893.

[4] **Carree M.A. etKlomp (1997),** « Testing the Convergence Hypothesis: A Comment », Review of Economics and Statistics, n°4, pp. 683-686.

[5] **CEMAC (2013),** « CEMAC 2025 : vers une économie régionale intégrée et émergente », Programme Economique Régional 2009-2015, Vol. 1 : Rapport d'étape.

[6] **Cohen D. (2002),** « Le pacte de stabilité est-il stupide ? » *Le Monde*, vendredi 15 novembre, pp1 et 17.

[7] **Comité de convergence de la Zone franc (2013),** « Rapport de printemps », Réunion des ministres des finances de la Zone franc, Avril.

[8] **FERDI (2012),** « Evaluation des gains attendus de l'intégration économique régionale dans les pays africains de la Zone franc », Septembre.

[9] **FoudaOwoundi J.P. (2009),** « La convergence des politiques économiques dans la Zone franc : où en est-on 15 ans après ? », *L'Actualité économique*, Vol. 85 (3), pp.319-354.

[10] **Gupta S, Powell R. and Yang Y. (2006),** « Macroeconomic Challenges of Scaling Up Aid to Africa: A Checklist for Practitioners », International Monetary Fund.

[11] **Hugon P. (2001),** « L'intégration régionale dans les PED au regard des nouvelles théories de la régionalisation »,

[12] *In* Henner, H.-F. (eds), *La construction de l'intégration régionale et les enjeux de la mondialisation*, dossier BCEA-BEAC, pp.44-66.

[13] **Martin C. et Velazquez F.J. (2001),** « An Assessment of Real Convergence of Less Developed EU Members:

Lessons for the CEEC Candidates », European Economy Group Working Papers 5.

[14] **N'Kodia C. (2011),** « Les pactes de convergence en Zone franc : quels critères et quels objectifs en Zone CEMAC ? », *Revue française d'économie*, 2011/2, Vol. 26, pp.115-148.µ

[15] **N'Kodia C. et Sarr F. (2007),** Place et rôle des pactes de convergence face aux nouveaux dispositifs budgétaires et de financement du développement en Zone franc », *Afrique contemporaine*, 2007/3 (223-224), pp. 113-131.

[16] **Nguyen K. (1996),** « La convergence réelle en Europe », *Lettre de conjoncture* de la BNP, Février.

[17] **Plane P. et Tanimoune N.A. (2005),** « Performance et convergence des politiques économiques en Zone franc », *Revue française d'économie*, Vol. 20 (1), pp. 235-268.