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**Sub-Regional Office
for West Africa**



**Economic Community
of West African States**

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**AN ASSESSMENT OF PROGRESS TOWARDS REGIONAL
INTEGRATION IN THE ECONOMIC COMMUNITY OF
WEST AFRICAN STATES SINCE ITS INCEPTION**

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ACRONYMS AND ABBREVIATIONS

ACMAD	African Centre of Meteorological Applications for Development
AEC	African Economic Community (Communauté économique africaine)
AfrIPANet	Africa Investment Promotion Agency Network
AIS	Africa Innovation Summit
ANAD	Non-Aggression and Defence Assistance Agreement
APO	Abnormal Practices Observatory
ARIA	Assessing Regional Integration in Africa
AU	African Union
AUC	African Union Commission
BRVM	<i>Bourse régionale des Valeurs mobilières</i> (Regional Stock Exchange)
CAADP	Comprehensive Africa Agriculture Development Programme
CAP	Common Agricultural Policy
CCDS	ECOWAS Committee of Chiefs of Defence Staff
CDP	Community Development Programme
CEAO	<i>Communauté Economique de l'Afrique de l'Ouest</i> (Economic Community of West Africa)
CEP	Common Energy Policy
CET	Common External Tariff
CILSS	Permanent Interstates Committee for Drought Control in the Sahel
CIMA	Inter-African Conference on Insurance Markets
CIS	Commonwealth of Independent States
COMESA	Common Market for Eastern and Southern Africa
CSL	Community Solidarity Levy
CSO	Civil Society Organisation
DRR	Disaster Risk Reduction
DSSR	Defence and Security Sector Reform (Programme)
DY	Yamoussoukro Decision
EAC	East African Community
EBID	ECOWAS Bank for Investment and Development
ECA	Economic Commission for Africa
ECOMOF	ECOWAS Mining and Petroleum Forum
ECONEC	ECOWAS Network of Electoral Commissions
ECOWAP	ECOWAS Agricultural Policy
ECOWAS	Economic Community of West African States
ECOWIC	ECOWAS Investment Code
ECOWIP	ECOWAS Investment Policy
ECPF	ECOWAS Conflict Prevention Framework
ECREEE	ECOWAS Centre for Renewable Energy and Energy Efficiency
EDF	Energy Development Fund
EEC	European Economic Community
EERT	ECOWAS Emergency Response Team
EFA	Education for All

EGDC	ECOWAS Gender Development Centre
EIMS	ECOWAS Integrated Maritime Strategy
EMDP	ECOWAS Mineral Development Policy
EPA	Economic Partnership Agreement
EPADP	EPA Development Programme
ERDF	ECOWAS Regional Development Fund
ERERA	ECOWAS Regional Electricity Regulatory Authority
ESF	ECOWAS Standby Force
EU	European Union
EYSDC	ECOWAS Youth and Sports Development Centre
FDI	Foreign Direct Investment
FTA	Free Trade Area
GIABA	Inter-Governmental Action Group against Money Laundering in West Africa
GSE	Ghana Stock Exchange
IAT	Import Adjustment Tax
ICTs	Information and Communication Technologies
IGOs	Inter-Governmental Organizations
ISRT	Inter-State Road Transit
LGA	Liptako-Gourma Authority
MC	Ministerial Conference
MDGs	Millennium Development Goals
MIP	Minimum Integration Programme
MRU	Mano River Union
NBA	Niger Basin Authority
NEPAD	New Partnership for Africa's Development
NOPSWECO	Network on Peace and Security for Women in the ECOWAS Region
NSE	Nigerian Stock Exchange
OMVG	<i>Organisation pour la Mise en Valeur du fleuve Gambie</i> (Gambia River Basin Organization)
OMVS	<i>Organisation pour la mise en valeur du fleuve Sénégal</i> (Senegal River Basin Organization)
OSCAF	<i>Réseau des Organisations de la Société Civile de l'Afrique Francophone</i>
OSP	Opérations de Soutien à la Paix
PAC	Politique Agricole Commune
PARCI	Regional Support Programme for Regulation of Informal Trade
PARMAO	<i>Programme Régional d'Appui à la Régulation des Marchés</i>
POSCAO-AC	<i>Plateforme des Organisations de la Société Civile de l'Afrique de l'Ouest sur l'Accord de Cotonou</i>
PREAO	Regional Water Policy
PSO	Peace Support Operations
R & D	Research and Development
RAAF	Regional Agency for Agriculture and Food
RCO	Regional Copyright Observatory
REC	Regional Economic Community
REPAD	<i>Réseau de Recherches Pour l'Appui au Développement en Afrique</i>

REPAOC	<i>Réseau des Plateformes d'ONG d'Afrique de l'Ouest et du Centre</i>
RFSR	Regional Food Security Reserve
RJAO	<i>Réseau des journalistes de l'Afrique de l'Ouest</i> (Network of West African Journalists)
ROPPA	<i>Réseau des Organisations Paysannes et de Producteurs d'Afrique de l'Ouest</i>
RRA	Regional Regulatory Authority
SADC	Southern African Development Community
SIRC	<i>Société informatique régionale de la CEDEAO</i>
SO	Strategic objective
SPT	Supplementary Protection Tax
TB	Tariff Barriers
TLS	Trade Liberalization Scheme
UAR	United Arab Republic
UDAO	<i>Union Douanière de l'Afrique de l'Ouest</i> (West African Customs Union)
UDEAO	Customs Union of West African States
UNCTAD	United Nations Conference on Trade and Development
UPE	Universal Primary Education
VAT	Value Added Tax
WABA	West African Bar Association
WACH	West African Clearing House
WACIP	West African Common Industrial Policy
WACMIC	West African Capital Markets Integration Council
WACREN	West and Central African Research and Education Network
WACSO	West African Civil Society Forum
WAEMU	West African Economic and Monetary Union / <i>Union Economique et Monétaire Ouest Africaine</i>
WAGP	West African Gas Pipeline Project
WAHO	West African Health Organization
WAI	West Africa Institute
WAITAD	West African Institute for Trade and Development
WAMA	West African Monetary Agency
WAMI	West African Monetary Institute
WAMZ	West African Monetary Zone
WAPP	West African Power Pool
WAWA	West African Women Association
WTO	World Trade Organization
WATH	West Africa Trade Hub
WATRA	West Africa Telecommunication Regulators Assembly
WRCU	Water Resources Coordination Unit

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It was developed under the direction of Dr. Dimitri Sanga, Director of SRO-WA of the ECA and Dr. Ibrahim Bocar Ba, Commissioner in charge of Macroeconomic Policy and Economic Research at ECOWAS. The ECA team, which is composed of Joseph Foubi, Jean Luc Mastaki Namegabe, Florent Melesse, Jean Baptiste Eken, Privat Denis Akochayé, Ingoila Mounkaila, Oumar Sissoko, Jerome Ouédraogo, Bledou Innocent, Zacharias Ziegelhöfer, Harcel Nana Tomen and Kazim Lamine Dakouri, was supervised by Mr. Aboubacry Demba Lom and Mr. Amadou Diouf. The ECOWAS team, which is composed of Ousmane Barry, Djedjero Akpa Paulin and Abdoulaye Zonon, was coordinated by Guevera Yao.

The study was conducted by the Cabinet Emergence Consulting Group under the leadership of Mubarak Lo and also included the following members: Professor Seydi Ababacar Dieng, Professor Alioune Sall, Professor Mamadou Dagra, Alsime Fall, Chizoba Nwuzor and Moussa Diaw.

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FOREWORD

As the main Regional Economic Community (REC) in West Africa, ECOWAS is the undisputed pillar on which the continental integration process, as advocated by the African Union, is based. It is composed of 15 countries and aims to promote cooperation and integration in the economic, social and cultural domains. This integration is expected to be reached after a process leading ultimately to an economic and monetary union, through the full integration of the national economies of its Member States, raising the standard of living and strengthening economic stability. The process is in the implementation phase of the Customs Union, with the entry into force of the Common External Tariff in January 2015.

The pursuit of the goal of integration in West Africa can be seen as a process which is at once legitimate and natural. It is abundantly justified by reasons that are both theoretical and practical. West Africa is indeed composed of regional ethnolinguistic settlements that political borders from colonization have divided up in an entirely artificially manner. In fact, West African people have been historically integrated and it is the States born out of colonization that have set up barriers to this integration. Moreover, in a context of increased globalization, integration also remains a powerful means for economic and social development, especially for low-income countries.

On the eve of the celebration of the fortieth anniversary of the ECOWAS Commission, the SRO-WA of the ECA, in conjunction with the ECOWAS Commission, sought to conduct a critical study on the state of regional integration, in a bid to help improve and speed up the process of regional integration in the sub-region. More specifically, this study seeks, among others, to make an inventory of the integration efforts made since the establishment of ECOWAS in 1975; promote a better understanding of the regional integration process in the ECOWAS sub-region; identify problems and challenges which countries and stakeholders are facing in their march towards sub-regional integration; and propose possible solutions to overcome identified problems so as to accelerate the sub-regional integration process. In addition, it briefly presents a methodology currently being developed within the ECA for measuring regional integration efforts across the continent by means of a regional integration index.

An analysis of the institutional organisation and the sectoral policies of ECOWAS Commission indicates that this Community is, in general, an advanced model of integration in the broader context of the African Union, along with its sister Southern African Development Community (SADC) in southern Africa. In forty years, it has been able to build a solid *institutional architecture* which makes it a globally recognized organisation. It also strove to adopt protocols and develop policies and programmes to cover almost all areas of integration that were identified in the initial Treaty as well as in the revised Treaty. In terms of actual impacts, *the performance of ECOWAS, since its establishment, may be deemed to be generally satisfactory up to this stage*. Today, ECOWAS must take another step, by developing its operational capabilities and generating tangible impacts on Member States and ECOWAS citizens. Therefore, it can fully achieve objectives set out in the Constitutive Treaty and celebrate its fiftieth anniversary in 2025, by becoming a successful REC model in Africa. To this end, several recommendations were made in this report.

We believe that the contents of this report will contribute to improving and accelerating the regional integration process in the sub-region as well as the march towards continental integration as advocated by the African Union.

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Table 1: The Economic Community of West African States (ECOWAS) at a Glance

Headquarters	Abuja (Nigeria)
Date of establishment	28 May 1975 (Lagos, Nigeria)
Member countries	Benin, Burkina-Faso, Cabo Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo. (Mauritania left ECOWAS in 2000)
Surface area	5 113 000 km ²
Population	308 million inhabitants in 2012
Mission	To promote cooperation and integration of Member States with the aim of establishing a West African economic and monetary union.
Institutions	The Authority of Heads of State and Government The Council of Ministers The Commission The Parliament of the Community The Economic and Social Council The Community Court of Justice ECOWAS Bank for Investment and Development
Specialized Agencies	The West African Health Organization (WAHO) The West African Monetary Agency (WAMA) The West African Monetary Institute (WAMI) The Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) The Water Resources Coordination Unit (WRCU) The ECOWAS Gender Development Centre (EGDC) The Brown Card The ECOWAS of Youth and Sports Development Centre (EYSDC) The West African Power Pool (WAPP) The ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE).
Main Programmes	The free movement of goods and people The Trade Liberalization Scheme The ECOWAS regional agricultural policy The Community Development Programme (CDP) ... etc.
Country Representations	National ECOWAS Units Special Representatives of the Commission President (in 2014 : Côte d'Ivoire, Mali, Burkina Faso, Guinea, Guinea Bissau)
Financing	Community levy Partner funds



EXECUTIVE SUMMARY

ECOWAS is the main regional economic community in West Africa wherein the continental integration process, as advocated by the African Union, should take shape. All 15 countries of the sub-region are members.

In view of the celebration of the fortieth anniversary of ECOWAS in 2015, the Sub-Regional Office for West Africa, working within the scope of its 2014-2015 biennial programme, decided to carry out a critical study on the status of regional integration within this sub-region.

The pursuit of the goal of integration in West Africa can be seen as a process which is at once legitimate and natural. It is abundantly justified by reasons that are both theoretical and practical. West Africa is indeed composed of regional ethnolinguistic settlement areas that political borders resulting from colonization came to divide up in an entirely artificially manner. In fact, West African people are historically integrated and it is the States which stem from the colonization that have set up barriers to this integration. Moreover, in a context of increased globalization, integration also remains a powerful means for economic and social development, especially for low-income countries.

Thus, several historical attempts were made to integrate the countries of the sub-region, particularly in the period around independence in 1960. To crown it all, an Economic Community of West African States (ECOWAS) was established, on 28 May 1975, by the Lagos Treaty (Nigeria), which brought together all the countries of West Africa.

The objectives assigned to the Community by this initial treaty (article 2) were, at the beginning, essentially economic: to promote co-operation and development in all fields of economic activity, accelerated and sustained economic development of Member States through effective economic cooperation and progressive integration of economies. Several initiatives undertaken after the establishment of ECOWAS have helped to strengthen its institutional architecture and to deepen its common policies, thereby generating significant achievements in the sub-regional integration process. Signed on 24 July 1993 in Cotonou, the revised Treaty goes well beyond economic matters: establishing cooperation notably in the political and security domains, granting the Community powers to sanction, which demonstrates the desire to make ECOWAS an active player in international law in Africa and worldwide.

To achieve these ambitious goals and enable ECOWAS to assume all its responsibilities, it is not surprising to observe that the institutional arrangements of the Community have evolved significantly from one treaty to the other. Thus, in addition to the Authority of Heads of State and Government, the Council of Ministers, the Executive Secretariat and Specialised Technical Commissions, institutions which already existed in the 1975 Treaty, four (4) new institutions were added in the 1993 Treaty, as follows: (i) The Community Parliament; (ii) The Economic and Social Council (which is *yet to be set up*); (iii) The Community Court of Justice, which replaces the Community Tribunal in the initial Treaty; (iv) The Fund for Co-operation, Compensation and Development, established by the initial Treaty, but without the status of a Community Institution and which has now been raised here to that rank.

Moreover, in 2007, building on 32 years of the Community's existence, the Authority of Heads of State and Government decided to transform the Executive Secretariat into a **Commission**, with larger prerogatives and leeway for more active role in the integration process. In accordance with this structural change, the

Commission, headed by a President and assisted by a Vice-President, also comprises seven (7) Commissioners who head the seven Departments which correspond to the activity sectors of the Community. In 2013, the Commission was restructured, with the number of Commissioners increasing from 9 (including the President and the Vice-President) to 15; thus each Member State has one Commissioner.

From a legal point of view, progress will be considerable as ***community law becomes directly applicable in the territory of Member States***, in respect of the following Community Acts: (i) Supplementary Acts passed by the Authority of Heads of State and Government ; (ii) Regulations, Directives, Decisions and Recommendations passed by the Council of Ministers.

Today, ECOWAS is an international sub-regional organisation, which ranks among the most important ones in Africa, and which, other than its Commission composed of eight (8) Specialized Agencies. Originally established as an organization for purely economic cooperation, the Economic Community of West African States has transformed itself into a **real integration organization**, with what this entire concept entails from a legal perspective, notably the **partial abandonment of sovereignty**.

The various member countries of ECOWAS, through acts and decisions passed during ***Conferences of Heads of State and Government*** and at ***ministerial meetings***, have continually reaffirmed their attachment to deepening regional integration (see Table 2 below) and their total ownership of the regional integration project in West Africa.

However, this political will, though manifest, did not match the high expectations, thus reducing the effectiveness of the measures taken. Several examples can be cited to illustrate this: (i) delays in the ratification and implementation of Community instruments; (ii) Member States partial compliance with the rules established in the Protocol on the Community levy; this partial compliance is linked to practices border on the estimation, the collection and payment of the proceeds from the levy, which leads to accumulation of arrears by Member States vis-à-vis ECOWAS.

ECOWAS activities are monitored in countries through National Coordinating Committees and National Units, and sometimes by special representatives (appointed to countries in conflict and post-conflict situations, ECOWAS has chosen not to have Permanent Delegations in Member States). All these structures contribute to strengthening the sense of community in member countries. These units which play a crucial role in building a sense of community, within ECOWAS, often face several difficulties as observed during visits to countries.

ECOWAS will also gain by ***improving its website*** and enriching its content by posting a large amount of information on instruments, community budgets, policies and initiatives taken by ECOWAS. ECOWAS has been designed as a means of ensuring development through economic and social integration. In general, implementation levels widely differ from one domain of integration to another. ***Three classes*** may be defined for this purpose. ***The first class includes domains in which regional integration is particularly advanced***. This is notably the case with the ***free movement of persons*** and right of residence which, roughly speaking, works relatively well. The domain of ***peace and security*** can also be included in this class, although efforts are still needed to strengthen the operational and rapid response capacities of ECOWAS forces. It is the same for the supervision of ***electoral processes*** for which the credibility of ECOWAS is now without a shadow of a doubt. This set of domains that show good performances together constitute the ***strength of ECOWAS*** and deserve to be consolidated constantly, in a bid to avoid losing the gains made.

The second class includes domains in which real progress has been made in terms of the integration of policies of the Member States but where huge constraints remain on the ground as a result of practical realities, sometimes for reasons related to the lack of capacity or the behaviour of government employees. This class includes the domain of the ***free movement of goods, services and capital***. This class also includes the domain of

monetary union which, despite some progress in terms of institutional reforms, is still struggling to win the full support of member countries, which are unable to meet the convergence criteria considered as prerequisites for monetary unification. It also includes the domain of governance where ECOWAS has no genuine mechanism for monitoring the conduct of its members.

Lastly, the third class includes integration domains in which ECOWAS performs only marginally, mainly because of a lack of funding for ECOWAS programmes (case of the **Common Industrial Policy**) or of insufficient political will shown by the Member States (as in the **Mining Policy**).

Concerning the continental integration project, in its Revised Treaty of 1993 (Article 54), ECOWAS set out to achieve the status of an **Economic Union** within a period of fifteen (15) years from the start of the trade liberalization scheme in January 1990, that is by 2005 and twelve (12) years ahead of the target date set by the Abuja Treaty, which is in 2017. In Article 55 of the Revised Treaty, ECOWAS goes further by aspiring to establish an **Economic and Monetary Union**, thus in 2010, in other words, eighteen (18) ahead of the establishment of the African currency (scheduled in 2028).

Indeed, the policies of ECOWAS have inspired many programmes of the African Union.

With regard to **trade liberalization**, ECOWAS witnessed a ten year delay at the regional level in achieving its planned Customs Union, whose initial target date was set for 2005 and is now targeted to start in 2015. The Regional Community thus fulfills the continental objectives of setting up a Customs Union in the RECs latest in 2017.

The same ten-year delay has been recorded in the ECOWAS plan to achieve an **Economic and Monetary Union**, endowed with a single currency and a single Central Bank. The target date of 2010 has thus been pushed to 2020. But, at present, nothing guarantees that this objective can be achieved, given the difficulties encountered in the implementation of the Community convergence programme and the obstacles to real ownership at the political level.

Concerning the **free movement of persons**, ECOWAS, is well ahead of all the other regions and the system works relatively well, although there some implementation difficulties observed sometimes.

Concerning **sectoral policies**, ECOWAS has established Community policies in all sectors mentioned in the Revised Treaty of 1993. However, their real impact on the field is still mixed.

Critical challenges of ECOWAS

Since its inception in 1975, ECOWAS has made several achievements in the various fields of integration identified in the initial Treaty as well as the revised Treaty. At the same time, it has faced a number of constraints, which constitute challenges to be met, and which have hampered the implementation of common sectoral policies and programmes:

- **The challenge of Community discipline in the Member States;**
- **The challenge of creating value and ensuring effectiveness in ECOWAS programmes;**
- **The challenge of good coordination between ECOWAS and sub-regional IGOs;**
- **The challenge of Community project ownership by the populations ;**
- **The challenge of successfully integrating ECOWAS into the global continental integration project.**

On its ability to address these challenges depends the evolution of the Community project in West Africa and the transformation of ECOWAS into a successful integration model in Africa.

Vision 2020 of ECOWAS

The Conference of Heads of State and Government, in June 2007 in Abuja (Nigeria), adopted **Vision 2020**, which aims by 2020, to make the ECOWAS space *“a borderless, peaceful, prosperous and cohesive region, built on good governance, and where people have the capacity to access and harness its enormous resources, through the creation of opportunities for sustainable development and environmental preservation”*.

The objective is also to convert ECOWAS from an “ECOWAS of States” to an “**ECOWAS of Peoples**” in which the people will be involved in the regional integration process so that they can own it, will be at the centre of regional policy concerns, and will be the ultimate beneficiaries.

To achieve this Vision, the ECOWAS Commission developed the *Regional Strategic Plan* (2011-2015) whose implementation is yet to be evaluated and which will soon be replaced by a *Regional Strategic Framework* that will seek to integrate the various programmes of institutions and agencies in the Region.

In parallel, the ECOWAS Commission has, in a participatory process, prepared a *Community Development Programme* which was adopted by the ECOWAS Heads of State and Government in July 2014 in Accra, Ghana. This programme sets forth the Region’s medium and long term development agenda through the definition of a compact of priority projects and programmes to be implemented. The challenge remains that of mobilising resources for implementing activities and the investments planned in the CDP.

Vision 2020 should be revised for several reasons. First, the 2020 time horizon is too close to permit the attainment of the set goal. It would thus be more reasonable to select a longer time horizon, such as year 2025, which coincides with the fiftieth anniversary of the establishment of ECOWAS.

Then, the ECOWAS Vision should, ideally, take into account the time horizon selected at the continental level, both in its formulation (which should clearly mention the construction of the African Union) and in its programmes which should be aligned with the major orientations fixed at the African level, in the various domains. In fact, the African Union has undertaken the development of “*Agenda 2063*” which is supported by the AU vision of “An integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force on the global arena” and that draws on lessons of past efforts such as the Lagos Plan of Action, the Abuja Treaty and NEPAD to meet new challenges on the continent, in the short, medium and long terms. Furthermore, the African Union has set, in its *strategic documents* (Vision, Mission, and strategic plans), several principles and flagship programmes that Member States should incorporate into their domestic policies. Africa has also defined its own common *Position on the Post-2015 Development Agenda* and promotes it within the context of the on-going negotiations on this theme. All these orientations should be taken into account in the Vision, policies and programmes of ECOWAS.

Conclusion

This study sought to assess the progress made by ECOWAS on the path to regional integration. The analysis of the institutional organization and sectoral policies of ECOWAS has shown that this Community, in general, is a model of advanced integration in the broader context of the African Union, in the same manner as SADC in southern Africa.

In forty years, it has built a solid *institutional architecture* which makes it a globally recognized organization. It also strove to adopt protocols and to define policies and programmes covering almost all areas of integration identified in the initial Treaty and later in the revised Treaty of ECOWAS.

In terms of real impact, *the performances of ECOWAS, since its establishment, may be deemed to be largely average at this stage.*

Truly, ECOWAS has potential to go faster in the integration of its Member States, because of the several experiences in grouping countries which continue to prevail within it; each of these experiences, even as it presents a challenge in terms of harmonisation with ECOWAS, constitutes a testing ground which the extended regional community could draw lessons from to make progress in the construction of the unification of its Member States. This is particularly the case of WAEMU whose membership comprises eight of the fifteen ECOWAS countries and whose pooling of interventions or even gradual fusion with ECOWAS, and not disappearance, will enable it to preserve its achievements, while promoting their ownership by ECOWAS.

Today, ECOWAS must take another step in developing its operational capabilities and generating tangible impacts on Member States and the Community citizens. Consequently, it would fully meet the targets set in the Constitutive Treaty and celebrate its fiftieth anniversary, in 2025, by becoming a successful model of Regional Economic Community in Africa.

In that respect, several recommendations have been made in this report.

INTRODUCTION:

ECOWAS is the main regional economic community in West Africa wherein the continental integration process, as advocated by the African Union, should take shape. All fifteen (15) countries of the sub-region are members there of. The objectives of ECOWAS are to promote cooperation and integration in the economic, social and cultural domains. This is a process which should ultimately lead to an economic and monetary union, through a full integration of the national economies of its Member states, enhanced living standards and greater economic stability. ECOWAS is still at the stage of a free trade area, on the strength of its trade liberalization scheme, and should soon become a customs union.

In view of the celebration of the fortieth anniversary of ECOWAS in 2015, the Sub-Regional Office for West Africa of the Economic Commission for Africa, working within the scope of its 2014-2015 biennial programme, decided to carry out a critical study on the status of regional integration within this sub-region. This study should bring out relevant recommendations to help achieve greater efficiency in the march towards regional integration, as well as contribute to continental integration, as advocated by the African Union (AU).

The main objective of the study is therefore to contribute to improving and to accelerating the regional integration process within the ECOWAS sub-region.

Its specific objectives include: (i) assessing the status of the efforts towards integration efforts made since the establishment of ECOWAS in 1975; (ii) fostering a better understanding of the regional integration process within the ECOWAS sub-region; (iii) identifying the problems and challenges faced by countries and various stakeholders in their march towards sub-regional integration; and (iv) proposing possible solutions to identified problems so as to accelerate the sub-regional integration process.

The study design is based on: (i) a document review and interviews conducted at the ECOWAS Commission and at head offices of inter-governmental organizations in the zone (WAEMU Commission, Secretariat headquarters of the Mano River Union) and of specialized institutions (WAMA, WAMZ); (ii) visits to ECOWAS member countries; (iii) an analysis of the policies and actions initiated by ECOWAS and the real impact of these actions.

The study is in seven parts. The first presents the theoretical underpinnings and practical reasons for the integration process for countries of West Africa. The second describes the establishment of ECOWAS and its subsequent development. The third reviews the major common sectoral policies. The relevance of the selected macroeconomic harmonization measures and convergence criteria is also discussed. The fourth part assesses ECOWAS sectoral policies on the advancement of regional integration and on the economic and social development of Member States. The fifth part examines the various steps of the sub-regional integration process and their contribution to continental integration. The approach to designing a Composite Regional Integration Index (CRII) is equally presented, as well as preliminary empirical results. The sixth part analyses the critical challenges faced by ECOWAS. The seventh part considers the pertinence of the prospect of transforming ECOWAS into a confederate organisation. Lastly, the study concludes with recommendations for achieving greater efficiency in the march towards regional integration and for a contribution by ECOWAS to continental integration as advocated by the African Union (seventh part).

I. RATIONALE FOR REGIONAL INTEGRATION IN WEST AFRICA:

Achieving the objective of integration in West Africa can be seen as a legitimate and natural process. This can be justified by theoretical and practical reasons.

1. THEORETICAL REASONS:

1.1. Overview of regional integration:

In a context of increased globalization, integration remains a powerful means for economic and social development, especially for low-income countries.

One of the most compelling justifications for regional integration in the continent is a key desire for greater economic independence and development.

The classical theory¹ of regional integration points out that integration can take many different forms, depending on the degree of political and economic commitment of the member countries. The arrangements, which are to be made, can range from a simple operation consisting of a reduction of customs duties to a more ambitious form of economic integration, with provisions for a common monetary and fiscal policy. The theory thus lays out a menu of options on integration, in which regional integration deepens as restrictions on trade and investment diminish (see Table 2 below).

Hungarian economist, B. Balassa (1961), identifies five different meanings or degrees, ranging from the lowest to the highest: free trade area, customs union, common market, economic union, total economic integration. This last degree, or final phase, of the process requires the creation of a common entity which will make decisions on several domains, mainly in the economic, political and social domains, on behalf of the group and in compliance with modalities agreed upon beforehand.

Total economic integration is therefore the outcome of a process for unifying economic policies between the various States, which necessarily entails establishing a monetary union between member countries, complete removal of obstacles to cross-border economic activities relating to trade, free movement of labour and services, as well as of capital.

In practice, the monetary union (characterized notably by the institution of a single currency) may be established before the advent of an economic union (symbolized by a common market and the harmonisation of economic and sectoral policies of member countries). This trend was first experienced in the West African Economic and Monetary Union (WAEMU) which, certainly on the basis of special and historical considerations, started by instituting a common central bank and currency before engaging in the process of economic unification, as from 1994. The European Union chose the reverse process; with the common market having preceded the institution of the Euro and the European Central Bank in 1999.

¹See, for example, Balassa (1962, 1965), Meade (1955), Baldwin and Venables (1995) and Lipsey (1957).

Moreover, the convergence of the economic and sectoral policies of member countries of an economic union can only be achieved within the context of a process which requires time for attaining set objectives; since the States usually embark on the process from very different starting points.

The explanatory reasons behind the establishment of large regional blocs - and therefore behind integration - are essentially economic in nature. Since the time of pioneer authors, A. Smith (1776) and D. Ricardo (1748), international trade has been considered as a source of specialization for countries and a means for increasing the size of their markets. In this context, contemporary authors, like P. Krugman (1979), have shown, through theoretical models of monopolistic competition, that consumers benefit from a wider variety of goods and services at lower prices as a result of international trade. On the other hand, regional integration is an effective means for substantially increasing trade within a group of countries.

For a small country, regional integration gives it access the international market, by achieving a critical mass, and presents it preferential opportunities in the major member countries. On the other hand, integration enables the major countries to establish preferential markets in the integrated regional space.

Table 2: Characteristics of regional integration

Type of arrangement	Free trade among members	Common Trade policy	Free factor mobility	Common monetary and fiscal policies	One government
Preferential trade area	No	No	No	No	No
Free trade area	Yes	No	No	No	No
Customs union	Yes	Yes	No	No	No
Common market	Yes	Yes	Yes	No	No
Economic union	Yes	Yes	Yes	Yes	No
Political union	Yes	Yes	Yes	Yes	Yes

Source : ECA, 2004

The growing enthusiasm for most of Africa's regional trade agreements stems from the underlying principles of the traditional trade theory which postulates that liberalizing trade and investment between two or more countries generally has positive welfare effects for the countries concerned and leads to economic growth and poverty reduction, as articulated in the fourth edition of *Assessing Regional Integration in Africa* (ECA, 2010).

The theory on Free Trade Areas (FTAs) is deeply rooted in the theory on customs unions, and can be defined as a process to reduce or abolish tariff and non-tariff restrictions to trade in goods and services among a group of countries in a given geographical area.

The theoretical literature shows a wide consensus that most important benefits derived from integration are heavily anchored in the expected gains expected from an expanded market. Indeed, the expansion of the market is in itself a factor of competitiveness, thus for increase in international trade.

It produces two main effects (A. Young, 1928): (i) an increase in productivity gains associated with the growing mechanization that accompanies the increase in production and with the phenomenon of learning (*learning by doing*); (ii) a differentiation and increasing specialization of sectors.

In case of free and unrestricted movement of goods and persons, investment is expected to more readily meet the requirements of market demand and supply in the FTA, which leads to a more efficient resource allocation.

But to reap the potential benefits of integration, Member States have to meet certain conditions: a stable and predictable business environment, elimination of restrictions on competition among firms within the region, and implementation of trade facilitation measures which reduce barriers to trade, notably non-tariff barriers (NTBs). In addition, measures to protect foreign direct investment (FDI), through broader property rights and special regional arbitration courts, would be incentives for investors.

According to Velde and Meyn (2008), the benefits drawn from a successful integration can be considered as a “cost of non-integration” for regions which have not yet completed their integration process. A recent study by FERDI (2012)² has shown that the gains expected from a significant strengthening of regional integration in African countries are estimated at a minimum 2 – 3 per cent additional growth annually. This thus constitutes the cost of non-integration for the sub-regional economies, considering that the regional integration process is far from complete.

However, successful integration requires preconditions regarding the behaviour of Member States and their relations. The present world economic setting, which is characterized by globalization of national economies, requires States to work together to ensure the effectiveness of their policies. Cooperation and policy coordination therefore become inevitable for member countries.

Cooperation refers to joint action by member countries in order to find one or more solutions to a global problem. It often requires the establishment of specialized agencies for each type of problems. Economic policy coordination is justified by the need to avoid situations in which a policy implemented in a country is neutralized by another implemented in some other member country of the customs union or common market.

Under an FTA, countries gradually abolish custom duties and quantitative restrictions to ultimately establish the free movement of products from the area, but each nation keeps its own commercial policy vis-à-vis third countries.

²Fondation pour les Etudes et Recherches sur le Développement International (FERDI, 2012) : «Evaluation des gains attendus de l'intégration économique régionale dans les pays africains de la Zone franc »

The customs union is characterized by a common trade policy (establishment of a common customs tariff or of a CET). Lastly, regarding the economic union, the harmonization and convergence of member countries' economies are indispensable for the expected gains to become the order of the day.

In fact, completing an economic integration process requires attaining specific objectives in the following areas: (i) integration of trade; (ii) monetary integration and unification of financial markets; (iii) coordination of macroeconomic and sectoral policies.

1.2. Static and dynamic effects of trade integration:

These effects were thoroughly reviewed in *Assessing Regional Integration in Africa V*, a report published in 2012 by the ECA (ECA 2012). This review is included below.

a) Static effects:

The phenomenon of regional integration - FTAs in particular – has posed serious analytical challenges for trade theorists mainly because regional integration schemes conceptually combine elements of both free trade (within the union) and protectionism (against non-members). Of course, while the trade liberalization aspect of regional integration is consistent with the neoclassical perception of a welfare-enhancing trade policy regime, the discriminatory aspect of the arrangement is potentially detrimental to attaining both regional and global welfare.

In 1950, Viner highlighted the ambivalence of the static effects of free trade on welfare. To this end, he opposes the creation of trade - which is the gains in welfare from free trade - trade diversion - responsible for loss of welfare. Viner's reflections are then enriched by the works of authors such as W.M. Corden (1974), R. E. Baldwin (1985), H. Flam (1992) and J. Bhagwati (1988 and 1993).

According to the Viner model, static effects of integration result from a one-time reallocation of economic factors of production and natural resources and entail negative and positive impacts on welfare. The model provides a tool for analysing the welfare effects of FTAs by introducing the concepts of trade creation and trade diversion. The extent to which changes in welfare occur depends greatly on the predominance of one of these effects.

Trade creation is the increased level of trade that results from the abolition of trade barriers within the FTA. According to the assumptions of trade creation, the pattern of trade heavily reflects the differences in comparative advantage among member countries.

Trade is said to have been created when countries give up on the production of goods and services that they produce less efficiently in exchange for the same goods and services produced more efficiently by a partner country. Thus regional welfare is said to have been enhanced when the changes introduced by the FTA produce a shift in consumption from a higher-cost domestic product to a lower-cost partner-country product.

Robson (1984) states that trade is more likely to be created when the economic area of integration and the number of member countries is large; tariff and non-tariff barriers (NTBs) have been reduced or eliminated as a result of the FTA; and the economies of the integrated countries are competitive, having comparable levels of

development and a complementary resources base. Hence, there is a need for economic convergence for countries which seek to form a unified economic space.

The trade diversion effect, in contrast, is seen as a cost to the region and the world at large. Trade is said to have been diverted when, as a result of excessive protectionist measures (including non-tariff barriers), the shift in consumption is more in favour of higher-cost products and service from the region than lower-cost product and services produced by countries outside the region. Thus trade diversion could produce an uncompetitive environment, inefficiency and loss of consumer surplus.

Although it is generally accepted as a theoretical fact that trade creation and trade diversion are potential outcomes of preferential trading systems and that they tend to move economic welfare in opposite directions (Viner 1950), the net effect of the two phenomena is an empirical issue.

Several studies have shown that the record of the formation of the European Economic Community (EEC) customs union is rather mixed. For Robson (1984), the trade outweighs trade diversion, with respect to manufactured goods. It seems, he says, that the formation of the EEC has led to the creation of non-negligible external trade. He wrote, “from these two points of view, we can consider that the creation of the EEC has had favourable effects on the efficiency of resource allocation on a global scale”. However, Pomfret (1988) denies the existence of a lower index on the “creation of external trade”.

In addition, a study by the World Bank (1996), mentioned by P. Krugman (2003), indicated that the net effects of the South American FTA – the Mercosur - were negative, despite the tripling of the value of trade between the member countries - Argentina, Brazil, Uruguay and Paraguay. The constitution of this FTA has created a situation of trade diversion, very detrimental to consumers in particular.

b) Dynamic effects:

Apart from these static effects, several authors have emphasized the dynamic effects of trade integration resulting from the effects of productivity (Neary, 2001). The new theory thus highlights the impacts of long-term productivity on trade (Grossman and Helpman, 1991) that occur through the imports and exports (Coe and Helpman, 1995; Coe, Helpman and Hoffmeister, 1997).

Dynamic effects also occur through extraregional foreign direct investment (FDI) flows. It is therefore in the long term that dynamic gains, resulting from FTAs, are achieved. These effects often result from economies of scale (due to an expanded market), efficiency gains (due to the competitive environment and transfer of technology), increased inward FDI flows, and removal of contingent protection and trade barriers.

The most significant economic gains can be realized from the decline in unit costs due to the economic cooperation and coordination of policies (De Melo, Panagariya and Rodrik, 1993), including the unit costs for region-wide transport and communications. For the ECC, Bayoumi and Eichengreen (1995) indicated that bilateral investment flows within the FTA showed a very substantial increase.

In their specific case, the countries of West African can achieve dynamic gains of regional integration in four main areas:

- a. **The enlarged regional markets provide incentives for FDI, as well as private cross-border investment.** Appropriate trade and macro-economic policy regimes can encourage businesses to set up optimum-sized industrial and service projects, which were formerly held back by the small size of national markets. Most African economies are too small to launch viable steel projects, for example, yet this industry's pivotal role for developing countries to industrialize is widely recognized. The combination of a stable investment climate, development of transport and communications infrastructure as well as sound regional economic policy could provide incentives for large investments in the manufacturing and service projects that require economies of scale.
- b. **Regional integration is likely to improve efficiency as a result of competitive pressures among rival firms.** Monopolies and oligopolistic market structures are major impediments to efficient production in most (West) African countries. Inefficient national enterprises (including government monopolies) often keep reaping abnormal profits either because laws protect them or because industry offers no credible rivals. Adopting and enforcing regional competition rules throughout the free trade area (FTA) is likely to enhance (or spawn) the free competition needed for an efficient industrial structure.
- c. **Potential terms-of-trade effects of possible trade diversion from a regional FTA may lead to welfare improvements in that REC.** This is because an increase in the relative price of exportables can expand that sector, stimulating further investment and so raising output and employment.
- d. **As the production structures diversify from primary products, West Africa's long dependence on developed market economies for manufactures should weaken.** The existing structure of commodity specialization in (West) Africa has placed the region at a long-term disadvantage not only seen in terms-of-trade losses but also in loss of self-esteem and growth. One of the potential dynamic effects of FTAs in West Africa is that they can provide a better environment for industrial diversification and regional complementarity than when each country goes its own way.

However, steps to remove tariffs will only secure gains in these four areas if other policy measures accompany them, such as the reducing non-tariff barriers stemming from weak infrastructure, lengthy border procedures, duplicated procedures and corruption. **Regional efforts at upgrading infrastructure and reducing non-tariff barriers are therefore fundamental to successful integration.**

ECA (2004) mentions other benefits of regional integration:

- **Mechanisms to ensure compliance with the commitments made.** Regional integration can thus give more credibility to the Member States' economic and political reforms and ensure their continuity, as these mechanisms play a moderating role and provide a framework for the coordination of policies and regulations (Fernandez and Portes 1998; World Bank 2000);
- The **strengthening of economic bargaining power** on the international scene, especially for small countries, provided they negotiate as a group;
- The **cooperation and pooling of resources** (rivers, roads and railways, power supply systems) enable to promote the regional public goods and to fight against regional public bads (pollution or lack of transport, for example) ;
- **Conflict risk reducing**, by building trust and facilitating cooperation on security issues;

- **The acceleration of economic growth and development**, under the combined effects of technological progress made possible by trade, stabilizing the global business environment (thanks to the establishment of macroeconomic convergence criteria and the modernization of legislative and regulatory frameworks).

1.3. Potential benefits from sectoral policy coordination:

Through the game theory, economic analysis has shown that agents in situations of strategic interaction and with the same objective have an interest in coordinating their actions to achieve a satisfactory and mutually beneficial result. Coordination is therefore a need for countries belonging to the same area of integration. In addition, countries can benefit from best practices and avoid duplication of programmes.

In particular, special attention should be given to cooperation in infrastructure, agriculture and food security, research and development (R & D) and health.

The intra-regional infrastructure projects enable to benefit from economies of scale, and therefore, to reduce transport costs (World Bank, 2008). The harmonization of infrastructure policies can also increase the confidence of investors and trading partners. Beyond road and communication infrastructure, the focus should be on energy, especially the development of the regional power supply system and an optimal management of water resources.

The strengthening of cooperation in agriculture is proving to be an opportunity for the countries of West Africa to face food crises. Thus, it will enable the reduction of excessive taxation borne by the poorest consumers. Indeed, much of the informal trade put in place to exploit differences in prices between countries will become obsolete with the harmonization of agricultural and trade policies.

It has also been shown that integration is not detrimental to smallholder farmer food production. For Senegal, the analysis of Brüntrup (2006) concluded that increases in customs tariffs did not cause a rise in prices for farmers, but were absorbed into the profits of traders and parastatal institutions. Therefore, the stimulation of intra-regional trade would not reduce prices for farmers, but would rather increase the demand for their products.

The coordination of R & D policies allows the private sector to have new capabilities in order to adapt to changes in the regional and international economic environment. The R & D at community level thus creates effects of scale resulting in increased competitiveness and innovation, and improving **human capital**. The strengthening of cooperation in R & D can thus help in several areas, including the fluidity of movements of goods and persons, consumer protection, food security, the provision of health care service and the protection of the environment.

Improving the **regional management of diseases and epidemics** is also an important challenge as it enables the generation of both additional investment and growth. Motus (2006) stated that the regional policy on migration and health should not only refer to the control of migrants' diseases, but rather to improve the physical, mental and social well-being of migrants. Given the fact that when migrants are healthy, this means a valuable source of production for the host country.

1.4. Advantages and key factors of success in currency and financial unification:

Currency and finance are essential components of the sub-regional integration process. Financial integration can help reduce costs and risks for banks and financial institutions while building stronger walls of defence against crises (Ferroni, 2001). It offers a better allocation of capital between investment opportunities and higher growth potential (Baele et al., 2004). The integration of stock exchanges would certainly help to overcome liquidity shortfalls due to the narrow bases of economies, and thus to increase the flow of intra-regional capital. However, we must recognize that financial integration is an ambitious project for the African region because it requires substantial institutional and financial costs. According to Irving (2005), the financial integration process must be conducted with a certain rate and pragmatically. He supported his remarks by stating that national financial markets must be developed before being integrated.

However, we must recognize that financial integration is an ambitious project for the African region because it requires substantial institutional and financial costs. According to Irving (2005), the financial integration process must be conducted with a certain rate and pragmatically. He supported his remarks by stating that national financial markets must be developed before being integrated.

The theory of optimal currency area developed by Mundell (1961), McKinnon (1963) and Kenen (1969), and later enriched by others, predicts all of these advantages, but the question that remains is related to the nature of countries which should form a monetary union.

In this case, the viability of an optimal currency area is mainly based on a number of factors: the flexibility of prices and wages; prior financial integration; an integration of production factor markets (labor, capital); integration of markets for goods and services; a coordination of fiscal, monetary and exchange rate policies at national level; similar inflation rates; the correlation of income; the predominance of symmetric shocks; the existence of adjustment mechanisms to address asymmetric shocks (implying a degree of fiscal federalism).

If these criteria are met by the member countries of the monetary area, it will not be necessary to perform nominal exchange rate adjustments within the area.

In short, economic integration is a concept which comprises several components, notably the trade, monetary and financial aspects. The theoretical foundations mentioned above justify the need for neighbouring countries, notably those in West Africa, to coordinate their policies in order to achieve satisfactory performance.

2. HISTORICAL AND PRACTICAL REASONS:

For historical and practical reasons, West Africa is an appropriate area for integration.

2.1. Historical Facts and geographical context:

A report published by the Network of West African NGO Platforms (REPAOC, *Manuel pédagogique sur l'intégration régionale à destination des acteurs non gouvernementaux*, April 2011) very well highlighted these historical facts. It showed that West Africa is made up of regional ethno settlement areas that political borders resulting from colonization have come to divide up in a totally artificial manner. Thus, West African people are

historically integrated and it is these states established by colonization that have set up obstacles to this integration.

Among the people of the West African region, there is indeed a level of trust generated by the existence of pre-colonial empires (Mali and Ghana), a Mandinka or Fula nation (Burkina Faso, Ivory Coast, Gambia, Guinea Bissau, Guinea, Mali, Nigeria, Senegal and Sierra Leone), a Hausa nation (Niger, Nigeria), an Akan nation (Benin, Côte d'Ivoire, Ghana, Togo) or Yoruba nation (Nigeria and Benin, but also Coast d'Ivoire, Ghana and Togo), etc.

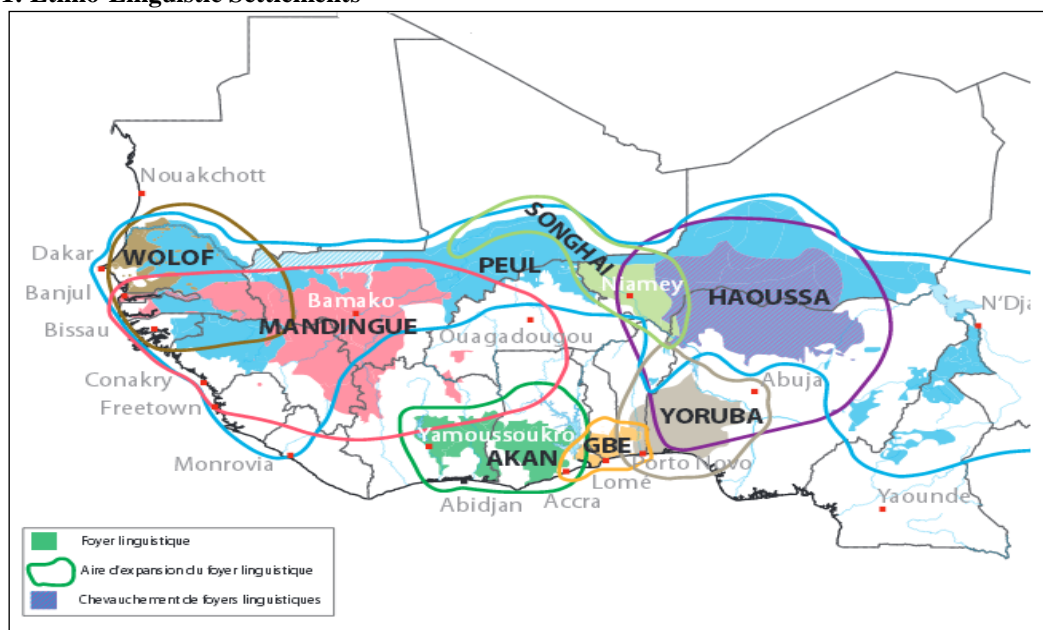
Mobility was rife in the life and history of the sub-region and this facilitated a cross-fertilization of ideas, thereby preparing them for integration naturally.

The same report observes that **political integration should create conditions for establishing harmony anew and for strengthening people-to-people exchanges in the region.** Several natural homogeneous spaces, river basins and production basins, which justify common policies, are today separated by borders.

Complementarities exist between various agro-climatic zones (Sahelian, sub-humid tropical and humid tropical zones) which cut across the entire region from East to West. These zones could be put to better use in order to enhance economic complementarities in the sub-region.

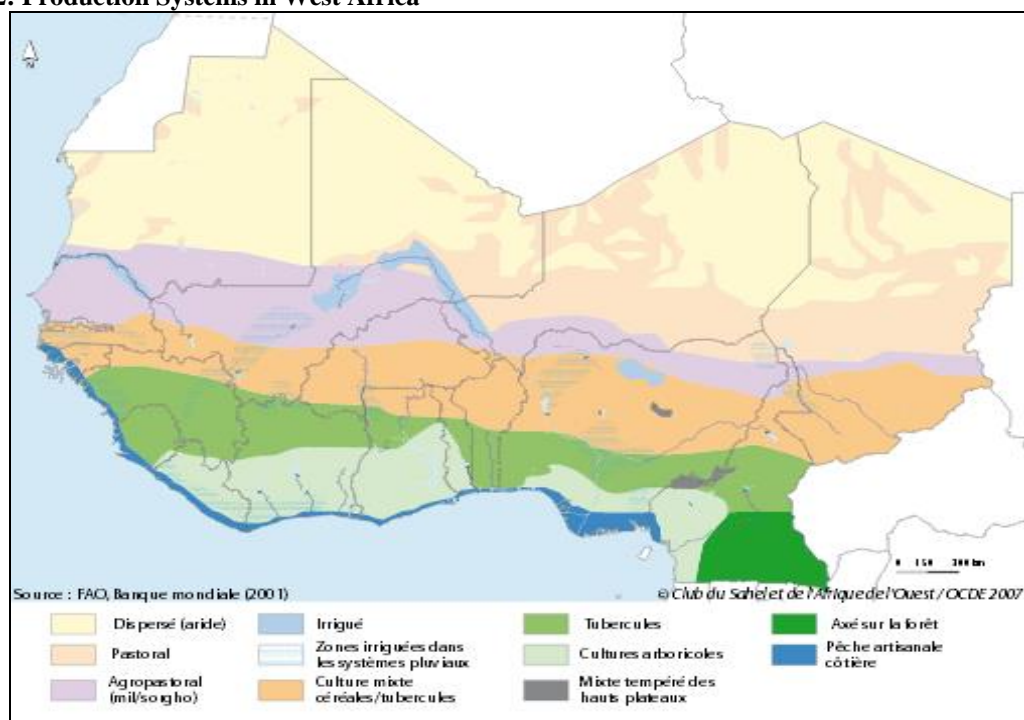
Access to the rest of the world by several Sahelian countries is largely dependent on access to the southern and western ports of the region, thereby buttressing the relevance of regional integration. Furthermore, demographic growth and the development of means of transportation have globally ended some kind of division which existed between the human settlements.

Chart 1: Ethno-Linguistic Settlements

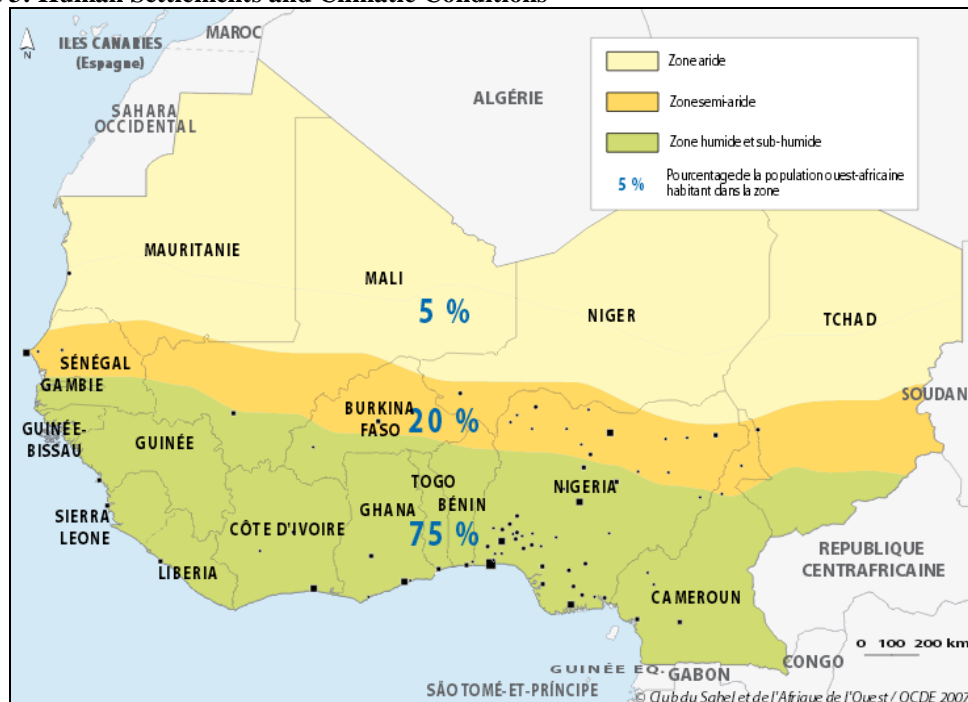


Source : Atlas of regional integration in West Africa, 2007

Chart 2: Production Systems in West Africa



Source : Sahel Club of West Africa/OECD, 2007

Chart 3: Human Settlements and Climatic Conditions

Source : Sahel club of West Africa/OECD, 2007

2.2. Cross-border Initiatives and activities:

The report published by REPAOC³ also identified several examples of cross-border initiatives and activities or of cross-border cooperation efforts in West Africa. Whether for economic, social or cultural ends, these activities are based on diverse elements that transcend political boundaries, such as: proximity of urban centres as in the Sikasso-Korhogo-Bobo area, language as in the case of cross-border network of community radio stations in Guinea Bissau, Senegal and The Gambia, or proximity of a market such as the "louma" of Diaobe in Senegal.

➤ Regional Dynamics in Sikasso-Korhogo-Bobo Dioulasso Zone:

Sikasso, Korhogo and Bobo Dioulasso constitute a triangular production zone, as well of population and commercial movements. These three towns are 400km away from major urban centres (Bamako, Bouake, and Ouagadougou) and have together developed trade synergies and evolved independently of the capital cities of their respective countries. These dynamics are facilitated by the cultural unit existing within this cross-border area: the voltaic, senoufo and Bobo area, with the longstanding presence, in trade and in power circles, of the dioula minority tribe (Mandingo group)⁴.

³ REPAOC, *Manuel pédagogique sur l'intégration régionale à destination des acteurs non gouvernementaux* (A Teacher's Guide on Regional Integration for Non-Government Actors), April 2011

⁴ SWAC, PDM, workshop to launch a pilot cross-border operation, Cross-border Initiatives Programme, ECOWAS, 2005, <http://www.afriquefrontieres.org/images/pdf/terrain/skbo/synthesesikasso.pdf>

➤ **The cross-border network of community radio stations in Guinea Bissau, Senegal and The Gambia - RETRARC GUISENGAMB:**

In 2006, with assistance from Enda Diapol, eleven radio stations in the Senegambia cross-border area came together to form the Cross-border Network of Community Radio Stations in Guinea Bissau, Senegal and The Gambia known (in French) as "RETRARC – GUISENGAMB". This network's objectives are to strengthen cultural and economic integration of the people, to support the cross-border community radio sector in its role to promote exchanges and solidarity between the people. This network enabled member radio stations to adopt common approaches to training, information and the programming of broadcasts.

➤ **Diaobe Market in Senegal's Kolda region: an element of regional integration:**

Cross-border exchanges, which are more visible in the "informal" sector, illustrate *"integration from the bottom up"*⁵. The weekly markets which draw traders from both sides of the border can prove this. An example that can be cited is the Diaobe "louma" (weekly market), situated in the Kolda region (South-East of Senegal) which brings together traders from Guinea Bissau, Guinea, Mali, The Gambia and Senegal. Such markets exist everywhere in West Africa. The role of these markets in the dynamics of integration can be clearly seen here. Box 1 below describes the main trade clusters and commercial routes in West Africa.

Box 1: Trade clusters and commercial routes

*According to a study by ENDA-CACID (2012), West African trade is organized around **five hubs** and **eight corridors**.*

Trade hubs

These hubs do not fit into the pattern of the economic integration in force in the region. They rather correspond to the way the commercial networks structure the regional market, to the extent of their capital, the specificity of what Bach calls "trans-state regionalism" or what IGUE and EGG consider as bottom-up integration process. The hubs are as follows:

- **The Western Cluster**, called extended Senegambia. This subspace polarized around Senegal includes, in addition, The Gambia, Guinea and Guinea Bissau, Mauritania and Western Mali. It is marked by trade in local rice, millet and sorghum for which Mali is the largest supplier.
- **The Central Cluster** led by Côte d'Ivoire and Ghana with their neighbours: Togo, Mali and Burkina-Faso. This subspace has the best equipment supporting regional trade, particularly the port infrastructures of Tema

⁵« Diplomatie non-gouvernementale au service de l'intégration régionale en Afrique de l'Ouest », Sodji, Valentin Quam, FONGTO, www.fongto.net

and Takoradi (Ghana), of Abidjan and San-Pedro (Côte d'Ivoire, and of Lome (Togo), together with the Abidjan-Niamey railway, which stops in Ouagadougou. Transactions involve both live animals supplied by Mali and Burkina-Faso, and manufactured goods from the industrial plants in Côte d'Ivoire.

- The **Eastern Cluster** polarized by the leading regional power, Nigeria. In addition to Nigeria, it includes Ghana, Niger and two other States of Central Africa: Cameroon and Chad. More than elsewhere, commercial transactions are distinguished by their magnitude and specificity, with stronger presence of informal channels.
- The **Southern Metropolitan area** including southern Nigeria, Benin, Togo, and Ghana, and which extends to Côte d'Ivoire and is called "shared prosperity zone". This area is home to nearly 50% of the population of the region is characterized by nearly 60% of the regional trade, which involves not only manufactured products from Nigeria and Côte d'Ivoire, but mostly imported goods from the rest of the world, including counterfeited goods. However, the exchanges are suffering from the inadequate and poor supporting infrastructure.
- The **Sahelian band** which stretches from Kano (Northern Nigeria) to Sikasso in Mali. This subspace is characterized by an intense circulation of dry cereals. It includes pockets of intense, live relationships (Kano-Katsina-Maradi) and (Sikasso-Bobo-Dioulasso-Korhogo).

The trade routes

The West African intra-community trade routes or corridors are mainly the result of the scheme established by the **économie de traite** (a form of barter trade). The routes used by the caravan trade, which had led to the emergence of prosperous stopover cities, have been replaced by North-South corridors for the export of raw materials from the northern regions and countries of the hinterland countries through ports of coastal countries. This plan has disorganized the West African trade space, and is a major cause of the low market integration of West Africa. The main corridors include:

- **Le corridor qui part du port Franc de Calabar à Lagos** en passant par ABBA, Port Harcourt, Bénin City,
- The Lagos-Badagri-Cotonou-Lome-Accra-Abidjan corridor,
- The **Lagos-Ibadan-Zaria-Kano** corridor which branches off towards Sokoto from Bida in central-western Nigeria and to Zaria and then Maradi, in southern Niger, going through Katsina; the second turn leads to Maiduguri from Kano,
 - The Cotonou-Malanville-Dosso-Niamey corridor with a branch towards Maradi and Zinder,
- Cotonou-Djougou-Porga- Fada Ngourma- Ouagadougou,
 - Lomé-Kara- Dapaong- Koupéla- Ouagadougou,
 - Accra-Kumassi-Tamalé-Bobo-Dioulasso-Ouagadougou,
- **Takoradi-Bobo-Dioulasso** and which extends to Abidjan-Bouake-Bobo-Dioulasso-Ouagadougou with an access road to Korhogo from Bouake leading to Bamako in the West,
 - Conakry-Kankan-Bamako,
 - The **trans-Saharan road**: Kano – Maradi – Niamey – Ouagadougou – Sikasso – Bamako – Dakar – Nouakchott.

Source: ENDA CACID, The Reality of Trade in West Africa, 2012 Annual report

3. HISTORY OF SUB-REGIONAL STRUCTURING INITIATIVES:

In West Africa, Presidents Kwame Nkrumah of Ghana and Ahmed Sekou Toure of the Republic of Guinea are among the first ones to have initiated a post-independence integration project, by signing, in April 1959, the "Declaration of Conakry", by which they committed their countries to consolidate the union that had been formed and simultaneously demonstrating their adherence to the cause of African unity. However, this union did not really materialize, owing to, among others, the difference in political vision of the two leaders and the economic structures of the two countries.

At the same time, four countries (Dahomey, Sudan, Upper Volta and Senegal) launched, earlier in January 1959, the Federation of Mali, which finally was composed of only Senegal and Sudan, and which broke up in 1960.

Moreover, Cote d'Ivoire, Dahomey, Upper Volta and Niger formed a **Conseil de l'entente** (Council of Accord) in 1959 and were joined in 1966 by Togo.

A West African Customs Union was also established in 1959, before becoming the Customs Union of West African States (UDEAO) in 1966, and later in 1972, it transformed into the Economic Community of West African (ECWA).

ECWA, whose treaty was signed on 17 April 1973 in Abidjan, was made up of six countries, which shared a common currency (CFA Franc) and language (French). These countries were: Cote d'Ivoire, Upper Volta, Mali, Mauritania, Niger and Senegal. The organization sought to establish a single economic and customs area, as well as to ensure close coordination of sectoral policies between the member countries.

The **Mano River Union (MRU)** was also established in 1973 by Liberia and Sierra Leone (Guinea and Cote d'Ivoire joined later on) with the goal of shared management of the Mano River and promotion of the economic development of member countries.

To crown it all, an Economic Community of West African States (**ECOWAS**) was established on 28 May 1975 by the Treaty signed in Lagos, Nigeria, which brought together 16 West African countries, irrespective of the official language of the countries or their colonial past. Mauritania later left the Organization, reducing the number of Member States to fifteen (15).

II. ESTABLISHMENT AND EVOLUTION OF ECOWAS:

In forty years, through successive reforms, ECOWAS has made great efforts to build a functional institution.

1. GOALS PURSUED BY ECOWAS FOUNDING FATHERS:

The Treaty to establish ECOWAS, which was signed on 28 May 1975 in Lagos, is composed of 14 chapters and 65 articles. It is founding in that it instituted ECOWAS: in the words of its preamble, in brief, the States parties "*Decide to create an Economic Community of West African States*" and in Article 1, paragraph 1, they "... *establish ... an Economic Community of West African States (ECOWAS) ...*"

The objectives assigned to the Community by this initial treaty (article 2) were, at the beginning, essentially economic: to promote co-operation and development in all fields of economic activity, accelerated and sustained economic development of Member States through effective economic cooperation and progressive integration of economies.

For the attainment of these objectives, article 2 established a customs union between Member States and instituted a common external tariff, with progressive reduction and ultimate elimination of import duties (article 13) and application of a community tariff treatment (article 15).

For purposes of economic integration in the sub-region, the initial treaty emphasized cooperation and policy harmonization in various domains:

- Industrial development (articles 28-32);
- Agriculture and natural resources (articles 33-35);
- Monetary and financial matters (articles 36-39);
- Infrastructural links and communications (articles 40-47);
- Energy and mineral resources (article 48);
- Social and cultural matters (article 49).

Moreover, under articles 50-53, it established a "*Fund for Co-operation, Compensation and Development*", whose resources shall be used, among others, to finance projects in Member States, provide compensation to Member States which have suffered losses arising out of the application of the provisions of the Treaty on the liberalisation of trade within the Community, and to guarantee foreign investments.

Over and above these economic objectives, the founding Treaty granted a fundamental freedom to citizens of Member States: *freedom of movement and residence* (Chapter IV, article 27). Citizens of Member States are considered as "*citizens of the Community*": they may, without a visa, travel from one country to another and stay therein without a residence permit.

2. MAJOR STEPS AND DECISIONS:

Several initiatives undertaken after the establishment of ECOWAS have helped to strengthen its institutional architecture and to deepen its common policies, thereby generating significant achievements in the sub-regional integration process. Nevertheless, structural constraints still hamper the implementation of community projects.

2.1. The Revised Treaty:

The revised Treaty, which was signed on 24 July 1993 in Cotonou, made quantitative and qualitative improvements on the founding Treaty: number of chapters and articles increased, and provisions were better stated and their content were enhanced; the provisions are more comprehensive and the duties of various institutions were more clearly defined.

The new text comprises 22 chapters and 93 articles. New chapters, which were absent in the initial Treaty, deal with the following specific matters:

- Definitions (Chapter 1): as is customary in present-day international treaties;
- Establishment of an Economic and Monetary Union (Chapter IX);
- Co-operation in Political, Security, Legal and Judicial Affairs (Chapter X);
- Situation of Land-locked and Island Member States (Chapter XIII);
- Sanctions applicable to Member States (Chapter XVI);
- Relations between the Community and Other Institutions: African Economic Communities, Regional Economic Communities, Third Countries and International Organisations (Chapters XVII, XVIII and XX);
- Relations between the Executive Secretariat and Specialized Institutions of the Community (Chapter XIX);
- Relations between Member States, Non-Member States, Regional Organisations and International Organisations (Chapter XXI).

The increase in volume of the Revised Treaty, its wider "scope" in comparison with the 1975 Treaty, its more comprehensive content and more diversified provisions, all reflect the strengthening of ECOWAS by Member States as these provisions expand its powers and duties, as well as increase its resources. That is why, unlike the initial 1975 Treaty, the 1993 Treaty goes well beyond economic matters, as shown by the new provisions mentioned above: establishing cooperation notably in the political and security domains, granting the Community powers to sanction, which demonstrates the desire to make ECOWAS an active player in international law in Africa and worldwide.

This "*new image*" of the Community given by the Revised Treaty and these new dimensions given to its action are noticeable right from the Preamble and are confirmed by the "*Aims and Objectives*" as well as the "*Fundamental Principles of the Community*", a completely new formulation, which is the subject of its Chapter II.

Thus, the Preamble asserts that the final goal of the Community is an “*Economic Union of West Africa*” and to this effect some *transfer of sovereignty* would be necessary “*to the Community within the context of a collective political will*”.

And article3 - clearly distinct from article 2 of the founding Treaty - states in plain language that “*the Community seeks to promote co-operation and integration, leading to the establishment of an economic union in West Africa...*”, before stating that the different stages thereof shall be the harmonization and co-ordination of national (economic) policies, the establishment of a common market and lastly, the creation of a monetary union.

More importantly, article 4 lists the functioning “*Fundamental Principles*” of the Community, which were surprisingly absent in the first Treaty. Among these principles are, other than the traditional principles of international law (equality of sovereign States, inter-state co-operation, non-aggression, peaceful settlement of disputes, etc.), some ***other principles that are specific to West African regionalism***:

- Maintenance of regional peace, stability and security;
- Respect, promotion and protection of human and people’s rights;
- Accountability, economic and social justice and popular participation in development;
- Promotion and consolidation of a democratic system of governance in each Member State.

These principles and the institutions emanating from them constitute, along with the Economic union, the major innovations of the Revised Treaty as compared to the founding Treaty. They also distinguish ECOWAS from the other Regional Economic Communities in Africa and elsewhere in the world, especially with regard to maintenance of peace and security, respect of human rights and promotion of democracy and rule of law.

Thus, the Revised Treaty truly emphasises the **principle of subsidiarity**, as demonstrated by the transfer of powers over some policies to the regional level so as to achieve greater efficiency.

To achieve these ambitious goals and enable ECOWAS to assume all its responsibilities, it is not surprising to observe that the institutional arrangements of the Community have evolved significantly from one treaty to the other. Thus, in addition to the Authority of Heads of State and Government, the Council of Ministers, the Executive Secretariat and Specialised Technical Commissions, institutions which already existed in the 1975 Treaty, four (4) new institutions were added in the 1993 Treaty, as follows:

- The Community Parliament;
- The Economic and Social Council (which is *yet to be set up*);
- The Community Court of Justice, which replaces the Community Tribunal in the initial Treaty;
- The Fund for Co-operation, Compensation and Development, established by the initial Treaty, but without the status of a Community Institution and which has now been raised here to that rank.

The **Parliament**, the representative organ of the citizens of the Community, has properly exercised its mandate during the three legislative terms, in accordance with the objectives of its Strategic Plan and within the scope of its two (2) ordinary sessions each year. It has, since its inception, carried out innumerable activities. In addition to its ordinary sessions which take place at the headquarters in Abuja and the meetings of its Standing Committees held outside the headquarters, Parliament was involved in various parliamentary meetings and

events at the international level: Assembly meetings of the Inter-Parliamentary Union (IPU), meetings of the Africa-Caribbean-Pacific/European Union (ACP/EU) Joint Parliamentary Assembly, sessions of the Commonwealth Parliamentary Association and the Parliamentary Assembly of La Francophonie, etc.

Since they are regularly informed about programmes for the development of the community by the Commission, the Parliamentarians are naturally concerned about the realization of various projects of the Community, notably with regard to peace, security, democracy and good governance. They contribute by exploring ways and means for their effective implementation through active collaboration between national parliaments and the Community Parliament.

Similarly, the Community Parliament engaged in the fight against terrorism, alongside the executive, in accordance with the ECOWAS Counter-Terrorism Strategy. It pays great attention to the various activity sectors of the Commission: air transport, healthcare, telecommunications, free movement of people and goods, fight against corruption, implementation of the single currency, export product standardization, greater involvement of civil society in the regional integration process, etc.

The anticipated adoption of the draft *Supplementary Act on the Enhancement of Parliament's Prerogatives* will certainly give the Community Parliament the opportunity to work more for regional integration in the ECOWAS space.

The **Court of Justice**, responsible for interpreting Community law, like the Parliament, has contributed significantly to the legal and judicial integration within the Community since its installation. In the light of the decisions taken by the national authorities of the Member States and the various court rulings on matters referred to it, the Court has emerged as the court of last resort, the only route to getting justice before an independent and impartial judge, the voice a credible and reliable legal system. In this regard, in the eyes of numerous citizens of ECOWAS, the Court of Justice appears in all respects as a court that abides by the law and protects fundamental rights, whether in private litigation or in disputes between rulers and subjects and precisely between Member States and some of their former leaders.

In a more technical manner, on various points of law, the Community Court of Justice has established a solid jurisprudence likely to inspire the highest courts of Member States and, in any case, very useful for various legal practitioners. It recently published a Court Report for 2011.

Under these circumstances and since its inception, it is not surprising that the Court of Justice, in discharging its duties, has carried out numerous judicial activities, be they hearings at the seat or outside thereof in the various Member States.

The Court of Justice, whose new members were sworn in last June 2014, maintains active cooperation ties with international organizations like the United Nations system and international NGOs.

This visibility should certainly be strengthened, in view of the remarkable work performed by this supreme court, which has become a reference on the continent, in exactly the same manner as the West African integration process.

With reference to **Technical Commissions**, there were four (4) in the 1975 Treaty and are now 8 (eight), as follows:

1. Food and Agriculture;
2. Industry, Science and Technology, and Energy;
3. Environment and Natural Resources;
4. Transport, Communications and Tourism;
5. Trade, Customs, Taxation, Statistics, Money and Payments;
6. Political, Judicial and Legal Affairs, Regional Security and Immigration;
7. Human Resources, Information, Social and Cultural Affairs; and
8. Administration and Finances.

All in all, with regard to Community Institutions and in comparison with the founding Treaty, the Revised Treaty increased their number. Furthermore, it has clarified and detailed their duties, and specified the modalities governing their sessions and meetings, especially concerning the Authority of Heads of State and Government, the Council of Ministers, the Executive Secretariat and the Technical Commissions. Lastly, it has specified the modalities for acts by these institutions: "*decisions*" for the Authority, "*regulations*" for the Council.

2.2. Subsequent institutional development:

It has witnessed various stages.

First in 2007, building on 32 years of the Community's existence, the Authority of Heads of State and Government decided to transform the Executive Secretariat into a **Commission**, with larger prerogatives and leeway for more active role in the integration process.

In accordance with this structural change, the Commission, headed by a President and assisted by a Vice-President, also comprises seven (7) Commissioners who head the seven Departments which correspond to the activity sectors of the Community, namely:

- Department of Administration and Finance;
- Department of Agriculture, Environment and Natural Resources;
- Department of Human Development and Gender;
- Department of Infrastructure;
- Macro-Economic Policy Department;
- Department of Political Affairs, Peace and Security;
- Department of Trade, Customs, Industries, Mines and Free Movement.

The major effect of this restructuring was the consolidation of the integration process which had already been started with the transfer of some powers to the Community as provided for by the Revised Treaty.

From a legal point of view, progress will be considerable as ***community law becomes directly applicable in the territory of Member States***, in respect of the following Community Acts:

- Supplementary Acts passed by the Authority of Heads of State and Government;
- Regulations, Directives, Decisions and Recommendations passed by the Council of Ministers.

Then, in 2013, the Commission was restructured, with the number of Commissioners increasing from 9 to 15, thus each Member State has one Commissioner. The sectors of activity of the Community were therefore

increased from 7 to 13 and are managed, like in the former structure, by Commissioners other than the President and the Vice-President of the Commission.

The sectors are as follows:

- Finance;
- Macro-Economic Policy and Economic Research;
- Trade, Custom and Free Movement;
- Agriculture, Environment and Water Resources;
- Infrastructure;
- Political Affairs, Peace and Security;
- Social Affairs and Gender;
- General Administration and Conference;
- Human Resources Management;
- Education, Science and Culture;
- Energy and Mines;
- Telecommunication and Information Technology;
- Industry and Private Sector Promotion.

The institutional evolution of ECOWAS did not only focus on the Commission, but also involved other Institutions, such as the Parliament, the Court of Justice and the ECOWAS Bank for Investment and Development. These are all operational (except for the Economic and Social Council) and, since their establishment, they have largely contributed to consolidating the integration process and the community spirit in their respective areas of action, and have worked with the other Institutions, for this genuine transformation of ECOWAS throughout these years.

2.3. Community building gains:

a. A well-established institutional structure:

The comparative study of the initial Treaty of 1975 and the Revised Treaty highlights the significant progress made in the 18 years following the establishment of ECOWAS. The institutional evolution which followed the institution of the Commission and the restructuring of Community Institutions have also contributed largely to build a solid ECOWAS that is able to handle the process of integration in the West African sub-region.

Today, ECOWAS is an international sub-regional organisation, which ranks among the most important ones in Africa, and which, other than its Commission composed of 15 members, who assumed office in February 2014, has eight (8) Specialized Agencies:

- West African Health Organization (WAHO);
- West African Monetary Agency (WAMA);
- West African Monetary Institute (WAMI);
- Inter-Governmental Action Group against Money Laundering in West Africa (GIABA);
- Water Resources Coordination Unit (WRCU);
- ECOWAS Gender Development Centre (EGDC);

- ECOWAS Brown Card;
- ECOWAS Youth and Sports Development Centre (EYSDC);
- ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE).

Originally established as an organization for purely economic cooperation, the Economic Community of West African States has transformed itself into a *real integration organization*, with what this entire concept entails from a legal perspective, notably the *partial abandonment of sovereignty*.

The major transformation of the Community stems from its taking charge of political and security questions. The Revised Treaty, by updating the founding Treaty, in a bid to "*adapt to the changes on the international scene*", as stated in its Preamble, is surely at the source of this transformation of ECOWAS, born out of the need recognized by Member States to "*establish Community Institutions*" vested with "*the relevant and adequate powers*" (Preamble of the Revised Treaty).

ECOWAS' achievements also result from subsequent texts of both the founding Treaty and the Revised Treaty, notably:

- The 1979 Protocol A/P1/5/79 relating to Free Movement of Persons, Residence and Establishment, signed in Dakar on 29 May 1979. Its chief merit is to allow free movement of the Community citizens from one State to another, simply with a valid travel document (identity card) and free of visa requirements for visits not exceeding 90 days.
- The various protocols relating to liberalization of internal trade, at the present time, make it possible for ECOWAS to become a Free Trade Area which will progressively become (as from 2015) a Customs union;
- Protocol A/P.1/12/99 relating to the Mechanism for Conflict Prevention, Management, Resolution, Peace-keeping and Security, signed in Lome on 10 December 1999, which enabled ECOWAS to send troops to several countries of the sub-region under the banner of ECOMOG;
- Protocol A/SP1/12/01 on Democracy and Good Governance Supplementary to the Protocol relating to the Mechanism for Conflict Prevention, Management, Resolution, Peace-keeping and Security, signed in Dakar on 21 December 2001, which has enabled ECOWAS to really deal with democratic governance issues in Member States.

The review of common policies, the subject of the next chapter, will highlight other major achievements at the sectoral level.

b. An authentic political commitment shown by the Member States but which needs strengthening:

The various member countries of ECOWAS, through acts and decisions passed during *Conferences of Heads of State and Government* and at *ministerial meetings*, have continually reaffirmed their attachment to deepening regional integration (see Table 2 below) and their total ownership of the regional integration project in West Africa.

In addition, the ECOWAS Commission is continuing the process of consolidating synergies with the **Permanent Representatives of the Member States**. Thus, the first consultation meeting held for this purpose in March 2014, helped to define modalities for better coordination and greater involvement of Permanent Representatives in the Commission's activities. Several measures were later adopted at the 8th Joint Annual

Retreat in July 2014: (i) organisation of regular consultations between the Commission and the Permanent Representatives, (ii) strengthening the information exchange system and channels of communication between stakeholders, (iii) systematic interactions between National Units and the special Representations in the Member States where they exist.

This is source of the quality of the institutional structure and of the common policies which make ECOWAS an organisation that is fully recognized as a model organisation, in many respects, in Africa.

Table 3 : Non-attendance rates at Summit and Ministerial Meetings

Country	Number of meetings the country did not attend at the required level (out of a grand total global of 79 between 1977 and 2012)	Non-attendance rate (in %) between 1977 and 2012
Benin	1/79	1.3%
Burkina Faso	2/79	2.5%
Cabo Verde	9/79	11.4%
Côte d'Ivoire	2/79	2.5%
Gambia	3/79	3.8%
Ghana	4/79	5.1%
Guinea	7/79	8.9%
Guinea Bissau	24/79	30.4%
Liberia	11/79	13.9%
Mali	1/79	1.3%
Niger	5/79	6.3%
Nigeria	1/79	1.3%
Senegal	2/79	2.3%
Sierra Leone	3/79	3.8%
Togo	1/79	1.3%
Average for ECOWAS		6.4%

Source: Computed by the Authors based on documents from ECOWAS Commission Archives

NB : non-attendance may also result from the country's suspension from ECOWAS Organs, following a coup d'état in the said country.

However, this political will, albeit evident, should be strengthened with a view to enhancing the effectiveness of the measures implemented. Several examples can be cited in this regard:

(i) *Concerning ratification and implementation of community instruments:*

Long delays have often been observed in ratifying and implementing texts adopted by ECOWAS. As at 15 November 2013, according to an official report of the ECOWAS Commission⁶, five (5) texts had still not entered into force and eleven (11) others were only temporarily in force, that is sixteen (16) texts out of a total of fifty-four (54) adopted by ECOWAS, which are not implemented at the present time because they have not been ratified and/or domesticated by Member States. Consequently, the situation in Member States varies, with some being more prompt to ratify and implement these texts than others (see table 3 below). Burkina Faso stands out, as being the only country that has ratified all the protocols and conventions. This example should be emulated by the other countries. Guinea Bissau should equally be encouraged to ratify the ECOWAS Revised Treaty.

Table 4 : Status of ratification of protocols and conventions (as at 15 November 2013)

COUNTRY	Status of ratification of the ECOWAS Revised Treaty	Number of Protocols and Conventions ratified	Proportion of Protocols and Conventions ratified (in %)
Benin	Yes	38/51	75%
Burkina Faso	Yes	51/51	100%
Cabo Verde	Yes	24/50	47%
Côte d'Ivoire	Yes	31/51	61%
Gambia	Yes	42/51	82%
Ghana	Yes	43/51	84%
Guinea	Yes	39/51	76%
Guinea Bissau	No	24/51	47%
Liberia	Yes	25/51	49%
Mali	Yes	42/51	82%
Niger	Yes	43/51	84%
Nigeria	Yes	40/51	78%
Senegal	Yes	42/51	82%
Sierra Leone	Yes	42/51	82%
Togo	Yes	43/51	84%

Source: Computed by Authors, from documents in ECOWAS Commission Archives

(ii) *Concerning payment of the community levy*

The Protocol on Conditions Governing the Application of the Community Levy, adopted in 1996 by the Summit of Heads of State and Government to address the challenges of financing an ambitious regional integration agenda has become, over the years, a source pride for the Community and a point of reference and an example for other RECs. The income from the Community Levy is used today to finance more than ninety percent of the ECOWAS budget.

However, at the present time, no Member State has fully complied with the Protocol on the Community Levy. This partial compliance is linked to practices relating to the estimation, the collection and payment of the income

⁶ Status of Ratification of ECOWAS Treaties, Protocols and Conventions as at 15 November 2013, ECOWAS Commission, November 2013

from the levy, which has led to the accumulation of arrears by Member States vis-à-vis ECOWAS and to incomplete availability of financial resources for implementing Community programmes.

To enhance compliance, the ECOWAS Council of Ministers created the Community Levy Management Committee whose role is, among others, to produce regular reports on the implementation of the Protocol on the Community levy. Through its reports to the ECOWAS Administration and Finance Committee (AFC), the Management Committee has, consistently and regularly, drawn the Council's attention to the implementation status of the Protocol on the Community Levy. Unfortunately, this has had little impact on the compliance level. The Commission has, in addition, resorted to undertaking high-level missions and technical missions on the levy to the Member States, as a separate mechanism for dialogue on the challenges and issues observed as a result of non-compliance.

The report published, in this regard, by the ECOWAS Commission in November 2013⁷, reveals that, although Member States generally apply the community levy of 0.5% on the imports from third countries, several discrepancies have been observed within some States:

- Failure to apply the levy on some imports that are not exempt;
- No levy applied all goods, and no levy on petroleum products in particular;
- Inability to furnish ECOWAS with a reliable database which helps to assess the tax base of the levy;
- Failure by Member States to regularly pay to ECOWAS the amounts collected as community levy.

All in all, After verification by the Commission, which had conducted assignments to member countries in 2013, all member countries without exception had arrears of the community levy⁸, notably with levels of arrears of 44%, 0.3%, 3.4% and 11.5%, respectively, for the four major contributing countries which accounted for over three-quarters (76.36%) of the total funding available as at 30 June 2013.

As at 30 June 2013, the ECOWAS Commission estimated total arrears at 301,294,130 ECOWAS Units of Account; an amount which was equivalent to approximately 26% of the amounts owed by member countries and to almost two and a half times the budget of the Commission for 2013.

The situation of arrears accumulated by member countries is on-going, according to the ECOWAS Commission (Annual Report 2014). This led to the prioritization of ECOWAS programmes and, therefore, non-implementation of some major programmes, projects and activities. If this situation is not resolved very rapidly, at the technical and political levels, the operational efficiency of the Community institutions will be considerably reduced and the Community's ability to meet the urgent needs of Member States in the future will be seriously diminished.

In addition, the increase in the number of Commissioners from 9 (nine) to 15 (fifteen) in 2014 entailed an increase in administrative and programmes expenditure as the extraordinary commitment ordered by the Community weighed on the available resources.

⁷ Implementation Status of the Community Levy as at 30 June 2013, ECOWAS Commission, November 2013

⁸ Implementation Status of the Community Levy as at 30 June 2013, op cit

Thus, to deal with the resource constraint, the ECOWAS Commission will use external assistance to finance part of its programs (for almost 25% of programme costs, representing 16% of the Commission's overall budget in 2013).

Strengthening the share of necessary programs, estimated at nearly 64% on the 2013 budget of the Commission, could be done through the collection of Member States arrears.

In the medium and long term, ECOWAS should demonstrate a real ambition to develop programmes worthy of the name, which are able to influence development in the Member States, as the European Union is already doing with an overall budget of over 142 billion euros in 2014. For its part, the budget of the ECOWAS Commission was only 137 million units of accounts in 2013 (about 153 million euros⁹), or about 1000 times less than that of the EU Commission (928 times less).

But the GDP (Purchasing Power Parity) of Europe was at that time only 23 times that of ECOWAS (considered by the IMF as the 25th richest economy in the world). As a percentage of GDP of member countries, the European Commission therefore mobilized in 2013/2014 resources 40 times higher than those of the ECOWAS Commission.

The low level of ECOWAS resources explains why in 2013, it allocated only 5.7 million units of account to agricultural and rural development and only 336,363 units of account to scientific research (which is extremely low), while that its industrial policy was funded only in respect of the part relating to the quality and standardization, and that its infrastructure and energy programme did not even receive up to UA 20 million (approximately EUR 18,770,000). In addition, these programmes mainly cover costs of meetings and workshops, capacity building actions, recruitment of staff for conducting reform studies, or the publication of documents, and very rarely for physical investments in the regional field. Indeed, the high cost of these investments is, for now, out of reach of ECOWAS, which thus favours targeted subsidies to Member States emerging from conflict (see box 7 on the ECOWAS Energy Access Programme which Gambia, Mali and Sierra Leone have just benefitted from).

Today, a real opportunity exists for ECOWAS, with the envisaged increase in the rate of the Community Levy from 0.5% to 1% or 1.5% (and maintaining a system for sharing with the WAEMU Commission for the

⁹ The Exchange Rate of the West African Unit of Account (WAUA) was 1.11732 on 41 December 2013, according to WAMA (<http://www.amao-wama.org/en/exchange.aspx>)

countries it covers) to enable it to more than double the resources collected from the Member States and can thus significantly increase the amounts allocated to its programmes.

The adoption of the Community Development Programme, the recent establishment, within the ECOWAS Commission, of **Projects Preparation and Development Unit (PPDU)** and the operationalization of the **Fund for Development and Financing of ECOWAS Transport and Energy Sectors (FODETE-ECOWAS)**, in addition to the existence of EBID, all constitute other favourable factors which enable the launching, in collaboration with the private sector and Member States, of major projects in the region (high-speed trains, solar power plants that can supply several countries, trans-boundary highways, centres of excellence in research/development, etc.), which are partly financed by ECOWAS funds.

In the past, ECOWAS had been able to take bold initiatives to promote the establishment of important community development projects, which heavily involved the regional private sector. It has thus greatly supported the creation of Ecobank (now one of the jewels of the banking landscape in West Africa, see Box 3) and of Askya airlines.

Box 2: Instituting a Projects Preparation and Development Unit (PPDU) and operationalization of the Fund for Development and Financing of ECOWAS Transport and Energy Sectors (FODETE-ECOWAS)

*The **Preparation and Project Development Unit (PPDU)** was established following the Project Implementation Review of the NEPAD Infrastructure Short Term Action Plan (STAP) for development of the continent's infrastructure. ECOWAS, in collaboration with development partners, decided to create this unit in order to provide and accelerate the implementation of bankable regional projects that can attract public and private investment.*

The PPDU is responsible for the preparation and development of regional infrastructure projects, the promotion of public/private partnerships in the financing and management of investment projects, the development of feasibility studies (technical, economic, financial and social, environmental and impact studies, etc.), as well as for capacity building for the same structure in ECOWAS Member States, etc. Feasibility studies on priority projects were initiated in 2014. The contract amounts were negotiated with the selected consultants. It is planned that contracts will be signed and conduct of the studies start in the first quarter of 2015.

*Moreover, the **Fund for Development and Financing of ECOWAS Transport and Energy Sectors (FODETE-ECOWAS)**, created by the Heads of State and Government of ECOWAS, at the 37th Summit held on 22 June 2009 in Abuja, is being operationalized. It will be dedicated to financing regional infrastructure development in the transport and energy sectors and should be financed by a levy on key export resources in the region. Its institutional and legal structure has been defined as well as the financing requirements, eligibility criteria for project funding, and the financial resources available (up to \$300 million mobilized per year, based on the proposed levy regimes). The final study of the Fund will be submitted to the Summit of Heads of State and Government for approval.*

Source: ECOWAS Commission, 2014 Annual Report

Box 3: ECOBANK

Among the key factors that enabled the Ecobank concept to take shape are the role played by members of the Federation of West African Chambers of Commerce (FCCAO), the influence of ECOWAS and the availability of African capital in Nigeria

The idea of a private sector institution which will facilitate trade in the sub-region.

In 1979, the FWACC meeting in Monrovia resolved to extend membership to all ECOWAS States, thus drawing in Francophone States. Previously, FWACC had only linked the Chambers of Commerce of English-Speaking countries. Broad support was given to a project for setting up a private sector trade finance company for the region called Africa Holdings received broad support. Even so, it was not until 1982 that the regional private sector bank concept received serious consideration. An excerpt from the proposal for the feasibility study, which laid the template for the bank in 1983, gives an interesting insight into the gestation of Ecobank. It reads:

“The Ecobank concept is a novel one. International development banks exist in different parts of the world, but none of them is privately owned. Privately owned international commercial banks are not usually conceived with a regional development objective in mind and any developmental impact of the latter’s activities is incidental. An international, privately controlled commercial bank with a serious commitment to regional development would, therefore, be an innovative venture worthy of broad support.” Interestingly, other names such as the West African Bank of Commerce and Industry, and even Banque d’Accord, were suggested before the founders eventually settled on Ecobank. ECOWAS heads of government first received the Ecobank proposal for their consideration during the Conakry summit in 1983, but it was not until the Lomé summit in November 1984 that the leaders formally endorsed the setting up of Ecobank.

Emboldened by this support, Ecobank Transnational Incorporated (ETI) was constituted on 3rd October 1985 with an intended initial capital of US\$100 million. However, it would be another three years before the bank opened for business. The delay was partly due to the time it took to raise the \$30 million capital agreed as the threshold for its take off. A landmark date for Ecobank was 5th October 1985, when an agreement was reached with the Togolese government for the bank’s headquarters to be based in the country. Another notable milestone concerns the agreement signed in March 1986 with one of the world’s leading international banks, Citibank, to assist Ecobank, during the transitional period, with administration and training. This technical assistance agreement was to run for two years, from 1986 to 1988.

A decisive moment in the mobilisation of funds came with the commitment of \$5 million from the ECOWAS Fund. This was not only a major boost to the credibility of the bank, but also underlined the preparedness of major institutions in the region to support the creation of the bank.

Source: *The Ecobank Story, Ecobank Group, 2012*

c. A community spirit which deserves to be strengthened:

ECOWAS activities are monitored in countries through National Coordinating Committees and National Units, and sometimes by special representatives (appointed to countries in conflict and post-conflict situations¹⁰, ECOWAS has chosen not to have Permanent Delegations in Member States). All these structures contribute to strengthening the sense of community in member countries.

National Coordination Committees were set up by Decision A/DEC17/12/01 on the adoption of a multilateral surveillance mechanism.

¹⁰ As at December 2014, ECOWAS Special Representatives had been appointed to Cote d'Ivoire, Mali, Burkina Faso, Guinea, Guinea Bissau

National units (set up by ECOWAS Decision "C/REC.1/11/82") are hosted within various ministries, depending on the country: Ministry of Economy and/or Finance, Ministry of Commerce, Ministry of Foreign Affairs, and Ministry in charge of integration. A focal point is generally selected in each ministry which deals with matters of sub-regional integration.

These Units serve as channels for forwarding ECOWAS documents to ministries. In some countries, they also conduct Community sensitization and popularization activities, in compliance with ECOWAS directives, by organizing meetings and seminars with various stakeholders in regional integration (in nearly all countries), national tours or 'popular caravans' and awareness raising activities at borders (Liberia), activities in schools, radio programmes (Liberia), distribution of leaflets and popularization materials (Guinea), organization of national integration weeks (Benin which, for several years, has invited other countries to the event, and now Cabo Verde), publication of magazines dedicated solely to regional integration (Ghana), etc.

Units receive funds transferred by ECOWAS, which correspond to 4.5% of the levies paid by their respective countries.

ECOWAS adopted, at the 71st Ordinary Session of Council of Ministers, an Operational Manual for National Units to better guide their work. The Commission is making efforts to popularize it within Member States.

These Units, which play a crucial role in building a community spirit within ECOWAS, sometimes face several difficulties which authors of this study noticed during their visits to the countries:

- Inadequate quantitative and qualitative human resources assigned to Units;
- Delays in forwarding amounts of the levy allocated to them;
- Supplementary financial contributions from the States are often low;
- Absence, in some countries, real activities at local level; causing the amounts paid to them from the levy insufficient;
- Language issues, for Guinea Bissau and Cabo Verde, in attempting to use ECOWAS documents (usually written in French and English, but not in Portuguese).

In order to better popularize the Community, an *ECOWAS Volunteer Programme* was also set up in 2004, with the deployment, in 2011, of the first group of volunteers to Liberia, followed by those deployed to Guinea and Sierra Leone. The objective is to strengthen peace, national reconstruction and accelerate development in Member States. However, this programme lacks long-term financing.

ECOWAS also has a **Peace Fund**, which receives an annual allocation from the Community Levy. In 2014, it provided resources for the following activities: (i) *support to the preparation of the Forum on Education for the Culture of Peace through Inter-Religious Dialogue*, led by the Department of Education, Science and Culture; (ii) support to "The Psychological Dimension to Break the Cycle of Violence and Accelerate Regional Security and Development in West Africa"; (iii) the construction of a website for the Peace Fund that is functional and accessible at the following address: www.peacefund.ecowas.int; (iv) development of seven (7) projects depicting the ECOWAS rapid response to the political situation in seven Member States (Burkina Faso, Côte d'Ivoire, Guinea, Liberia, Niger, Nigeria, Togo). These projects were developed in collaboration with civil society organisations and the Offices of the Special Representatives of the President of the Commission.

ECOWAS has been making genuine efforts to support the work of the **West African Civil Society Forum (WACSOFF)** and its national platforms, to involve it in all of its activities and to consult it on all strategic documents to be adopted by Community bodies (most recently, the Community Development Programme, see Box 2 below).

Box 4: The Role of Civil Society Organisations in regional integration in West Africa

At the regional level, CSOs have groupings that include actors from several countries and who are involved in diverse areas of activity such as production, human development, peace and security, governance and democracy. Examples that can be cited in this regard are the Réseau des organisations paysannes et de producteurs agricoles en Afrique de l'Ouest (Network of Farmers' Organizations and Agricultural Producers in West Africa - ROPPA), the West African Women's Associations (WAWA), the Plateforme des organisations de la société civile de l'Afrique de l'Ouest sur l'Accord de Cotonou (Platform of West African Civil Society Organizations on the Cotonou Agreement - POSCAO-AC), the West African Bar Association (WABA), the West African Institute for Trade and Development (WAITAD) which acts in the field of trade, etc.

Alongside these networks and platforms, many other national and regional organisations also work to strengthen the regional integration process: the Réseau des Plateformes d'Organisations de l'Afrique de l'Ouest et du Centre (Network of Platforms of Organisations of West and Central Africa-REPAOC); Réseau des organisations de la société civile de l'Afrique francophone (Network of Civil Society Organisations in Francophone Africa - OSCAF), Réseau de Recherches Pour l'Appui au Développement en Afrique (Network for Research to Support Development in Africa- REPAD), Réseau des journalistes de l'Afrique de l'Ouest (Network of West African Journalists - RJAO) etc.

These regional networks have, in recent years, contributed significantly to the elaboration and implementation of several key integration instruments. This is the case, for example, of ROPPA which, over the years, has successfully established itself as a key player in regional agricultural issues. Its action was instrumental in the inclusion of the issue of food sovereignty in the ECOWAS agricultural policy (ECOWAP). Similarly, ROPPA and other active networks in trade and development, such as POSCAO-AC and WAWA, continue to play a key role in the major issues relating to the adoption of a common external tariff and EPAs.

Furthermore, it should be noted that CSOs in the region made a decisive contribution to the PCD formulation process, by raising awareness and promoting ownership of the programme and of the project proposals and programmes to be included in the PCD.

Source: Regional Document of ECOWAS Community Development Programme, Volume 1, ECOWAS Commission

The ECOWAS Commission is also working on an ECOWAS **radio and television programme** which will help the Community to extend the scope of its actions and draw it closer to the citizens, thus fostering their participation in the integration project. It will however be useful to **improve its website** and to enrich the content thereof with more information on its instruments, Community Budgets, as well as policies and initiatives taken by ECOWAS.

III. REVIEW OF MAJOR ECOWAS COMMON SECTORAL POLICIES:

The Economic Communities of West African States (ECOWAS) was founded in May 1975 as a regional group of countries in the area. It was conceived as a means to ensure development thanks to economic and social integration.

Specifically, the objectives of ECOWAS are to promote cooperation and integration into economic, social and cultural activities, with the ultimate aim to establish an economic and monetary union by fully integrating the economies of Member States, raise the living standards of its people, maintain and increase economic stability, strengthen relations among Member States and contribute to the progress and development of the African continent.

To achieve these goals, ECOWAS has, over the years, implemented several sectoral policies which cover almost all of the areas identified in the initial Treaty and the revised Treaty.

From an analysis of the various *annual reports* published by the ECOWAS Executive Secretariat and the Commission (for the years from 2000 to 2014) as well as the *technical papers* prepared by various Departments of the Commission, it was observed that there had been major achievements in several areas. We present these achievements below following the current structure of the departments at the ECOWAS Commission.

1. TRADE, CUSTOMS AND FREE MOVEMENT:

1.1. Free movement of persons:

Rules already adopted

The bedrock of regional integration process is the free movement of goods, people, capital and services. As such, the freedom of movement and residence was provided for by the initial Treaty (Chapter IV, Article 27) and strengthened by *Protocol/A/P1/5/59 on the free movement of persons*, the right of residence and establishment, signed in Dakar on 29 May 1979.

Several texts have been elaborated to strengthen this 1979 protocol:

- Protocol A/P3/5/82 to establish a Code of citizenship for the community signed in Cotonou on 29 May 1982.
- Additional Protocols A/SP2/7/85, A/SP1/6/89 and A/SP2/5/90 on the right of residence and establishment, signed respectively in Lome on 6 July 1985, in Ouagadougou on 30 June 1989 and in Banjul on 29 May 1990.

Recent reforms and remedial actions

- (i) *At the level of the legal arsenal:*

In July 2014, in Accra (Ghana), the Conference of Heads of State decided to revise all protocols on the freedom of movement. The new provisions in force are presented as follows:

- Adoption of a biometric identity card as travel document, in the place of the ECOWAS travel certificate which did not really work;
- Withdrawal of the resident card (freedom of establishment granted to community citizens);
- Free access to employment in Member States.

The signing of additional corresponding texts shall be done once the ministers in charge of internal security would have finished examining security-related implications.

Moreover, ECOWAS has set up a platform to harmonise immigration procedures and examine the introduction of applications for the ECOVISA (Schengen-type visa), which will eliminate the issuance of multiple-entry visas for third-country nationals to enter Member States, for tourism purposes or business trip in countries of the region. To achieve this objective, a technical committee of the heads of immigration services of the seven Member States was set up to oversee its implementation.

(ii) At the level of field practices and behaviour:

To enhance the implementation of the Protocol on freedom of movement, ECOWAS led awareness-raising efforts which resulted in stakeholders' support for the Protocol, and which had a positive impact on the right of citizens of the community to enter, reside, and settle in each Member State.

Moreover, the ECOWAS Commission established and implemented *steering units for control along borders*. With the aim of finding an adequate solution to the problem of harassment of travellers on the roads along the borders, the Commission is mobilising the Private Sector and Civil Society to involve them and enable them to take ownership of the implementation of the Protocol on the free movement of persons. Each unit therefore has civil society representatives, a judge, a member of parliament and a media representative.

Furthermore, after consultation with technical partners, the ECOWAS Commission has introduced the establishment of an *electronic registration system at the borders*, entry and exit points. This activity is planned to be carried out with the help of the new ECOWAS biometric identity card which should replace national identity cards.

The Authority of Heads of State and Government also adopted a decision which requires that *national committees* should be set up to monitor the implementation of ECOWAS decisions and protocols on the free movement of persons and vehicles.

1.2. Free movement of goods:

1.2.1. ECOWAS efforts to build a unified common market:

The establishment of a Free Trade Area (FTA), within the ECOWAS region, started in 1979 when the principle to fully dismantle tariff restrictions for local products, traditional works of art and finished goods was adopted. A ten-year period was then set for the removal of taxes and other duties on intra-community trade. Following a

period of lethargy, ECOWAS institutions decided to speed up the creation of a FTA, which according to legal instruments, should be in force from 1 January 2000. In January 2003, the ECOWAS summit then adopted a new trade liberalization scheme. It was recommended that States should apply all the arrangements of the new plan with the aim of strengthening the free trade area no later than 2004.

The creation of a FTA involves a **compensation** mechanism for the loss of revenue incurred by Member States due to the removal of tariffs on intra-community trade. The duration of the period for compensatory financial arrangements was set at 4 years from January 2004. The amounts to be subject to compensations depended on the loss of customs revenue incurred by a Member State following the importation of industrial products from approved origins. These amounts were calculated based on the following discount rates: (1) 100% of losses incurred in 2004; (2) 80% of losses incurred in 2005; (3) 60% of losses suffered in 2006; (4) 30% of losses suffered in 2007; and (5) 0% of depreciations suffered from January 2008.

The functioning of this mechanism was however limited given that the budget to finance compensations depended on the payment of Member States' contributions.

Goods subject to the trade liberalization scheme had to comply with the **rules of origin**, which defined products from the ECOWAS region as follows: (1) local products; (2) products originating in whole from Member States; (3) goods manufactured from substances, other than live animals born and raised in the country, used alone or in combination with other materials, provided that the proportion of their quantity is equal to or more than 60% of all raw materials used.

A procedure for the approval of original products enables the ECOWAS Executive Secretariat (currently the Commission) to distribute a list of products approved by Member States.

A certificate of origin for products originating in the Community attests the community origin of products. However, agricultural and livestock products and handicrafts are exempted. A procedure to regulate the settlement of disputes arising from the implementation of the liberalization plan is in place. In the event of a disagreement between parties, the ECOWAS Court of Justice is authorised to pronounce a final decision without appeal.

The movement of unprocessed goods between Member States is exempt from customs duties and taxes. These products are not subject to any quantitative or administrative restriction. To fulfil exemption conditions, unprocessed goods and traditional handicrafts should originate in Member States and be accompanied with a certificate of origin, and an ECOWAS export declaration.

Within the context of implementation of the trade liberalization programme, focus was laid on the following points: (i) establishment of a Free Trade Area; (ii) institution of a Common External Tariff (ECOWAS-CET), thus transforming the FTA into a Customs Union.

a. Establishment of a Free Trade Area:

Theoretical arguments on trade integration tend to conclude that the elimination of tariff (and non-tariff) barriers reduces import costs, strengthens the market power and improves social well-being.

The creation of a Free Trade Area is implemented through the ***ECOWAS Trade Liberalization Scheme***. This Scheme aims to promote intra-community trade by removing tariff and non-tariff barriers on imports and exports of products originating in Member States.

To create a Customs Union, the following actions were envisaged: (i) free movement of raw and handicraft products between Member States free of duties and taxes and (ii) gradual reduction to complete elimination of customs duties and taxes with equivalent effects on the importation of industrial products originating in the Community.

As part of efforts aimed at achieving this long-term objective, the Commission undertook several activities to implement the ECOWAS Trade Liberalization Scheme. This particularly concern the following activities: (1) Training and sensitization of representatives of National Approval Committees (NAC) on procedures and conditions for granting approvals to companies; (2) Organisation of training and awareness-raising workshops on the ECOWAS Trade Liberalization Scheme in a certain number of Member Countries; (3) Review of requests for approval, and notifications to countries regarding approvals granted by National Approval Committees; (4) Reception and settlement of disputes between States as part of efforts to implement the scheme.

Moreover, ECOWAS adopted a ***Protocol on Inter-State Road Transit (ISRT)*** and a deposit system to guarantee transit operations that are not implemented by all the States. Other accompanying measures such as customs and statistical instruments, certificates of origin, customs and statistical nomenclature, and customs declaration were also harmonised with the WAEMU.

b. Establishment of a Common External Tariff:

The evolution of ECOWAS from a Free Trade Area to a Customs Union has become inevitable with prospects of an Economic Partnership Agreement with the European Union, as countries of this Region have decided to negotiate with one voice, including those in the WAEMU zone, under the stewardship of ECOWAS.

Significant progress has been made since the adoption of the first ECOWAS CET by the Authority of Heads of State and Government in January 2006 in Niamey, and the creation of a joint ECOWAS-WAEMU Committee to steer the project to its conclusion. This progress concern: (1) the adoption by the Authority of Heads of State and Government of a Supplementary Act to create a fifth band of the ECOWAS CET at 35%; (2) adoption of common eligibility criteria among all countries for submission of products to this fifth band; (3) adoption of a roadmap for future activities to finalise the CET.

Thus, all activities included on the roadmap for its effective implementation from January 2015 were fully implemented, particularly awareness-raising and training actions in Member States, the integration of the CET into the customs clearance systems of the States, the publication, printing and dissemination of texts on CET provisions.

Meeting in Dakar in October 2013, the Heads of States and Government renewed their determination to speed up the process of establishing the ECOWAS-CET, by ratifying the final structure for the CET as well as all accompanying regulatory instruments that had been approved by the 70th Ordinary Session of the Council of

Ministers and at its Extraordinary Session held in Abidjan in September 2013. The Authority also ratified complementary protection measures relating to the Import Adjustment Tax (IAT) and Supplementary Protection Tax (SPT) to gradually adjust the implementation of the CET which should start as from 1 January 2015.

As part of the Community Integration Levy, the Authority decided to maintain existing levies within ECOWAS and WAEMU over a transitional period of 5 years. Furthermore, it was decided that a study should be conducted to evaluate the impact on the revenue of the ECOWAS and WAEMU Commissions as well as on the economies of Member States, which will also help to converge on a single rate and uniform basis at the end of this transitional period.

With regard to customs duty instruments, progress has been made in terms of harmonising customs codes and values. A draft ECOWAS customs code is being finalised.

ECOWAS is also in the process of harmonising the Value Added Tax (VAT) within the region.

1.2.2. Trade policy

➤ Intra-community trade and competition

The Commission is implementing two policies under this programme: (i) the regional competition policy within the ECOWAS space and (ii) the Regional Support Programme for the Regulation of Informal Trade in ECOWAS region.

Within the context of implementation of the regional competition policy in the ECOWAS region, the Commission is focusing its efforts on establishing a Regional Competition Authority. To this effect, the Commission is working to establish an ad-hoc Committee in charge of evaluating, in compliance with the regulations in force, bids to host this Authority that have been received from Member States.

Concerning the Regional Support Programme for the Regulation of Informal Trade in ECOWAS region (PARCI), adopted by Member States in 2013, arrangements are underway to make it operational.

➤ Common external trade policy

– Trade negotiations:

ECOWAS has negotiated an Economic Partnership Agreement (EPA) with the European Union and is equally in discussions with other zones and countries within and outside Africa (particularly Morocco) in a bid to conclude trade agreements with them.

Regarding the EPA, the objective of the regional EPA negotiators was to conclude negotiations before October 2014, to ensure the continuity of the trade preferences to Côte d'Ivoire and Ghana, to guarantee a single trade regime for the region with the EU and thus safeguard regional integration achievements. This objective was

achieved with the final approval of the Agreement during the 45th Summit of the Authority of Heads of State and Government held on 10 July 2014 in Accra.

The process that led to this result required the organisation in January, February and June 2014, of negotiation meetings at the level of Experts, Senior Officials and Chief Negotiators of both European and West African parties. At the regional level, it was a participatory and inclusive process with the organisation of a meeting with the regional civil society in January 2014 by the ECOWAS and WAEMU Commissions and the two Commissions providing assistance for organising information sessions on the EPA in Member States.

Moreover, to ensure that the results obtained will ensure the conclusion of a favourable EPA for the region, the ECOWAS Commission conducted an impact assessment which indicated positive results based on the consensus reached by the West African and EU negotiators.

Furthermore, prior to the validation of the EPA by the Heads of State and Government, various issues on which consensus had been reached were reviewed during the meeting of the Ministerial Monitoring Committee on the EPA negotiations held in February 2014 and at meetings of the ad-hoc committee set up by the Heads of State to propose solutions to issues raised by certain West African States.

The signing of a consensual text on the Agreement by the ECOWAS and WAEMU Commissions on the one hand, and by the EU Commission on the other hand, enabled the latter to initiate the procedure that led to the adoption by the EU, of Regulation No. 1025/2014 of 25 July 2014 to authorise the continuation of trade preferences to Côte d'Ivoire and Ghana, beyond 1 October 2014.

Arrangements are being made for signing, as soon as possible, of an Agreement by countries of both regions and for continuing its implementation process in compliance with the directives of the 45th Summit of the Authority of Heads of State and Government.

The Agreement includes the establishment of an EPA Development Programme (**EPADP**) proposed by ECOWAS, which has five (5) priority areas: (i) diversification and expansion of production capacity; (ii) development of intra-regional trade and facilitation of access to international markets; (iii) improvement of national and regional infrastructures linked to trade; (iv) making necessary adjustments and taking into account other trade-related needs; (v) ownership/mastery of policy and trade regulations and, implementation, monitoring and evaluation of the EPA. The European Union has pledged to contribute EUR 6.5 billion to the EPADP, which is less than the EUR 9.5 billion requested by ECOWAS.

– Trade and development:

This programme which focuses on trade and development seeks to promote the integration of ECOWAS Member States into the world economy, by ensuring that national/regional policies and international actions are mutually reinforcing for sustainable development. The projects/activities under this programme are as follows: (i) promotion of development partnerships; (ii) elaboration and implementation of a regional strategy in the area of Aid for Trade; (iii) provision of assistance in the area of trade; (iv) strengthening of intra-African trade; (v) organisation of training and capacity-building sessions on trade issues.

The ECOWAS Commission has thus offered Member States a framework for the adoption of a common position, prior to the World Trade Organisation's (WTO) 9th Ministerial Conference (MC9) and during the conference itself which held in December 2013 in Bali, Indonesia.

A Trade and Investment Framework Agreement (TIFA) was negotiated between ECOWAS and the United States. It defines the strategic framework and principles for dialogue on trade and investment issues between the two parties.

ECOWAS is also working to establish a Strategy on Aid for Trade, with the objective of optimising opportunities offered by the Aid for Trade initiative by enhancing instruments to ensure its effective implementation.

– **Trade capacity building:**

The Commission is implementing two trade capacity building programmes, namely, the Trade Negotiation Capacity Building (TNCB) programme and the Enhancing Trade Capacity in ACP Countries: Hub & Spokes II Programme. Several workshops are organised for Member States within this framework.

2. INFRASTRUCTURE:

2.1. Road transport:

To achieve its objective of economic integration and development of transport and trade between Member States, ECOWAS is seeking to implement programmes to facilitate road transport and transit through a specific approach for each corridor. ECOWAS has thus defined the following as priority integration roads: the *trans-coastal highway* linking Lagos and Nouakchott via Dakar (4 560km), the Dakar-N'Djamena *trans-Sahelian highway* (4 460km), interstate roads which involve the construction of the missing links along the above-mentioned highways or the rehabilitation of roads linking landlocked countries (Mali, Burkina Faso and Niger) to maritime ports.

The construction of the *Lagos-Abidjan "toll" highway*, with six lanes and separate dual carriageways, is considered as a high priority by ECOWAS. This 1 028 kilometres long Lagos-Abidjan corridor accounts for approximately 70% of all regional transit traffic, is home to more than 30 million inhabitants and serves as transit to 75% of trade in West Africa. It not only links certain major towns in West Africa, such as Lagos, Cotonou, Accra, Lome and Abidjan, but also and above all, links dynamic maritime ports which serve landlocked countries in the sub-region, like Burkina Faso, Mali and Niger.

An Agreement was signed by the presidents of the countries concerned, on the sidelines of the ECOWAS Summit held in March 2014 in Yamoussoukro, Côte d'Ivoire, and the Terms of Reference for the feasibility and technical studies on the construction of the highway were defined. The countries concerned agreed to provide USD 50 million as start-up capital, so as to speed up the conduct of the studies. Several partner countries and the African Union would like to contribute to the implementation of this important integration project in West Africa.

Similar efforts are made by ECOWAS to promote the construction of the ***Trans-Gambia Bridge*** and the rehabilitation of 137 km road linking the North and South of Gambia and Senegal, with financial assistance from the African Development Bank. The programme for the ***Trans-West African Coastal Highway*** is also underway, with the construction of three bridges in Sierra Leone and a section of the road between the Moa Bridge and the Liberian border, which represent the missing links of the Coastal Highway, as well as the construction of the Zinder-Nigeria border road and the Koupela Piega-Fada Gourma- Niger Border along the Trans-Sahelian Highway.

All of these projects are part of the Programme for Infrastructure Development in Africa (PIDA), in which ECOWAS coordinates the regional component (see Table 5).

Table 5: List of PIDA projects in West Africa

Project title	Summary description	Total cost (US\$ millions)	Location (countries)
Abidjan-Lagos Coastal Corridor	Modernise heavily travelled ARTIN corridor in West Africa. Trade facilitation, OSBPs, capacity enhancement and implementation of PPP for five countries : Côte-d'Ivoire, Ghana, Togo, Bénin et Nigéria	290	Nigeria, Benin, Togo, Ghana, Côte-d'Ivoire
Dakar-Niamey Multimodal Corridor	Modernise heavily travelled ARTIN corridor in West Africa. Trade facilitation, OSBPs, capacity enhancement and implementation of PPP) for four countries: Senegal, Mali, Burkina Faso, Niger	590	Senegal, Mali, Burkina Faso, Niger
Praia-Dakar-Abidjan Multimodal Corridor	Improve marine transport and the connection between island and mainland countries by creating a new maritime service between regional ports and a modern information system to link the maritime service with ports and roads in the Dakar-Abidjan Corridor. Would also modernise one of the most heavily travelled ARTIN corridors in West Africa. Trade facilitation, OSBPs, capacity enhancement (possibly through PPP) for eight countries : Cabo Verde, Senegal, Gambie, Guinea-Bissau, Guinea, Sierra-Leone, Liberia, Côte-d'Ivoire	150	Cabo Verde, Senegal, Gambia, Guinea-Bissau, Guinea, Sierra-Leone, Liberia, Côte-d'Ivoire
Abidjan-Ouagadougou/Bamako	Modernise and rehabilitate mutli-modal corridor damaged by civil war in Côte d'Ivoire	540	Côte-d'Ivoire, Burkina Faso, Mali
West Africa Hub Port and Rail Programme	Address future capacity problems in West African ports with two components: (a) a regional hub port and rail linkage master plan and (b) port expansion	2 140	15 countries, PMAWCA
West Africa Air Transport	Increase air transport service levels in West Africa, which are currently limited by the lack of a regional air hub	420	15 countries

Source: Programme for Infrastructure Development in Africa

Moreover, ECOWAS has established a *Transport and Transit Facilitation Programme*, the main component of which is building five common border posts along the main corridors. ECOWAS is also implementing a policy to harmonise axle load standards.

Significant progress has been observed in the implementation of the *West Africa Trade Hub (WATH)*, a regional trade facilitation project, supported by USAID since 2003 to enhance competitiveness in West Africa, promote exportation from West Africa, improve the business environment and promote regional integration.

Within the framework of improving the business environment, the Trade Hub is setting up Border Information Posts and serves as an incubator for the Borderless Alliance (see Box 4 below), an alliance led by the private sector to advocate for trade facilitation. The Trade Hub is also working to develop a regional transport observatory with greater geographical mandates and coverage than those of the current Abnormal Practices Observatory (APO).

2.2. Rail transport:

ECOWAS has undertaken to revive and modernise the railway network. The construction and rehabilitation of rail networks have therefore become regional priorities. To this end, the ECOWAS Commission conducted a study in 2008 with a view to elaborate a master plan for the interconnection and modernisation of railway networks in the region. This *master plan on the development of region's railway network* has been adopted by ECOWAS statutory bodies.

In April 2013, ECOWAS undertook to update the master plan in order to:

- redefine, to the extent possible, priorities for the rehabilitation of existing lines and/or the construction of new lines;
- examine the possibility of linking The Gambia, Guinea Bissau and Sierra Leone to existing rail networks or those to be constructed in the other Member States;
- examine the possibility of new rail links in Guinea and Liberia and their interconnection to existing networks or those to be constructed; and
- present the new master plan that contains all ECOWAS railway network interconnections, with the links shown by order of priority.

Within this framework, a detailed technical study on the Abidjan-Ouagadougou- Kaya-Dori-Niamey stretch was conducted, with the objective of linking the South-east region of Mali (Asongo), Niamey and Ouagadougou to the Cotonou and Abidjan ports. The effective launch of the construction of the rail loop connecting Niger-Benin-Burkina and Côte d'Ivoire also took place on 7 April 2014.

Box 5: Borderless Alliance

(Site Web : <http://www.borderlesswa.com>)

The Borderless Alliance is composed of the following countries: Nigeria, Niger, Benin, Togo, Ghana, Côte d'Ivoire, Burkina, Mali and Senegal and seeks to cover all ECOWAS countries. The approach now used focuses on the following corridors: (i) Lagos – Abidjan – Tema – Ouagadougou; (ii) Ouagadougou – Bamako (two lanes); (iii) Dakar – Bamako; (iv) Cotonou – Niamey; (v) Abidjan – Ouagadougou; (vi) Abidjan – Bamako; (vii) Lomé – Ouagadougou.

WAEMU has established an Abnormal Practices Observatory (APO), member countries of which include all WAEMU countries (except Guinea Bissau) and Ghana. The Alliance was born out of a campaign conducted in June 2010 (Borderless campaign). A study conducted on the trade liberalization scheme highlighted discrepancies in implementation practice.

Through the USAID Trade Hub Project, an awareness campaign for the private sector and the States on free movement as a factor of prosperity and regional integration was conducted.

The Alliance belongs to the Private Sector and 60 companies are members of this process.

The first line of action is advocacy for the implementation by the States of protocols they have adopted. The primary targets are actors at the borders.

Border posts were thus set up by the Alliance, with retired customs officers, to assist all stakeholders and train actors at the borders (customs officers, forwarding agents). Information is gathered and forwarded weekly to help in the preparation of quarterly reports and an annual report that is presented at the General Assembly of the Alliance.

These posts also take actions with immediate effects, like giving practical advice to address obstacles to trade which arise on the field.

Plans are underway to develop a West African driver's handbook.

In 2010, a survey of a sample of 240 trucks was conducted to assess the time spent for border clearance. The idea is to conduct a survey every 6 months, to assess the impact of the Alliance's actions and bring stakeholders together to evaluate recommendations addressed to various stakeholders. With regard to barriers within countries (checkpoints), the Alliance supports the initiatives that the Abnormal Practices Observatory has been carrying out in this domain, by providing technical assistance to reporting on checkpoints, delays and illicit charges. The CILSS is also involved in monitoring the movement of agricultural products.

The APO and the Alliance are complementary. WAEMU has focal points in countries to gather information for the APO, its own project. The Alliance, on its part, conducts verification missions.

In terms of organisation, the Alliance is run by a staff of 10 officers. Financial resources are derived from member contributions, USAID and ECOWAS (as part of joint activities).

Source : Interviews conducted at Borderless Alliance by the Authors

2.3. Air transport:

Until now, ECOWAS has focused on establishing, in each country, safe and reliable air transport systems to ensure connection between Member States and equal access of airlines that meet air transport market conditions in West Africa, rather than on modernizing airports.

The capacity building programme for institutions in charge of Aviation Safety Oversight in Member States within the framework of COSCAP programmes has made significant progress which resulted in the creation of a Sub-regional Aviation Safety Oversight Organisation (BAGASOO) in 2010 bringing together seven Member States.

The ECOWAS Commission also conducted a study on the implementation status of the Yamoussoukro Decision (YD) by Member States, in a bid to appraise Member States' compliance with the YD and examine actions required to remove bottlenecks with the aim of implementing a Liberalized Air Transport Market within ECOWAS. It is encouraging to see that all Member States are working hard to achieve this general objective in the air transport sector.

ECOWAS is also working to promote a viable air transport industry in the region. A Steering Committee for ECOWAS airlines was therefore set up. The ECOWAS Commission is also promoting the establishment of a regional aircraft leasing company.

2.4. Maritime and inland waterway transport:

A project to create a sub-regional maritime company, called ECOMARINE International, has been discussed for several years within ECOWAS States. The absence of maritime connections between member countries is severely impeding regional trade (this is particularly the case for the Cabo Verde Island).

3. TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY:

The telecommunications sector has witnessed significant changes since the 1990s, thanks to large-scale structural reforms undertaken by States and technological innovations, particularly the mobile telephone and Internet boom. Countries have progressively liberalized this sector, partly privatised public fixed-line telephone operators and adapted legal and regulatory frameworks. In return, countries have witnessed remarkable progress in capacities and in demand for telecommunication services. This boom has also revealed the limitations of national approaches: narrow markets, failure to make optimal use of equipment and technology, disparities in regulatory frameworks and policies on taxation of services, etc.

The regional approach will help to address the above-mentioned constraints and catalyse the rapid development of new information technologies by promoting scale effects, stirring competition on a wider area and harmonising regulatory frameworks and fiscal policies in the sector. As such, the sub-region has already witnessed significant achievements.

To achieve its objectives with regard to the integration of West African economies, the ECOWAS Commission is supporting the development of a viable regional West African telecommunications market. ECOWAS has therefore defined two major objectives in the telecommunications and ICT sector:

- Develop a viable and modern regional telecommunications infrastructure by implementing the INTELCOM II programme and also develop alternative broadband infrastructure and submarine cables;
- Harmonise policies, legal frameworks and regulations on telecommunications, with a view to setting up a single and liberalized telecommunications market within the Community.

The INTELCOMM II programme launched by the ECOWAS Commission has thus identified 32 inter-state telecommunication links to form the backbone of a regional broadband infrastructure, which will be connected to the worldwide network through submarine cables. These 32 links shall be installed progressively. At the end of December 2009, 55% of the links had been installed, with 45% of them operational.

To increase the confidence of users of telecommunication services and ICTs, and to popularize the use of ICT services, the Council of Ministers adopted a Directive on fighting cybercrime in November 2009 and in February 2010, the Authority of Heads of State and Government adopted two Supplementary Acts on Electronic Transactions and Protection of Personal data/information, respectively.

Moreover, the ECOWAS Commission is working in close collaboration with the West Africa Telecommunication Regulators Assembly (WATRA) since November 2009 to set up a control framework to ensure the regulation of the use of submarine cables intended for the West African region, with a view to ensuring that the region is connected to the rest of the world at a competitive cost.

Furthermore, since the adoption of a new policy and regulatory framework that are more conducive to the development of telecommunications and ICTs by the Heads of State and Government in January 2007, ECOWAS is wholeheartedly supporting Member States with regard to transposing community legal instruments into national legislations.

In 2012, the following inter-state land optic fibre connections were completed: Burkina Faso – Niger, Burkina Faso – Ghana and Ghana – Togo. Moreover, all coastal Member States, except for Guinea Bissau, were connected to the submarine cables with at least (1) landing point. Thanks to these new land connections and landing points, the three landlocked countries (Burkina Faso, Mali and Niger) henceforth have two pathways to submarine cables; which currently guarantee their access.

The ECOWAS Commission is also working on the implementation of the ECOWAS Wide Area Network (ECOWAN) which is a virtual governance platform (e-governance) which seeks to ensure the interconnection of all ECOWAS institutions, agencies and projects, as well as government services in the capital cities of member countries. The examination of the ECOWAN feasibility study was carried out and the report is currently being studied at the ECOWAS Commission.

Efforts are also being made to create an ECOWAS Regional Computer Society (SIRC) which will serve as a framework for developing Information and Communication Technologies (ICTs) and for promoting best practices in the region.

4. ENERGY AND MINES

4.1. Energy

A high priority of regional integration is thus ensuring a sustainable supply of affordable energy in the entire sub-region. ECOWAS, WAEMU and CILSS thus launched various initiatives to promote integrated development of the energy sector. This regional policy was materialised in the *ECOWAS/UEMOA White Paper* on a regional energy policy. This regional energy policy is complemented by a Plan of Action and an Investment Programme. The WAEMU Commission, on its part, developed a Common Energy Policy (CEP) for its Member States.

In a bid to boost Member States' ability to exploit the huge sources of alternative and renewable energy in the sub-region and thus curb their energy poverty, ECOWAS established the Centre for Renewable Energy and Energy Efficiency (CREEE) to complement the two other ECOWAS energy integration mechanisms: the West African Power Pool (WAPP) and the West African Gas Pipeline (WAGP). In 2008, it also created the ECOWAS Regional Electricity Regulatory Authority (ERERA) to manage the sub-regional energy market. Hydropower projects have been developed under the authority of inter-State organisations in pursuit of an integrated management of water resources (OMVS, OMVG, Volta River Authority, NBA, etc.).

WAEMU also established a concessional fund, the Energy Development Fund (EDF), to support the launch of the Regional Initiative for Sustainable Energy by contributing funds to projects for energy production in Member States. The Permanent Interstate Committee for Drought Control in the Sahel (CILSS) also has programmes to supply people in the Sahelian countries with basic energy services, notably through its regional solar programme.

Programmes that have been initiated are relevant, though their implementation still faces huge difficulties due to insufficient funding and lack of determination in Member States.

States in the sub-region thus need to accelerate the implementation of regional programmes, as energy coverage of the population is very low and the cost of access to energy is high for the population as well as for industries.

The regional energy policy is one of the pillars of regional integration in West Africa. ECOWAS has therefore put in place the *Common Energy Programme* whose top priority is to ensure the supply of sustainable and affordable energy throughout the region. As such, the ECOWAS Commission has anchored this central idea in the promotion of long-term cooperation for sound development of regional energy sources and national energy sector development policies.

Accordingly, the ECOWAS Energy Programme has developed coherent projects for all components of the energy value chain: (a) The West African Gas Pipeline, (b) the West African Power Pool (WAPP), and (c) the ECOWAS regional policy on access to energy.

a. *The West African Gas Pipeline Project (WAGP):*

The project was initially aimed at the construction of a 678-kilometre pipeline starting from the Escravos gas fields in the Niger Delta in Nigeria, through Benin and Togo, and ending in Ghana. The project began in 1982, when ECOWAS proposed the development of a pipeline to transport natural gas throughout West Africa.

In the early 1990s, a report on the feasibility had deemed the project to be commercially viable. Therefore, in September 1995, the Heads of State of the four countries involved signed an Agreement. The feasibility study was conducted in 1999. On 11 August 1999, participating countries signed a Memorandum of Understanding in Cotonou.

In February 2000, an Inter-Governmental Agreement was signed. The WAGP implementation agreement was signed in 2003. Construction works began in 2005 and the project has been fully completed, with 70% of the onshore facilities in place. Steps have also been taken to bypass the compressor station at Lagos Beach and the pipeline is now ready to transport gas. A feasibility study is underway to extend the project to Côte d'Ivoire, and the discovery of gas and oil deposits in Ghana gives the project further impetus. Offshore activities, such as the laying of the pipeline, have been completed.

The pipeline has been operational since March 2011. However, the volume of gas transported by the pipeline is not enough to compensate for the energy deficit in the region. Besides, the Director of the West African Gas Pipeline Authority declared at a meeting held in March 2013, and prior to the Meeting of Energy Ministers, that the platform was running practically without gas, since it produces only 30% of its full capacity, estimated at over 400 million cubic feet.

b. *The West African Power Pool (WAPP):*

Since 2006, the West African sub-region has been experiencing an energy crisis mainly due to low rainfall. This crisis has led to severe power cuts in several countries and has had a negative impact on the economies of ECOWAS Member States.

To address this issue, the Authority of Heads of State and Government of ECOWAS hastened the creation of WAPP, which became operational in 2006, to provide a mechanism and institutional framework for integrating national power systems of the Member States. This achievement is helping to meet the energy needs of ECOWAS Member States by providing a reliable and sustainable supply of electricity for economic development. As adopted by its General Assembly in 2006, the WAPP Plan of Action has defined the implementation strategy for infrastructural development up to Year 2020, at the cost of about 16 billion US dollars, and which is expected to result in the emergence of a ***regional electricity market***.

The infrastructure programme involves the installation of about 5,500 km of high voltage power transmission lines, interconnecting all national power grids in ECOWAS Member States, and the injection of about 10,000 megawatts of new electricity capacity to be achieved during this period.

Furthermore, in January 2008, ECOWAS adopted a Supplementary Act on an Emergency Power Supply Security Plan (EPSSP) for WAPP Member countries. The EPSSP is a regional approach to the energy crisis,

aimed at using the West African natural gas pipeline and economies of scale to create regional interconnection centres with “Free-Zone Status” of 400 MW at Maria Gleta in Benin, 400 MW at Aboadze in Ghana, 150 MW within the OMVS system, and mobile infrastructures to generate electricity in autonomous electrical systems in The Gambia, Guinea, Guinea Bissau, and Sierra Leone.

Concerning the connection and boosting of electricity grids of Member States, WAPP’s first interconnection priority project linking Ikeja West (Nigeria) to Sakete (Benin) was inaugurated in January 2007. The 330 KV interconnection projects currently underway or being finalized are the 215 km transmission line from Aboadze to Volta (Ghana), the transmission line project from Bobo Dioulasso to Ouagadougou (Burkina Faso), and the 338 km power line from Volta (Ghana) to Sakete (Benin) via Mome Hagou (Togo). Moreover, feasibility studies have been conducted for the North Core Transmission line project, which links Nigeria, Niger, Benin, and Burkina Faso, and the transmission line project which connects Bolgatanga (Ghana) to Ouagadougou (Burkina Faso).

WAPP also works in close collaboration with OMVG to complete the mobilization of funds for the OMVG energy programme for the interconnection between The Gambia, Guinea Bissau, Guinea, and Senegal, while additional hydropower capacity is being installed for Mali, Mauritania, and Senegal which are already. In addition, there are a number of cross-border medium voltage electrification projects targeting rural, peri-urban and island communities, estimated at 3.6 million euros for Ghana and Togo, 1.5 million euros for Ghana and Burkina Faso, and 9.9 million euros for Côte d’Ivoire and Liberia. These projects are at an advanced stage, while funds are being raised for similar projects between Senegal and The Gambia, and between Senegal and Guinea Bissau.

As part of the WAPP project, ECOWAS Member States adopted in principle the establishment of a Regional Regulatory Authority (RRA) during the third ministerial meeting of the WAPP Steering Committee held in Accra on 5 April 2002. This Authority was created to: (1) encourage open and transparent border trade in electricity in the ECOWAS sub-region, (2) ensure more efficient electricity supply in Member States, (3) improve citizens’ access to energy, and (4) promote the regulation of the regional energy market by establishing good contractual practices and cooperation between national regulatory authorities in cross-border electricity trade.

In January 2008, Supplementary Act A/SA.2/1/08 to establish the ECOWAS Regional Electricity Regulatory Authority (ERERA) was adopted by the ECOWAS Authority, to complement Council Regulation C/REG.27/12/07 of 15 December 2007 on the composition, organisation, functions and operations of the Regional Electricity Regulatory Authority (ERERA). This Authority seeks to promote the development of electrical infrastructure and create a suitable environment to attract investments, based on facilitation which leads to unrestricted cross-border electricity exchanges between Member States, in a competitive environment, with the application of non-discriminatory trade rules and the settlement of disputes, the protection and promotion of private investment, environmental protection, and promotion of energy efficiency.

c. Regional Energy Access Programme:

The ECOWAS energy access programme is fully consistent with the MDGs and seeks to meet the goals of the NEPAD Action Plan. Its regional policy includes a Regional Action Plan and an implementation strategy for the development of a common investment programme within the region.

During its December 2007 session in Ouagadougou, the ECOWAS Council of Ministers adopted a decision requesting the ECOWAS Commission to set up a special unit responsible for implementing the ECOWAS White Paper on access to energy services, and for preparatory activities in view of the establishment of a Regional Agency to facilitate energy access. In the same vein, the Council requested the Commission to explore ways and means to promote the use of alternative energy sources, notably solar, wind, and other renewable energy sources.

Box 6: ECOWAS Support to Energy Programmes in Member States

Following requests from the Governments of The Gambia, Mali, and Sierra Leone, the ECOWAS Commission undertook to fully fund, through grants, emergency programmes for these countries which amount to 108 million US dollars.

Grant agreements for The Gambia and Sierra Leone were signed on 16 December 2013 in Abidjan, on the side-lines of the Council of Ministers, while the signing of the agreement for Mali took place during an official ceremony in Bamako on 14 February 2014.

The Commission and the Energy Ministers of the three Member States officially launched the implementation of these programmes in their respective capital cities from 30 April to 11 May 2014. The Commission will monitor the procurement process to ensure the effective provision of the services on the field.

Source: ECOWAS Commission, Interim Report, June 2014

d. Promotion of Renewable Energies:

A regional centre for renewable energies, known as **ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE)**, was created and set up in Cabo Verde in 2010. In September 2012, the Centre published an ECOWAS policy document on renewable energy. The policy seeks to provide renewable energy supply for 19% of peak demand in MW by 2030, and to achieve universal access to energy within the Community.

4.2. Mines

West Africa is rich in all kinds of minerals, the exploitation of which has helped to drive community growth in recent years, though its potential is yet to be fully developed.

At the 62nd Meeting of the Council of Ministers held in Abuja from 26 to 27 March 2009, ECOWAS adopted Directive C/DIR 3/O5/O9 on the Harmonisation of Guiding Principles and Policies in the Mining Sector. The Heads of State later signed Act A/SA.16/02/12 to adopt the **ECOWAS Minerals Development Policy (EMDP)** coupled with an Action Plan.

The overall vision of the ECOWAS Minerals Development Policy is to promote the exploitation of the mineral resource potential, to contribute to sustainable economic growth and to integrated socio-economic development

in the region. Member States must thus ensure that national policies on mineral resources are in harmony with the EMDP. However, 30 days after notification by the ECOWAS Commission, not all States had done so. The new deadline, set for July 2014, was again not respected by all States, and thus further delaying the adoption of an *integrated regional mining code* to regulate mining activity in all countries of the sub-region.

Nevertheless, with the assistance of experts from Member States, the ECOWAS Commission prepared a draft ECOWAS Mining Code, which is pending adoption by ECOWAS statutory bodies. Besides, it also prepared ECOWAS guiding frameworks for regional cooperation in the geology sector and integrated industrial development of hydrocarbons, as well as the ECOWAS integrated mining sector framework on corporate social responsibility, localization and development of local resources. It also supports the initiative to create the ECOWAS Chamber of Mines, and the ECOWAS Mining and Petroleum Forum (ECOMOF).

5. AGRICULTURE, ENVIRONMENT AND WATER RESOURCES

5.1. Agriculture

In recent years, a majority of ECOWAS countries have given special attention to agricultural development. The results, however, have fallen short of expectations, and member countries still depend largely on imports for some food items. West African agriculture is still very far from the level of development which can drastically reduce poverty and food insecurity, and promote economic growth. In addition, the sub-region exploits a very small portion of the huge arable land available, and remains highly dependent on weather conditions.

Deriving from the Comprehensive Africa Agricultural Development Programme (CAADP), the specific objectives of the *ECOWAS Agricultural Policy (ECOWAP)* focus on: (i) food security for people in the region; (ii) reducing food dependence and achieving food sovereignty; (iii) involving producers in markets; (iv) creating jobs with guaranteed incomes in order to improve living conditions and services in rural areas; (v) intensifying production systems in a sustainable manner; (vi) reducing the vulnerability of West African economies by limiting factors of instability and regional insecurity; (vii) adopting appropriate funding mechanisms.

Several initiatives have been implemented as part of the ECOWAS Agricultural Policy in West Africa. These include the Regional Agricultural Investment Programme, which has been integrated into national agricultural programmes of member countries.

The *ECOWAP/CAADP Regional Agricultural Investment Programme (RAIP)* is the ECOWAS Commission's main intervention framework in the implementation of its agricultural policy. It includes, notably: (i) the programme for promotion of strategic products for food security and food sovereignty (rice, maize, cassava, livestock, meat, poultry, milk, and fisheries); (ii) the Sahel Pastoralism Support Project (PRAPS).

The implementation of RAIP activities yielded the following major results: (i) an ECOWAS Regional Agricultural Information System (ECOAGRIS) was established and is operational in seven (7) Member States (Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mali, Niger, Senegal). This has enabled the interconnection of national agricultural information systems during the 2012-2014 period; (ii) the signing of partnership agreements with new socio-professional organisations (*APESS /CORET*, *WAWA*, *COFENABVI-AO*, *UOFA-AO*, *NANTS*, *RBM*, *RESIMAO*, *ROPPA*), and civil society (*POSCAO*) which have functional regional bases and national platforms likely to help develop the Agriculture sector (plant and animal production) in the region. In their capacity as stakeholders of the ECOWAP process, these organisations support the ECOWAS Commission and the States in areas where they cannot reach, especially in the most remote villages, to set up observatories for peasant agriculture, cross-border transhumance and livestock trade within ECOWAS, and provide support to the

collection of statistical information on commercial livestock movements; (iii) the ECOWAS Commission is working to network laboratories for fertilizer quality control. In that regard, to enable an increased plant use of nitrogen, a programme for the dissemination of Urea burial techniques was formulated; (iv) a project to curb contamination caused by the fruit fly (mangoes and other fruits) is currently being implemented; (v) Regional Animal Health Centre was established in Bamako, Mali. The objective is to provide a framework for coordination and harmonization of monitoring and evaluation strategies in interventions to fight against all emergent and re-emerging Transboundary Animal Diseases (TADs) in West Africa.

Other programmes being implemented within the framework of ECOWAP (with the support of development partners) are: (i) the West Africa Seed Programme (WASP); (ii) the West Africa Fertilizer Programme (WAFP) and (iii) the Reinforcing Veterinary Governance in Africa (VET-GOV) project; (iv) the Hunger Free Zone Initiative for West Africa.

Regarding food security, ECOWAS finalized and adopted the “*programme to support the regional offensive for sustainable and sustained rice production in West Africa*”, on the assumption that region will achieve rice self-sufficiency by 2025. At a total cost of 467.5 million US dollars, the general objective of the programme is to “modernize production systems and promote regional trade in local rice”.

The second *Sahel Pastoralism Support Project (PRAPS)* is aimed at developing strategies for building resilience. These strategies entail: (i) improving grazing land management methods, (ii) supporting livelihood diversification, (iii) improving social protection and social safety nets, (iv) ensuring political inclusion for pastoral populations, (v) improving access of pastoral communities to social services, (vi) managing conflicts and cross-border issues, (vii) supporting displaced persons and refugees, (viii) strengthening warning systems and structures, and (ix) establishing procedures for drought management and disaster risk reduction.

The ECOWAS Commission also finalised and adopted the “*Programme Régional d’Appui à la Régulation des Marchés (PARMAO)*”, which will cover the following areas: (i) regulation and standardisation; (ii) harmonisation of agricultural policies, strategies and negotiation positions in international circles; (iii) funding mechanisms; (iv) investments; (v) risk-hedging tools, and lastly, (vi) training, information and capacity-building.

The Commission is also working on a *Regional Food Security Reserve (RFSR)* project, instituted by the 42nd Ordinary Session of the ECOWAS Authority of Heads of State and Government, held in Yamoussoukro (Republic of Côte d’Ivoire) in February 2013. Furthermore, an ECOWAS *Regional Agency for Agriculture and Food (RAAF)* was launched in September 2013.

Lastly, ECOWAS receives technical support from **CORAF/WECARD** (the West and Central African Council for Agricultural Research and Development) in matters of agricultural and agronomic research.

5.2. Environment

ECOWAS has an *Environmental Policy, adopted in 2008*, which covers all activities relating to natural resources management (land, forests, wildlife, water resources...), mines, ecosystem and biodiversity conservation, technological risk prevention and management, climate, pollution and other environmental hazards.

The objective of the Environmental Policy is to reverse environmental degradation and depletion of natural resources, ameliorate the quality of the living environment, conserve biological diversity, with a view to ensuring a healthy and productive environment; thereby improving the well-being of the ecosystem and the population. In

implementation, it takes into account the actions and initiatives of various stakeholders (parliamentarians, local government authorities, civil society, the private sector, etc.) and sub-regional institutions in charge of environment and sustainable development.

In order to ensure sustainable development which promotes a sustainable ecological environment in the sub-region, the policy is implemented along four strategic lines:

- Promotion of environmental governance and capacity-building to that effect;
- Promotion of sustainable management of resources for the improvement of the sub-regional economy while respecting the environment;
- Control of improved knowledge and better management of pollutions and noxious agents and the flow of dangerous products into the economy of the sub-region;
- Promotion of environmental information, education, and communication in the sub-region with a view to responsible involvement of citizens and institutions with a strong environmental conscience, who are more committed to ensuring their eco-citizenship and to supporting environmental initiatives for sound natural resources management and preservation of the environment.

The Monitoring for Environment and Security in Africa (MESA) project was established within that framework, covering 2 (two) Thematic Actions in the ECOWAS space (i) Water Management for Cropland and Rangeland Management in West Africa and Chad (MESA Land Thema) and (ii) Coastal and Marine Management resources (MESA Marine Thema).

A Convergence Plan for the Sustainable Management and Use of Forest Ecosystems in West Africa, was also adopted by the Ministers and has been published for purposes of its dissemination in the Member States

Regarding the implementation of the Strategic Sub-regional Program to Reduce Vulnerability and Enhanced Adaptation to Climate Change, the activities relate in particular to West Africa's preparation for international climate negotiations.

A Sub-Regional Action Programme to Combat Desertification in West Africa was developed, as well as an ECOWAS Draft Regulations on Biosafety.

Regarding the promotion of better management practices in matters of pollution, nuisance and hazardous wastes, ECOWAS has prepared draft harmonised regulations on Substances that Deplete the Ozone Layer (ODS). Finally, a regional strategy on how to deal with the problems and the management of plastic waste is under study.

5.3. Water resources

A **Regional Water Resources Policy (PREAO)** was adopted at the Conference of ECOWAS Heads of State and Government in Abuja in December 2008. Its overall objective is to contribute to poverty alleviation and sustainable development by orienting the Community and its Member States towards water resources management which balanced economic development with social equity and environmental conservation.

Its strategic areas of focus include:

- Water governance reform;
- Promoting investments in the water sector;
- Promoting cooperation and regional integration in the water sector, notably by promoting joint management of cross-border waters.

6. INDUSTRY, AND PROMOTION OF THE PRIVATE AND FINANCIAL SECTORS

6.1. Promoting industrial development:

As part of the structural transformation of West African economies, ECOWAS adopted a **West African Common Industrial Policy (WACIP)** which seeks to accelerate the industrialisation of West Africa through the promotion of endogenous industrial transformation of local raw materials, development and diversification of industrial productive capacity, and strengthen regional integration and the export of manufactured goods.

However, only the Quality Programme has been launched due to the low funding for industrial programmes by ECOWAS.

The *Quality Policy* (ECOQUAL) and its Implementation Framework were adopted in February 2013 by the Heads of State and Government meeting in Yamoussoukro, through Supplementary Act A/SA.1/02/13. The document on the model and *standards harmonization procedures* has also been finalized.

The implementation of the Standards Harmonization Model (ECOSHAM) resulted in the definition of ECOWAS standards on the following products: enriched oils, tomato puree, natural mineral water, frozen fish fillet, smoked fish, Shea butter, and a Code of Good Practices on Fish and Meat, mango, raw Cashew nut, Irish Potatoe, as well as minimum standards on the efficiency of electric lighting.

6.2. Promoting investment

The ECOWAS Commission is also elaborating an *Investment Policy (ECOWIP)*, an ECOWAS Investment Code (ECOWIC), an information system on the ECOBIZWORLD market (ECOINVEST Project) and a CASUA Platform (E-Commerce) to support ECOBIZ. Other initiatives include the establishment of a Youth Entrepreneurship Programme, an ECOWAS Diaspora Programme, and a Regional Policy on Public Private Partnership (PPP).

Furthermore, ECOWAS intends to set up an investment monitoring platform in collaboration with UNIDO and the African Union, as part of the AfrIPANet (Africa Investment Promotion Agency Network) programme.

Activities have also been organised to promote the harmonization of business law in ECOWAS States which are not members of OHADA. Drafts have been prepared and will be submitted to statutory bodies.

A study on indicators and the ECOWAS investment climate monitoring framework has been conducted. The ECOWAS Business Forum now holds regularly in Member States. Finally, ECOWAS also wants to set up an investment guarantee mechanism in the region.

6.3. Financing the regional economy

6.3.1. Banking system and financial markets

For the banking sector, WAEMU countries share the same legislation with a regional banking commission responsible for overseeing banking activities. Banking systems within WAMZ are not uniform. Each WAMZ country has its own banking system, a situation which explains the poor integration of the financial sector.

ECOWAS has adopted a Monetary Cooperation Programme designed to integrate the region's financial markets and thus ensure the free flow of capital.

The integration process for the stock exchanges is still very slow. WAMZ has three stock markets in Nigeria, Ghana, and Sierra Leone which are not integrated. The BRVM, which covers WAEMU countries, operates regularly and has always attracted public and private investors. However, it has been unable to reach a market capitalisation which exceeds 12% of GDP.

To ensure the integration and development of the regional financial market, a Memorandum of Understanding was signed between the regional stock exchange (BRVM), the Ghana Stock Exchange (GSE), and the Nigerian Stock Exchange (NSE). It is intended primarily for cross-listings on the various stock exchanges in the region. This is being done at present, though they concern only a small number of securities. The *West African Capital Markets Integration Council (WACMIC)* has been established and has a technical committee.

As for the integration of cross-border payment systems, a recent study resulted in the establishment of the regional clearing house, the Regional Real Time Gross Settlement System (RTGS) and the Regional Switch. A pilot project, supported by the World Bank, to unite the GIM/UEMOA and the interbank payments and settlement systems in Ghana and Nigeria will be launched shortly.

6.3.2. ECOWAS Bank for Investment and Development (EBID)

In 1999, ECOWAS set up the Bank for Investment and Development (EBID), in place of the ECOWAS Fund, to ensure the smooth processing of financial transactions and services. In reality, it is a banking group comprising a holding company EBID and two specialized subsidiaries: the ECOWAS Regional Development Fund (ERDF) and the Bank for Investment and Development (EBID). The objectives of the EBID group are to fund, promote, and facilitate economic growth and development in ECOWAS Member States. EBID offers a wide range of financial products and services to business persons wishing to engage in viable commercial projects. After a little over ten (10) years of activity (2004 to March 2014), the Bank has multiplied its cumulative net commitments by 6.7, as they rose from UA 121 to UA 805 million. However, *the Bank's main challenge remains the mobilization of adequate resources*. In this regard, the payment by Member States of the second part of the capital is an important tool for mobilizing resources from other partners.

6.3.3. Insurance Sector

West African insurance companies have not yet been integrated. A legislative instrument called the “CIMA Code” regulates the organization, functioning, and supervision of the insurance sector, but this is only within WAEMU. Negotiations are also going on between the Nigerian Insurance Commission and WAMI in the WAMZ.

6.3.4. Microfinance Sector

The microfinance sector has become one of the most dynamic components of the financial system of ECOWAS. Its rapid expansion has translated into profound changes which expose them to significant risks that could jeopardize the sector’s stability. Finance ministries closely monitor this sector.

6.3.5. Combating Money Laundering in West Africa

This action is coordinated by GIABA, which supports Member States in implementing effective control measures against money laundering and the financing of terrorism, by organizing capacity-building workshops.

7. SOCIAL AFFAIRS AND GENDER ISSUES

7.1. Health

In the area of health, the main goal of the ECOWAS policy is to improve the level of health of the people by the implementation of relevant common actions and their alignment with those of all international and regional organizations working in the health sector in West Africa. The main strategies are to control epidemics, promote essential generic medications, manufacture and control the quality of medications; combat the spread of HIV/AIDS, and strengthen international partnerships. To achieve its goal, ECOWAS set up the **West African Health Organization (WAHO)**.

The West African Health Organization was formed in 1987 when the Heads of State and Government from all fifteen ECOWAS countries adopted the Protocol creating the Organization. Its objective is the attainment of the highest possible standard and protection of health of the peoples in the sub-region through the harmonisation of the policies of the Member States, pooling of resources, and cooperation with one another and with others for a collective and strategic combat against the health problems of the sub-region.

Currently, the activities of WAHO include: capacity-building for responding to meningitis, measles, cholera, and yellow fever epidemics; developing a regional strategic plan to control and eliminate malaria; providing support to States for blindness prevention programmes; assisting in setting up networks for National Health Information Systems and ECOWAS Research Centres and Institutes; training young professionals with a view to integrating them; supporting research centres by providing funds for operational research, and helping to organize the coordination of Nutrition Focal Points.

The main results in terms of WAHO’s health systems strengthening programme are studies on the application of **norms and standards of quality assurance for health care** in the ECOWAS space. WAHO also provided technical and financial support to countries for Mother and Child Health. In addition, since 2011, WAHO has

instituted the organization of an annual review of the implementation of national programmes for maternal and child health in order to monitor and analyze progress achieved in the attainment of MDGs 4 and 5 and their prospects. Regarding the control of HIV/AIDS, a document on convergence criteria for a minimum legal framework on HIV is available, the mapping of population sites with the highest exposure to HIV is also available and the multi-sectoral committee for the control of HIV in the ECOWAS has been set up. In terms of the control of epidemics, the Reference Laboratory for the diagnosis of potential epidemic diseases in Abidjan has now been equipped and the revised guide for the Integrated Disease Surveillance and Response has now been adapted for nine countries of ECOWAS.

Furthermore, WAHO largely contributed to the preparation and implementation of a Regional Integrated Operational Plan for Response to the Ebola virus.

Moreover, under the ECOWAS commitment to promote better health care services for the populations in the region, it should be stated that a malaria eradication programme is being implemented, notably with the on-going establishment of industrial biolarvicide production units, in partnership with Southern countries like Venezuela.

7.2. Gender and childhood issues

In terms of activities, the Commission has been conducting training in member countries to ensure that gender issues are taken into account in national policies and programmes, in order to build women's capacities. It also provides support to the Network on Peace and Security for Women in the ECOWAS Region (NOPSWECO) for the implementation of the ECOWAS Action Plan on UN Security Council Resolutions 1325 and 1820 on Women, Peace and Security. An ECOWAS Plan of Action on Gender and Trade-related Migration is also being developed.

Gender disparities in primary, secondary and higher education are being progressively eliminated in the region. In fact, Guinea and Benin have almost reached parity in primary education, while Togo and Senegal are progressing satisfactorily, followed by Burkina Faso and Mali. Concerning secondary and higher education, the situation remains disturbing and it seems unlikely that any of the fifteen countries will reach the goal by 2015. In that connection, ECOWAS is implementing merit-based scholarship programme for girls.

More generally, ECOWAS provides, among others, medical and financial assistance to women and girls suffering from obstetric fistula, support to young female leaders as well as technical and financial assistance to women engaged in agricultural products processing and handicrafts.

8. EDUCATION, SCIENCE AND CULTURE

8.1. Education

In the area of education and training, ECOWAS has a Protocol (A/P3/1/03), which was adopted on 31 January 2003 in Dakar, Senegal, by the Heads of State and Government. This Protocol stipulates the general principles of the education policy and encourages the movement of students and teachers within the region, as well as cooperation among member countries.

ECOWAS has thus launched initiatives for creation of joint higher education and vocational training institutions, mutual recognition of certificates awarded by specialized institutions, coordination of education and training programmes and evaluation the results of higher education and vocational training in Member States.

In the area of secondary education, data shows little improvement in enrolment. Even countries which had recorded better enrolment rates at the primary level lose students at the secondary level due to lack of access to secondary education that is plagued by lack of qualified teachers, and insufficient infrastructure and equipment. This situation, when combined with poverty and socio-cultural practices that prevent girls from starting or continuing their education, contributes to reducing secondary school enrolment rates.

In the area of higher education, it has been observed that the enrolment rate in Sub-Saharan Africa is the lowest in the world. For example, the highest enrolment rate was recorded by Cabo Verde with 18%, followed by Ghana with 12%. Niger's rates are the lowest (2%). However, the establishment of centres of excellence has made great strides in the sub-region.

Lastly, it is important to not only note the poor level of technical and professional education, but also the mismatch between the curricula and the needs of the economy, which results in low youth employability and thus, the high rate of unemployment. However, since 2010, ECOWAS has conducted a series of training sessions to build the capacities of teachers in technical and vocational education and training (TVET), as well as administrators and practitioners.

8.2. Science and Technology

The ECOWAS Commission worked on the second development phase of the Action Plan of the Regional Science and Technology Policy for the sub-region, which started in 2006. After the study was completed, a Policy and an Action Plan were adopted. ECOWAS and NEPAD are now working to develop a model for data collection on the state of science and technology in each Member State, through designated focal points and Civil Society.

Furthermore, the Committee provided support to the West Africa Institute (WAI) for the organization of the Africa Innovation Summit (AIS) held in Praia in February 2014. This summit was an opportunity to enhance Africa's capacity for innovation and to explore ways and means of collaborating with relevant institutions in order to contribute to the continent's development. The Commission also participates in statutory meetings of the West and Central African Research and Education Network (WACREN).

8.3. Culture

The Fourth Conference of ECOWAS Ministers of Culture held on 25 November 2011 in Abuja, and whose recommendations were endorsed by the 67th Session of the Council of Ministers (held in Abuja in December 2011), reaffirmed its commitment to implementing the focus areas of the ECOWAS Cultural Development Programme (A/DEC.4/11/96), the Cultural Framework Agreement for the Economic Community of West African States (A/DEC.1/7/87), and the NEPAD Action Plan for Culture (A/DEC.6/01/03).

Copyright protection is one of these priority areas. Thus, the Ministers recommended that the Regional Copyright Observatory (RCO), established in 2009 by ECOWAS authorities (C/REG.16/11/09) and responsible

for copyright protection in the region, be provided with the necessary financial resources to accomplish its mandate. Pursuant to this recommendation, the Commission provided RCO with adequate funding in 2013, and together with the Culture Division, has implemented the following: (i) Creation of the ECOWAS copyright hologram; (ii) Organization of training and awareness-raising workshops on safeguarding works of art and fraud avoidance...

Cultural exchanges are another priority area. Within this framework, regional cultural events are supported to achieve relevant objectives in the area.

8.4. Youth and Sports

In this area, ECOWAS activities are coordinated by the ECOWAS Youth and Sports Development Centre and fall within the scope of the objectives of the Strategic Action Plan (2010-2020), as well as of ECOWAS youth and sports policies and action plans. They cover three main areas: sports and physical education, youth development, and the implementation of the ECOWAS Volunteers Programme in pilot States.

In area of sports, the Centre regularly organizes the ECOWAS Games and the ECOWAS International Cycling Tour. It also supports the organization of other sports tournaments in the region.

In the field of youth affairs, the Commission is conducting capacity building programmes for youths. In 2014, training sessions on air conditioning and refrigeration as well as automotive mechanics were organised for 60 young people from 10 ECOWAS countries.

9. POLITICAL AFFAIRS, PEACE AND SECURITY

9.1. The Protocol relating to the Mechanism for Conflict Prevention, Management, Resolution, Peace-keeping and Security

Signed pursuant to Revised Treaty's Article 58 on "*regional security*", this Protocol strengthens the Community's action by introducing a security dimension. ECOWAS has thus virtually absorbed the Protocol on "*Non-Aggression and Assistance in Defence*" (ANAD) which linked some of its members.

In order to maintain peace, security and stability in the sub-region, the Protocol instituted specific structures such as the Mediation and Security Council and the ECOWAS Cease-fire Monitoring Group (ECOMOG).

In a specific manner, the role of ECOWAS in the domain of peace and security manifold, as presented below:

- *Preventive Diplomacy:*

The ECOWAS Commission has recently intensified its efforts in the search for peaceful solutions to the crises in Mali and in Guinea Bissau and is continuing its efforts in these two countries through support to the reform processes for stability and long-term development.

- **Capacity Building:**

Recent ECOWAS activities in this area include: (i) creation of a database of eminent personalities in the region, with a view to setting up a new Council of Elders, in compliance with the revised Statutes; (ii) creation of a Mediation Facilitation Division within ECOWAS; (iii) adoption of the three-year priority plan for implementation of (the 14) ECOWAS Conflict Prevention Framework (ECPF) components; (iv) support to the Mano River Union security strategy; (v) thorough scrutiny of actions and impact of ECOWAS interventions before and during the institutional crises in Mali, in order to draw appropriate lessons.

- **Early Warning System:**

In executing the duties assigned to it in the field of early warning, the Commission continues to publish daily/weekly newsletters which highlight topical issues, situation reports, early warning reports, thematic notes, and safety update reports. Supported by empirical data from the ECOWARN system, these publications are of invaluable importance to the Commission's efforts in the domain of conflict prevention and intervention.

Furthermore, a risk assessment was performed for ECOWAS Member States. Originally performed in 2011, risk assessment makes it possible to have detailed information on each Member State with regards to its vulnerability to current human security threats.

Apart from using these assessments for establishing a reference base for producing early warning and response notes, as well as for policy and situational analyses, the information obtained through risk assessment allows the Commission to classify Member States accordingly. This update originated from lessons learned from the first country risk assessment and the dynamics of rapidly changing conflicts in the region. It entails taking into account these changes and making predictions on the security situation on the basis of possible developments in the security situation in the Member States.

In a bid to improve the early warning system in the region, the Commission initiated the development of a five-year strategic plan which covers the 2014-2018 period. This strategic plan will be supported by a mid-term action plan which will serve as a roadmap for improving the results and performance of the early warning system.

- **Maintaining Regional Peace and Security**

❖ **Peace Support Operations**

This programme has three components: military, civilian and police.

- 1) **The Military Component:** Recent actions undertaken within this framework include: (i) meeting of ECOWAS Committee of Chiefs of Defence Staff (CCDS) to examine the security situation in the region, Roadmap III of the ECOWAS Standby Force (ESF), assessment of implementation status of activities to set up the Regional Maritime Zone "E" as well as to implement the Defence and Security Sector Reform (DSSR) Programme in Guinea Bissau; (ii) tripartite meeting of Commanders in charge

of training institutions and centres of excellence designated by ECOWAS, for the purpose of examining ways of strengthening technical and operational cooperation between ECOWAS Commission and these institutions in the area of training in peace support operations; (iii) holding planning conferences (initial and final) of Exercise Western Accord. This is a joint field training exercise (FTX) involving the United States Africa Command (US AFRICOM) and ECOWAS, which is aimed at building capacity for Peace Support Operations (PSOs).

- 2) **The Police Component:** The Police Planning Unit is pursuing its Assessment of Training Needs (ATN) programme, which started in September 2013. The goal of this programme is to draft a document for the training of the ESF's police component.
- 3) **The Civilian Component:** An important activity undertaken at this level is the internal review of the policy framework for the civilian dimension of the ESF and preparing a Directory of Civilian Reservists.

❖ *Regional Security*

In the area of regional security, the Commission is working on the following issues: (i) preparing an ECOWAS Integrated Maritime Strategy (EIMS) which was adopted at the ECOWAS Summit of Heads of State and Government held in March 2014 in Yamoussoukro, Côte d'Ivoire; (ii) providing national training courses on the Counter-Terrorism Training Manual in Member States; (iii) developing a three-year priority action plan for the Code of Conduct for Armed Forces and Security Services in West Africa; (iv) building the capacity of the Police Force for tackling border crime in West Africa;

ECOWAS adopted the ECOWAS Integrated Maritime Strategy (EIMS) at the 44th Summit of Heads of State and Government, held in Yamoussoukro, Côte d'Ivoire, from 28 to 29 March 2014. The first and second working sessions of the Interregional Working Group (IWG), comprising ECOWAS, ECCAS, the Gulf of Guinea Commission (CGG) and the Government of Cameroon, were held from 22 to 26 April and from 10 to 15 May 2014, respectively, and helped to establish an Inter-regional Coordination Centre (ICC), based in Yaounde, Cameroon, and which became operational in 2014.

❖ *Light weapons*

In this area, the activities of the ECOWAS Commission include: (i) organizing awareness-raising and capacity-building workshops which bring together journalists and members of National Commissions for the fight against the illicit proliferation and circulation of small arms and light weapons; (ii) holding the Annual Conference of Chairpersons of National Commissions for the fight against the illicit proliferation and circulation of small arms and light weapons.

- **Management of Humanitarian Affairs**

An ECOWAS Emergency Response Team (EERT) has been established. It was deployed in Mali in November 2013.

Disaster Risk Reduction (DRR) initiatives have also been undertaken (FOREWARN Initiative): (i) provision of support to some member countries for establishing a national disaster risk reduction platform; (ii) organization of regional training seminars on early warning and information-sharing coordination mechanisms for national DRR platforms and national meteorological services; (iii) design of a model for national disaster management agencies in West Africa.

9.2. The Protocol on Democracy and Good Governance

It falls in line with the *Declaration of Political Principles of the Economic Community of West African States*, which was adopted in Abuja in July 1991, *on freedom, people's rights, and democratization*.

It is by virtue of this Declaration that the Revised Treaty prescribed the “*promotion and consolidation of a democratic system of governance in each Member State*” as a fundamental principle of the Community.

In some of its provisions, the Protocol appears as “*the political component of economic integration, which is the original purpose of the Community*”.

It enshrines “*constitutional convergence principles*”, that is, principles regarding organization and exercise of state power that are common to Member States of the Community, such as: separation of powers, independence of the judiciary, guarantee of the right to defence, guarantee of parliamentary immunity, transparent elections, zero tolerance for power obtained or maintained by unconstitutional means, secularism of the State, freedom of the opposition guaranteed, public financing of political parties, guarantee of public freedoms, institution of status for former Heads of State.

Concerning elections, the Protocol also prescribes a set of rules: prohibiting any substantial modification of electoral laws in the last six (6) months before the elections, encourages maintenance of up-to-date and reliable voters' lists, elections shall be held at fixed periods, independent or neutral electoral commissions, acceptance by all parties concerned of election results, election monitoring and ECOWAS assistance.

Another innovation: the Protocol emphasizes the need for the Army to be politically neutral and to respect national values. In addition, there is a sanction mechanism for Member States guilty of “*non-compliance with democracy*” or “*massive violation of human rights*”.

At the operational level, the Commission is working to enhance the capacity and efficiency of national governance institutions, so as to contribute to strengthening democratic structures, promote a culture of democracy, participatory democracy, as well as good governance in West Africa. To this end, it increased its support to national networks which it contributed in establishing (Network of West African Human Rights Institutions, Network of Anti-Corruption Institutions in West Africa and the Forum of West African Political Parties).

Furthermore, Article 12 of the Additional Protocol on Democracy and Good Governance (2001) invites the ECOWAS Commission to implement measures to ensure the effective management of elections in Member States to ensure that they meet internationally recognized standards. In this light, the Commission deploys **observers** to monitor elections in member countries. In addition, the Commission organizes an annual meeting of the ECOWAS Network of Electoral Commissions (ECONEC), as well as periodic workshops. Furthermore, a directory of election observers has been prepared in the three official languages of ECOWAS (English, French and Portuguese).

10. MACROECONOMIC POLICY AND RESEARCH

10.1. Macroeconomic Policy Convergence and Establishment of a Monetary Union and a Single Currency

10.1.1. Policies implemented

The idea of creating a single currency within ECOWAS was launched in May 1983 by the Conference of Heads of State and Government (Decision A/DEC./6/5/83 relating to the proposal to establish a single ECOWAS Monetary Zone). In 1987, the Heads of State and Government of the Community Member States, by Decision A/DEC.2/7/87 relating to the adoption of an ECOWAS monetary cooperation programme (EMCP), expressed their desire to create a single monetary zone within ECOWAS.

In the light of the mixed results achieved in the implementation of the EMCP, the Conference adopted a new approach which sought to accelerate monetary integration. In this regard, Decision A/DEC.7/12/99 relating to the adoption of the ECOWAS Macroeconomic Convergence Criteria was adopted in Lome. This instrument which was thus adopted comprises ten macroeconomic convergence criteria, four of which are primary criteria and the six others are secondary criteria that Member States should comply with prior to the institution of the ECOWAS single currency in 2004.

As part of this new accelerated procedure, the Heads of State and Government of the Gambia, Ghana, Guinea, Nigeria and Sierra Leone signed, on 15 December 2000 in Bamako, the agreement to establish the West African Monetary Zone (WAMZ), whose currency was scheduled for January 2003.

However, the launch date for the second regional currency has been postponed three times, namely, from January 2003 to December 2005, later from December 2005 to December 2009 and then from December 2009 to 1 January 2015 and finally from 2015 to the 2020 deadline.

Due to delays in the implementation of the second regional currency, the Conference of Heads of State of ECOWAS, in Abuja on 15 June 2007, requested the ECOWAS Commission to review the monetary integration process with a view to accelerating the launch of the regional monetary union. This directive of the Authority entailed a series of meetings of the institutions involved and was crowned by the adoption by the ECOWAS Convergence Council, on 25 May 2009, of the **Roadmap for the ECOWAS single currency in 2020**.

The adoption of the roadmap for the ECOWAS single currency seeks, through the implementation of planned activities, to transform the ECOWAS region in an optimum currency area. An optimum currency area (OCA) is a geographic region in which it would be beneficial to establish a single currency. Such an area can group several countries or may also involve a few regions of a great country. In practice, the theory of optimum currency area is to define the conditions under which the benefits of participation in a monetary union will outweigh the associated costs.

In accordance with the programme of activities set out in the Roadmap, the ECOWAS monetary union should be launched in 2020 with the creation of the ECOWAS Central Bank and the institution of a common currency. To achieve this, a series of activities have been scheduled in the roadmap for the ECOWAS single currency, whose realisation will make the ECOWAS region more optimum in the light of the criteria of optimum currency areas.

Before the ECOWAS single currency, the WAMZ monetary union initially planned for 2015 could not be attained.

In order to ensure implementation of this Roadmap in a timely and effective manner, the ECOWAS Commission was mandated to continue to coordinate the inter-agency work and to collaborate with the other regional institutions and Member States involved in the ECOWAS Monetary Cooperation Programme. Similarly, Member States were urged to continue the implementation of the monetary, fiscal and structural policies.

In the implementation of this roadmap, it became necessary to review certain instruments and to adopt others in a bid to take into account changes occurring in the process. Thus, in June 2012, the Assembly of Heads of State and Government adopted Supplementary Act A/SA.3/06/12 to amend Decision A/DEC.17/12/01 relating to the establishment of a multilateral surveillance mechanism for economic and financial policies of ECOWAS Member States. Similarly, a Macroeconomic Stability and Convergence Pact among ECOWAS Member States (Supplementary Act A/SA.4/06/12) was adopted.

10.1.2. Achievements and constraints in implementing the Roadmap on the ECOWAS Single Currency Programme

Status of implementation of activities of the roadmap on the ECOWAS single currency programme

The Report of the 26th Ordinary Meeting of the ECOWAS Committee for Economic and Monetary Affairs and the WAMA Operations and Administration Committee (held in Banjul, the Gambia, on 10 and 11 January 2014) stated that in terms of policy harmonization, significant progress has been noted in the context of the implementation of the harmonization programmes set out in the roadmap. The report therefore notes that there has been significant progress in relation to the harmonization of monetary policy frameworks, legislation and supervision of banks and other financial institutions, accounting and reporting framework for banks and financial institutions, statistics on the balance of payments and development of payment systems and the liberalization of the capital account. However, efforts are still needed in the context of the interconnection of payment systems and the liberalization of the capital account.

As regards public finance, common rules were adopted on public procurement and public debt management, although their application has not yet started. Furthermore, studies are also underway on public accounts and public finance statistics.

There has also been progress in the harmonization of national accounts (all countries having migrated to the SNA 1993 system and some partially to the new version SNA 2008) and price statistics (compilation of the Consumer Price Index in all Member States based on the COICOP system).

Main challenges/constraints in the implementation of the roadmap

The assessment report on the implementation of activities of the Roadmap on the ECOWAS Single Currency Programme, which was adopted in October 2013 in Lagos, identified several constraints in its implementation, notably the following:

- Inadequate financial resources to support the implementation of some key activities of the roadmap;

- Inadequate human resources (in quantity and quality) to ensure the implementation of certain activities of the roadmap in an efficient manner and at the proper date at both regional and national levels;
- Low capacity shown by some Member States in producing reliable statistics and in good time for multilateral surveillance activities;
- Insufficient political will to speed up the ratification, domestication and implementation of legal instruments (conventions and protocols);
- Low level of effective participation by Ministers of Finance and Governors of Central Banks in meetings of the ECOWAS Convergence Council;
- Lack of awareness of the effective implementation of the ECOWAS Single Currency Programme among the populations as well as among targeted actors and specific groups, such as the authorities in charge of immigration, parliamentarians, customs officials, etc.;
- Frequency of external shocks affecting the fiscal and external performance of Member States and, consequently, performance in terms of macroeconomic convergence;
- Structurally weak taxation base within a context of high incompressible expenditures.

10.1.3. Progress in meeting the convergence criteria within ECOWAS:

a) Established rules

In order to achieve the closest coordination of economic policies of the Member States and the convergence of national economies, Decision A/DEC.17/12/01 on the creation of a Multilateral Surveillance Mechanism of Economic and Financial Policies of ECOWAS Member States was adopted by the Conference of Heads of State and Government in December 2001.

By the abovementioned Decisions A/DEC.7/12/99 (Art.3) and A/DEC.17/12/01(Art.7), Member States were invited to develop and submit to ECOWAS and the West African Monetary Agency (WAMA) their multi-year convergence programmes.

Since then, the ECOWAS Commission has undertaken several actions to operationalize the multilateral surveillance mechanism within ECOWAS Member States in collaboration with other regional institutions. These actions include, among others, a study for the harmonization of the ECOWAS convergence criteria, the launch of the ECOWAS Multilateral Surveillance Database (ECOMAC) by the Council of Ministers in August 2011, the establishment of the National Coordinating Committees (NCC) in Member States and the building of stakeholders' capacities to operationalize the multilateral surveillance mechanism of ECOWAS.

To overcome the lack of a formal framework which describes the form and content of the convergence programmes, as well as their adoption procedures, specific arrangements for transmission and evaluation of these programs and even a clear definition of a convergence time horizon, Supplementary Act A/SA.4/06/12 on the *Macroeconomic Stability and Convergence Pact among ECOWAS Member States* was adopted by the 41st Ordinary Session of Heads of State and Government held in Yamoussoukro on 29 June 2012. It sets out and marks the formal commitment made by the ECOWAS Member States towards achieving the ECOWAS monetary union with a single currency.

The Pact is being implemented in two phases:

- The Convergence Phase, which extends from 1 January 2012 to 31 December 2016. Within this time frame, all member states are bound to comply with all the primary criteria;
- Stability and Performance Consolidation: from 1 January 2017. During this period, the states will strengthen their achievements and implement macroeconomic policies which thus enable the achievement of sound and sustainable growth.

b) Results obtained

Despite the good will expressed at Summits and ministerial conferences, as well as the achievement of economic growth rates above 5% in the ECOWAS region between 2005 and 2012, little progress has been made in compliance with the convergence criteria.

The proceedings of the Technical Committee responsible for macroeconomic policies in ECOWAS, held in Abidjan in 2013, therefore show that compliance by States with the criteria deteriorated in 2012, with the exception of criteria relating to the wage bill ratio and the real interest rate.

For the period 2000-2009, WAEMU was more efficient than WAMZ in terms of compliance with the convergence criteria (J. Lama, 2011). For the period 2008-2013, Niger, Nigeria and Senegal met most criteria (8 of 11) while the Gambia, Ghana and Sierra Leone have the least attractive prospects with only 4, 3, and 4 criteria met, respectively.

Concerning the primary criteria, only six countries have reached the target for the budget deficit in 2012. Although grants were included, performance for this indicator did not improve. It should be noted that budget deficits continue to be part of a trend that began in 2009 when governments were widely requested to curb the effects of the international financial crisis.

Table 6: Convergence criteria for the economies of West Africa

UEMOA (WAEMU)	WAMZ	ECOWAS
BENIN, BURKINA FASO, COTE D'IVOIRE, GUINEA BISSAU, MALI, NIGER, SENEGAL, TOGO	GAMBIA, GHANA, GUINEA, LIBERIA, NIGERIA, SIERRA LEONE	UEMOA + WAMZ + CABOVERDE
Primary criteria		
<ul style="list-style-type: none"> Ratio basic budget balance over nominal GDP (key criteria) $\geq 0\%$; Average rate of annual inflation: $\leq 3\%$ per year; Ratio of exceptional domestic and foreign debt in relation to nominal GDP $\leq 70\%$; Payment arrears: <ul style="list-style-type: none"> Domestic arrears: non-accumulation of arrears during the current functioning period External arrears: non-accumulation of arrears during the current functioning period. 	<ul style="list-style-type: none"> Budget deficit, excluding grants in % nominal GDP $\leq 4\%$ Inflation rate (end of period) $< 10\%$ Funding by the central bank of the budget deficit in relation to the fiscal revenues of the previous year $\leq 10\%$ Gross reserves (in months of imports) ≥ 3 months 	<ul style="list-style-type: none"> Inflation rate (annual average) $\leq 5\%$ Budget deficit in % of nominal GDP (including grants) $\leq 3\%$ Funding by the central bank of the budget deficit in relation to the fiscal revenues of the previous year $\leq 10\%$ Gross external reserves ≥ 6 months
Secondary criteria		
<ul style="list-style-type: none"> Ratio wage bill over fiscal revenues $\leq 35\%$; Ratio of public investments financed on internal resources in relation to fiscal revenues $\geq 20\%$; Ratio of the current account deficit in relation to nominal GDP $\leq 5\%$; Rate of fiscal pressure $\geq 17\%$. 	<ul style="list-style-type: none"> Fiscal revenues in percentage of GDP $\geq 20\%$; Wage bill in % of nominal GDP $\leq 35\%$; Public investments financed at national level in % of fiscal revenues $\geq 20\%$; Real interest rate $> 0\%$; Nominal exchange rate $\pm 15\%$; Non-accumulation of arrears. 	<ul style="list-style-type: none"> Non-accumulation of domestic and external arrears under current management. Ratio of wage bill over fiscal revenues $\leq 35\%$; Ratio of public investments s financed on internal resources in relation to fiscal revenues $\geq 20\%$; Rate of fiscal pressure $\geq 20\%$; Real interest rate $> 0\%$; Stability of the nominal exchange rate ($\pm 10\%$);

In relation to *price developments*, eight countries in the region met the standard in 2012, that is, one country less than in 2011. With regard to *foreign exchange reserves*, only Nigeria has met the standard of six months imports in 2012 against ten countries in 2011.

Budget deficit financing by the Central Bank is the only one that improved among the primary criteria compared to 2011. Indeed, fourteen countries have met this criterion in 2012 against thirteen in 2011.

With regard to the performance of individual countries, it appears that **no country has met all primary criteria in 2012 against four countries in 2011**. Only three countries, namely, Guinea Bissau, Niger and Nigeria met three of the four criteria. It is important to note that **WAEMU countries show more inclination to respect the primary convergence criteria**.

With regard to the **secondary criteria**, the best performance relate to **public debt**, the **stability of the nominal exchange rate** and the **real interest rate**. In contrast, countries face difficulties in relation to the **tax burden** and the level of **staff salaries**.

Table 7 : Primary criteria compliance levels by country

PAYS	2008	2009	2010	2011	2012	2013*
UEMOA (WAEMU)						
BENIN	2	3	4	4	2	3
BURKINA FASO	1	3	3	4	2	2
COTE D'IVOIRE	2	4	4	3	2	3
GUINÉE-BISSAU	1	4	4	3	3	3
MALI	2	3	4	3	2	3
NIGER	2	3	4	4	3	2
SENEGAL	2	3	3	3	2	2
TOGO	2	4	4	4	2	2
WAMZ + Cabo Verde						
CABOVERDE	2	2	2	2	2	2
GAMBIA	2	2	3	2	2	1
GHANA	0	1	1	1	0	1
GUINEA	2	1	0	2	2	2
LIBERIA	2	2	1	2	2	2
NIGERIA	3	2	2	2	3	3
SIERRA LEONE	1	1	0	1	1	2
Number of countries which have complied with all primary criteria	0	3	6	4	0	3

Source: WAMA (2014) * Estimates

10.1.8. Proposed Reforms Concerning the Convergence Criteria and the Roadmap towards the Single Currency and Monetary Union

Having observed the slow pace in the process of creating a single currency in the ECOWAS zone, notably the repeated non-compliance with the 2003, 2005 and 2009 deadlines and the certainty that the situation will repeat itself in 2015, as concerns the WAMZ currency and, therefore, the ECOWAS common currency, the Heads of State and Government decided to give a new impetus to the process of creating a single currency in the region. To this end, the Heads of State and Government, during an extraordinary session held on 25 October 2013, decided to entrust the supervision of the creation of the ECOWAS single currency to the Presidents of Ghana and Niger.

Subsequent to this mission entrusted to them, a Task Force was set up, which is composed of representatives of the Presidents of Niger and Ghana, the Ministers of Finance of Niger and Ghana, the Chairpersons of the ECOWAS and WAEMU Commissions, the Governors of ECOWAS Central Banks as well as the Directors General of the West African Monetary Agency and the West African Monetary Institute. The duty of the Task Force is to advise and support the two Heads of State in overseeing the process of creating the ECOWAS single currency.

During the first meeting of the two Heads of State, it was recommended, *inter alia*, to streamline the macroeconomic convergence criteria as well as the institutions responsible for the creation of the single currency in the region.

During its second meeting, held in July 2014 in Accra, the Task Force proposed to the two Heads of State to reduce the number of convergence criteria. Accordingly, it was proposed and approved to reduce the convergence criteria from eleven (11) to six (6), with four (4) being the primary and two (2) the secondary.

Since the convergence criteria were recorded in the Supplementary Act on the Convergence Pact, the revision should follow the same procedure.

On the recommendation of the Presidents of Ghana and Niger, who are responsible for the currency programme, a draft supplementary act to amend Supplementary Act A/SA/4/06/12 of 29 June 2012 on the Convergence and Macroeconomic Stability Pact between Member States of ECOWAS should be submitted for adoption to the Assembly of Heads of State scheduled for 28 May 2015 in Abuja.

Ultimately, the macroeconomic convergence project is only progressing moderately. With a little more political will, it might undoubtedly be possible to do much better in complying with the convergence criteria than at moment, since several of the indicators are controlled by governments (such as the level of public debt, advances from the central bank and budget allocations for investment or wage bill). Other indicators, such as the budget deficit, tax burden, real interest rates and inflation, can also be better controlled through innovative actions in the global governance of economic, monetary and financial affairs. Lastly, institutional measures for harmonizing policies depend purely on the willingness of Member States.

10.2. Specialised agencies in monetary policy and convergence:

a. The West African Monetary Agency (WAMA):

WAMA was set up to replace the West African Clearing House (WACH), created in 1975, to promote sub-regional trade in West Africa. In comparison with WACH, WAMA has a broad-based autonomy with the mission to monitor, coordinate and implement the ECOWAS monetary cooperation programme, to encourage and promote the application of the exchange rate determined by market forces, to promote intra-regional trade, to initiate policies and programmes relating to monetary and economic integration, especially in the development of payment systems and to conduct research, as well as to ensure the establishment of a single monetary zone in West Africa.

In a bid to achieve its objectives, the Agency has undertaken various activities since 2007: multilateral surveillance, including monitoring macroeconomic developments and the convergence process; assessment of exchange rate trends; and conducting relevant studies and seminars.

Furthermore, the ECOWAS Convergence Council approved a roadmap which will guide the process leading to the achievement of the goal of an ECOWAS single currency, including more specifically the harmonization of monetary policy frameworks, regulations governing current and capital account transactions, balance of payments statistics, regulation and supervision of banks and other financial institutions, as well as accounting and reporting frameworks for banks and other financial institutions.

However, the implementation of the roadmap activities still faces a number of challenges, including: lack of capacity at regional and national levels, the lack of adequate infrastructure, particularly in the financial sector, non-compliance with community protocols and decisions, and inadequate staffing of WAMA.

b. The West African Monetary Institute (WAMI):

WAMI was set up in 2001, pursuant to the Accra Declaration on the establishment of a second monetary zone, to facilitate the creation of a Common Central Bank and the introduction of a common currency for participating Member States. WAMI Member States are the Gambia, Ghana, Guinea, Nigeria, Sierra Leone, and Liberia¹¹.

The duties of WAMI include monitoring the status of convergence, harmonizing statutory provisions and designing policy frameworks, promoting a regional payment system, conducting studies on the mechanism for determining exchange rates and conversion rates, organizing awareness raising campaigns in a bid to inform the public about the new currency, designing and ensuring the technical preparation of the new currency, and laying down conditions for the establishment of a common central bank as well as creating an enabling environment.

The ECOWAS Commission cooperates with WAMI in monitoring the effective implementation of the second monetary zone, called the West African Monetary Zone (WAMZ), by participating in the deliberations of the Convergence Council. Although the Member States are at different stages in the march towards convergence, WAMI's mission has been entrusted with the task of conducting an assessment and feasibility study on the state of preparedness for launching the WAMZ no later than in 2015 (in accordance with the roadmap for the ECOWAS single currency). The general feeling at the present time is that this goal will not be achieved and thus will be postponed.

10.3. Research and Statistics

In the area of statistics, ECOWAS has set up a regional statistical programme over a five-year period and is mobilizing financial resources for its implementation. The activities include management and updating of the ECOMAC Database, providing support to some member countries (Guinea, Sierra Leone and Liberia) in the collection of national statistics, the organization of regional training sessions for experts from the Member States, and the development (in association with WAEMU) of a regional PRSP.

¹¹Liberia became a full member of WAMI in 2010.

The RPRSP is aimed at addressing transnational issues and dimensions of poverty which are not taken into account in the national Poverty Reduction Strategy Papers. For its operationalization, the RPRSP has defined priority areas on the basis of their potential to impact more on growth, poverty reduction and development. The ECOWAS and WAEMU Commissions have, since 2013, engaged in a process of reviewing this national strategy, in order to better adapt it to the internal context of the countries as well as to the international Post-2015 agenda with respect to the Millennium Development Goals

Moreover, a harmonized balance of payments guide has been prepared and will be submitted shortly to ECOWAS authorities for validation and adoption. This will allow the Commission to enter the implementation phase of all statistical harmonization projects help in the monitoring of the ECOWAS monetary programme.

In the domain of research, the Commission is working on the preparation of the Regional Research Programme and a framework for collaboration between researchers in the region. It also conducts (through an Economic Policy Analysis Unit, EPAU) analyses and research for the purpose of promoting regional integration in West Africa.

IV. ANALYSIS OF THE IMPACT OF ECOWAS POLICIES AND PROGRAMMES ON THE PROGRESS OF REGIONAL INTEGRATION AND DEVELOPMENT IN MEMBER STATES:

1. GLOBAL ASSESSMENT OF ECOWAS SECTORAL POLICIES:

The evaluation of the performances of ECOWAS sectoral policies and programmes should be made in the light of objectives set out in the original Treaty and later confirmed and expanded in the Revised Treaty of 1993.

The overall goal defined in the 1993 Revised Treaty (Article 3) for ECOWAS reads: “to promote cooperation and integration, leading to the establishment of an economic union in West Africa on order to raise the living standards of its peoples, and to maintain and enhance economic stability, foster relations among Member States and contribute to the progress and development of the African continent”.

To help achieve this final goal, the revised Treaty requires Member States to take specific commitments, in the various areas which ECOWAS later translated into policy frameworks and programmes implemented in the field. Today, it has a rich architecture of programmes covering almost all sectors of economic, social, cultural and political activities.

The actions implemented for each of these roles *help to improve the strategies and policies* of member countries, by obliging them to align with the best practices existing at the regional and global levels. They also *promote the implementation of reforms*, as ECOWAS instruments can henceforth be applied directly in the Member States which should incorporate same into their legislation, thus facilitating their acceptance by national stakeholders.

Moreover, ECOWAS sectoral programmes create *new frameworks for cooperation between countries of the region* and offer them, in the medium and long term, opportunities which are greater than those they could have obtained if they acted single-handedly. This is especially true with regard to infrastructure or energy projects, although ECOWAS’ lack of means constitutes a major constraint on the speedy implementation of programmes and their ability to generate a strong impact in the short term.

Table 12 below summarizes the policies and programmes developed as well as their main achievements and shortcomings, which enable a general assessment of their effectiveness (by comparing the results achieved and the objectives set at the start). Indeed, there is a limited analysis especially as a more relevant assessment (covering all programmes and actions of ECOWAS structures and based on recognized evaluation norms and principles) would have been necessary to have a precise view of the actual status of integration within ECOWAS.

In general, *the performances of ECOWAS, since its establishment, may be deemed globally satisfactory at this stage.*

The implementation status differs widely from one domain of integration to another.

Table 8: Summary of main ECOWAS sectoral policies

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Free movement of persons	Elimination of obstacles to freedom of movement and respect of the right of establishment and residence	Protocol A/P1/5/79 on the free movement of persons, right of residence and establishment	Dakar 29 May 1979	Creation of special posts by Member States at each official entry point for entry formalities by their nationals and ECOWAS citizens. Freedom of movement and of residence Existence of an ECOWAS Passport Adoption of the biometric identity card as a travel document instead of ECOWAS travel certificate; Suppression of the Residence Card (free establishment for ECOWAS citizens); Free access to employment in the Member States. Setting up of a platform for the harmonization of immigration procedures and planned introduction of ECOVISA (Schengen-type visa)	Persistence of some minor harassment at borders
		Protocol A/P 3/5/82 on the Code of community citizenship	29 May 1982		
		Resolution A/RES/2/II/84 on the implementation of the first stage of the protocol on free movement of persons, right of residence and establishment	23 November 1984		
		Decision A/DEC.2/7/85 portant institution d'un carnet de voyage des Etats membres de la CEDEAO	6 July 1985		
		Protocoles additionnels A/SP2/7/85, A/SP1/6/89 et A/SP2/5/90 on the right of residence and the right of establishment	6 July 1985, 30 June 1989 and 29 May 1990, respectively		
		Decision A/DEC.2/5/90 on the establishment of a resident card (carte de résident) of Member States	30 May 1990		
		Decision A/DEC.1/5/2000 on the establishment of the ECOWAS passport			
		Review of all protocols on free movement	July 2014		

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Free movement of goods	Trade liberalization by elimination of customs duties on imports and exports of goods between Member States and the abolition between Member States of non-tariff barriers, with a view to creating a Free Trade Area at the Community level.. Institution of a common external tariff and a common trade policy towards third countries	Establishment of Free Trade Area (FTA)	1 January 2000	Reduction of non-tariff barriers through control posts on some corridors	Implementation of the ECOWAS liberalization scheme still subject to constraints Multitude of legal texts which are not always in harmony The 60% regional content, as required by the rules of origin, considered too high by the regional private sector Complexity of the approval mechanism for products Red tape at borders
		Establishment of a common external tariff	January 2006	Free movement of local goods and handicrafts between Member States, exclusive of all duties and taxes	
		Adoption of the Regional Support Programme for the Regulation of Informal Trade in ECOWAS (PARCI)	2013	Finalisation of the Customs Code The ECOWAS CET will be gradually operational from 2015 Construction of side-by-side border posts Approval of the EPA	
Trade promotion	Undertake, through their public and private sectors, trade promotion through actions such as the use of raw materials, goods and factors of production as well as finished products from the Community; and periodically participate in sectoral trade fairs, regional trade fairs and other similar activities.			The ECOWAS fair is held regularly	Trade promotion activities of intra-regional trade are still slow. There is still no updated database of products available in different countries and which could be exported in the sub-region
Tourism	Strengthen regional cooperation in tourism notably by promoting intra-Community tourism by facilitating the movement of passengers and tourists, harmonization of regulations for tourist and hotel activities, the establishment of a Community tourism framework for tourism statistics, the joint promotion of tourism products that portray the socio-cultural and natural values of the region; Encourage the establishment of efficient tourism enterprises; Eliminate all discriminatory measures and practices against Community nationals in the realm of tourism and hospitality services			The proposed adoption of the ECOVISA is a step forward in the promotion of intra-Community Tourism	ECOWAS action has only just started

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Road infrastructure	Develop within the Community a vast network of all-seasons roads while giving priority to interstate highways Develop plans to improve and ensure the integration of networks Encourage the creation and promotion of Community joint ventures	Medium-Term Action Plan for the development of infrastructure		Major road infrastructure projects realized (or being realized): Lagos-Abidjan Highway Project, Senegal-Gambia Bridge, Rosso bridge between Senegal and Mauritania, Trans-West African Highway-Coastal with the construction of bridges in Sierra Leone and the road section between Moa Bridge and the Liberian border, construction of the Zinder- Nigeria border road and the Koupela Piega-Fada Gourma-Niger border on the Trans-Sahel) Establishing a Transportation Facilitation and Transit Programme Implementation of the West Africa Trade Hub (WATH) 2003	ECOWAS has only about 4.7 km of road per 100 km ² , which is below the average 6.8 km for the entire African continent. Faulty and inadequate national and regional transport infrastructure; Absence of a maintenance culture - dilapidated transport infrastructure, especially the road network. Barriers to cross-border transit
Railway Infrastructure	Develop plans to improve and ensure the integration of rail networks; Encourage the creation and promotion of Community joint ventures	Medium-Term Action Plan for the development of infrastructure		Adoption and implementation of a Railway Master Plan	Rail infrastructure is old and inadequate for the needs of modern rail transport and the gauges are different from one country to another
Air transport	Encourage cooperation regarding the scheduling of flights, aircraft leasing, granting and the joint operation of fifth freedom to airlines in the region; Promote the development of regional air transport services and encourage the merger of national companies; Facilitate the development of human resources Work towards the standardization of equipment and the establishment of common infrastructures for production, maintenance and repair.	Medium-Term Action Plan for the development of infrastructure		Progress in the implementation of an Air Transport liberalized market within ECOWAS Creation of a Sub-Regional Organization for Supervision of Aviation Safety (BAGASOO) involving seven Member States Creation of the Sub-Regional Organization for Supervision of Aviation Safety (BAGASOO) 2010.	Lack of capacity to meet growing internal demand for air transport services

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Maritime transport	Develop programmes for improving the cabotage services services de cabotage and interstate waterways as well as the harmonization of policies on transport and maritime service; Coordinate views in international negotiations; Encourage the creation and promotion of Community joint ventures; ((i) work towards the standardization of equipment used in transport and communications and the creation of common infrastructures for production, maintenance and repair.	Medium-Term Action Plan for the development of infrastructure		Project for the creation of a sub-regional shipping company, called Ecomarine International	
Telecommunications	Develop a common policy on communications as well as related laws and regulations; Develop, modernize, coordinate and standardize national telecommunications networks in order to provide reliable interconnection among Member States; Coordinate efforts to ensure the operation and maintenance of the West African portion of the Pan-African telecommunications network and mobilize financial resources at national and international levels; Encourage the creation and promotion of Community joint ventures	Adoption of New Policy and Regulatory Framework which is more favourable to the development of telecommunications and ICTs in 2009 Adoption of a Directive on the fight against cybercrime in February 2010		Launched INTELCOMM II programme Establishment of the Fund for the development and financing of transport and energy sectors (FODETE-ECOWAS) Interstate terrestrial fibre optic connections: Burkina Faso - Niger, Burkina Faso - Ghana and Ghana - Togo. Connection of coastal states Two ways of access to submarine cables for landlocked countries (Burkina Faso, Mali and Niger) Establishment of a Project Preparation and Development Unit (PPDU) and operationalization of the Fund for the development and financing of the transport and energy sectors (FODETE-ECOWAS)	Lack of a regional company capable of competing with large African companies
Post	Promote closer cooperation between postal administrations administrations postales ;Ensure the most efficient, faster and more frequent postal services within the Community; Harmonize mail delivery services				

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Energy	<p>Effective development of energy resources;</p> <p>Establish appropriate cooperation mechanisms to ensure regular supply of hydrocarbons</p> <p>Promote the development of new and renewable energy, notably solar energy</p> <p>Harmonize national energy development plans by seeking the interconnection of electricity grids;</p> <p>Design a common energy policy, especially in research, exploitation, production and distribution;</p> <p>Create a consultation and coordination mechanism to resolve together the problems of energy development, notably those relating to the transport of energy, lack of managers and technicians, as well as the lack of financial means for the realization of energy projects</p>	Adoption of a Common Energy Policy (CEP)		<p>West African Power Pool (WAPP)</p> <p>West African Gas Pipeline Project (WAGP)</p> <p>Creation of the Regional Electricity Regulatory Authority (ERERA)</p> <p>Système d'échanges d'énergie électrique ouest-africain (EEEOA)</p> <p>Creating the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE)</p> <p>Adoption of the Electric Power Supply Security Plan (EPSSP) 2008</p>	<p>Implementation difficulty owing to financing and inadequate determination of the Member States</p> <p>Very low level of energy coverage of the populations High cost of access both for population and for industrial enterprises</p> <p>One of the lowest levels of electrical energy consumption in the world (88 KWh of electricity per capita/year against 350 KWh for East Asia) Inadequate supply of clean energy; Inadequate integration of regional energy markets;</p>
Mines	Harmonization and coordination of policies: assessment of mining potential, methods of pricing and marketing, exchange of information on prospecting, mapping, production and processing of mineral resources, the promotion of inter-industrial relations within the scope of the exploitation of mineral resources, the development of joint training programs, coordination of positions in all international negotiations on raw materials, the development of a system for knowledge transfer and exchange of scientific and economic data in remote sensing among Member States.	<p>Adoption of Directive C/DIR 3/O5/O9 on harmonization of guidelines and policies in the mining sector.</p> <p>Adoption of the Mineral Resource Development Policy of ECOWAS (PDRMC)</p>	<p>26 and 27 March 2009</p> <p>26 and 27 March 2009</p>		Delays in the adoption of the Regional Mining Code

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Agriculture and Food Security	Cooperate to develop agriculture, forestry, livestock and fisheries in order to ensure: (a) food security; (b) increase in agricultural production and productivity, livestock, fisheries and forest resources as well as the improvement of working conditions and job creation in rural areas; (c) enhancement of agricultural production through on-site processing of animal and plant products; and, (d) the protection of the prices of export products on the international market.			Implementation of ECOWAP programme by ECOWAS and the Union's Agricultural Policy (PAU) by WAEMU, Regional Agricultural Investment Programme (PRIA) Support Programme to the regional offensive for sustainable and sustained development of rice in West Africa Support Programme for the development of pastoralism in the Sahel (PRAPS) Regional Support Programme for the Regulation of Markets (PARMAO)	Still marked dependence on food imports Heavy dependence on weather conditions
Environment and natural resources	Protect, preserve and improve the natural environment of the Region and cooperate in the event of a natural disaster; Prohibit the import, transit, deposit and disposal enfouissement of toxic and dangerous waste in the region; Harmonize and coordinate policies and programmes in the field of natural resources.	Adoption of an Environmental Policy	2008	Programme for Monitoring and Environmental Security in Africa (MESA) onvergence Plan for the Management and Sustainable Use of Forest Ecosystems in West Africa Draft text of the harmonized ECOWAS regulations on Substances that Deplete the Ozone Layer (ODS)	
Water resources	Harmonize and coordinate policies; Exchange information on exploration, exploitation and distribution of water resources	Adoption of a regional water policy (PREAO)	2008		

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Industry	Harmonize industrialization policies in order to promote regional industrial development and integration of their economies; Strengthen the industrial base of the Community, modernize the priority sectors, promote the achievement of a self-sustaining and self-sufficient development; Promote joint industrial projects and the creation of multinational enterprises in priority industrial sub-sectors likely to contribute to development of agriculture, transport and communications, natural resources and energy	Adoption of a West African Common Industrial Policy (WACIP) Adoption of the Quality Policy (ECOQUAL) through Supplementary Act A/SA.1/2/13	Feb-13	Important regional initiatives Implementation of the West Africa Common Industrial Policy (WACIP) of ECOWAS Development of the Quality Policy Implementation of the ECOWAS Regional Authority (ERA) to boost competition Development of an Investment Policy (ECOWIP) and the Investment Code (ECOWIC). Standards Harmonization Programme (ECOSHAM)	Low level of ownership by member countries of regional initiatives Still heavily dependent on imports of industrial products West African manufacturing accounts for only about 8% of GDP
Private sector	Focus on the role of the private sector and regional joint and multinational companies	Elaboration of Investment Policy (ECOWIP)		Existence of Investment Policy (ECOWIP), On-going preparation of an ECOWAS investment code (ECOWIC), an information system on the market ECOBIZWORLD (ECOINVEST Project) and of a Support CASUA Platform (E-Commerce) to ECOBIZ. Other initiatives include the establishment of a Young Entrepreneurs Programme, an ECOWAS Diaspora Programme and a Regional Public Private Partnership (PPP) Policy.	Low level of transborder investments within the Zone

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Regional development funding	<p>Ensure the free movement of capital within the Community by eliminating the restrictions on the transfer of capital between Member States following a schedule determined by the Council; encourage the creation of national and regional stock exchanges; and by establishing closer relations between the capital markets and stock exchanges. Ensure also that nationals of a Member State can purchase securities, shares and other securities or can invest in companies established in the territory of other Member States;</p> <p>Establish a mechanism for wide dissemination in the Member States of stock exchange quotations of each Member State;</p> <p>Set up an appropriate mechanism for the regulation of issues related to capital markets and to ensure proper operation and protection of investments.</p>			<p>Active support for the creation of Ecobank</p> <p>Establishment in 1999 of a bank for Investment and Development (EBID), replacing the ECOWAS Fund</p> <p>Establishment of the West African Capital Markets Integration Council (WACMIC)</p>	
Health	<p>Cooperation with a view to mobilizing various categories of the population, their integration and their effective participation within the scope of the social development of the Region by promoting and strengthening cooperation in the field of health</p>	<p>Adoption of the Protocol on the establishment of the West African Health Organisation WAHO</p>	1987	<p>Establishment of the West African Health Organization (WAHO)</p> <p>Conduct of studies on the application of health care quality assurance norms and standards in ECOWAS</p> <p>Campaign against HIV/AIDS</p> <p>Establishment of the West African Health Organization (WAHO)</p> <p>Réalisation d'études sur l'application des normes et standards d'assurance qualité des soins dans l'espace CEDEAO</p> <p>Campagne de lutte contre le VIH/SIDA</p> <p>Regional Integrated Operational Plan for Response to the Ebola Virus</p>	<p>Very poor health and social infrastructure, and service delivery</p> <p>Limited means for evacuation Insufficient health staff, poorly assigned and without motivation</p>

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Gender Issues	Develop, harmonize, coordinate and define appropriate policies and mechanisms to improve the social and economic and cultural conditions of women.			Establishment of an ECOWAS Centre for Gender Development On-going development of an ECOWAS Plan of Action for Gender and Trade commerciales	
Humanitarian Affairs				Establishment of an ECOWAS emergency response team (EERT)	
Education	Education Cooperate to ensure the effective development of their human resources by strengthening their cooperation ties in education, training and employment, harmonize and coordinate their policies and programmes in these areas, strengthen existing training institutions, revitalize the efficiency of their educational systems, encourage school and university exchanges, establish the equivalence of diplomas, vocational and technical training, encourage literature, promote the teaching and practice of the official languages of the Community and establish regional centres of excellence in various disciplines; and encourage specialized labour exchanges between Member States	Protocol (A/P3/1/03) on Education and Training	31 January 2003	Adoption of a Protocol on Education and Training Promotion of student and teacher exchanges within ECOWAS, and mutual recognition of diplomas Foster the creation of common institutions of higher education and vocational training by ECOWAS Encourage the coordination of curricula and training	Quality indicators of the education system (primary, secondary and higher) are still weak Timid cooperation between universities of Francophone and Anglophone countries (probably because of the language barrier)

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Science and Technology	<p>(a) Strengthen scientific and technological capabilities in order to achieve socio-economic transformation necessary to improve the quality of life of their populations, particularly those in rural areas;</p> <p>(b) Ensure appropriate application of science and technology for the development of agriculture, transport and communications, as well as industry, health and hygiene, energy, education and human resources and for the preservation of the environment;</p> <p>(c) Reduce their dependence and promote their individual and collective autonomy in the field of technology;</p> <p>(d) Cooperate in matters of development, acquisition and dissemination of appropriate technologies;</p>	Action Plan for the Regional Policy on Science and Technology for the sub-region	2006	Existence of a Regional Policy on Science and Technology	Low level of Research & Development in the Region Weak regional capacity to undertake research and copy/adapt/develop science and technology; Absence of regional SPS standards; Lack of harmonized regional systems; Lack of skills for implementation of regional projects
Culture	Promote the objectives of the Community Cultural Framework Agreement which favours the promotion, by all means and in all forms, of cultural exchanges. But also, promote, develop and, if necessary, improve the structures and mechanisms for the production, dissemination and exploitation of cultural industries; promote the teaching and dissemination of one West African language as a factor of community integration.			Implementation of priority components of the ECOWAS Programme or the development of culture(A/DEC.4/11/96), the cultural framework agreement between the Member States (A/DEC.1/7/87) the NEPAD Action Plan for Culture (A/DEC.6/01/03).	
Youth and Sports	Cooperate to mobilize the various categories of the population, their integration and their effective participation within the scope of social development of the Region through the promotion and development of the practice of sports, in order to bring young people of the region closer and to ensure their balanced development			Establishment of the ECOWAS Youth and Sports Development Centre Implementation of the ECOWAS Volunteers Programme	

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
Peace and Security	Work to preserve and consolidate relations conducive to the maintenance of peace, stability and security in the Region.	Adoption of the Protocol relating to the Mechanism for Conflict Prevention, Management, Resolution, Peace-Keeping and Security	1999	Adoption of the Protocol relating to the Mechanism for Conflict Prevention, Management, Resolution, Peace-Keeping and Security Existence of a system for conflict prevention and management and of post-conflict situations (preventive diplomacy, early warning, peace support operations with military, police and civilian components, management of humanitarian affairs and reconstruction, reflection on regional security issues, capacity building efforts for the control of small arms) Decisive intervention of ECOWAS forces in some countries (Liberia, Sierra Leone, Guinea, Guinea Bissau)	Response time for crisis and emergency need to be improved
		Adoption of the Protocol on Democracy and Good Governance	2001		
Governance	Promote and consolidate a democratic system of government in each Member State	Adoption of Declaration of ECOWAS Political Principles, adopted, on freedom, people's rights and democratization.	July 1991	Suspension of the Member States attempting to violate the Protocol Deployment of ECOWAS observers in member countries during elections	Governance indicators in the Region still weak No effective mechanism for governance oversight
Monetary integration	Promote intra-Community trade in goods and services and ensure the achievement of the objective of the Community, namely the creation of a monetary union through the harmonization of monetary, financial and tax policies Creation of a West African Monetary Union Establishment of a single currency for all of West Africa	Adoption of the Monetary Cooperation Programme	1987	Adoption of Monetary Cooperation Programme Improvement on the harmonization of monetary policy frameworks, legislation and supervision of banks and other financial institutions, of accounting and reporting frameworks of banks and financial institutions, of balance of payments statistics and development of payment systems and of the liberalization of the capital account. Adoption of common rules on public procurement and management of public debt Harmonization of national	Delays in the effective implementation of the ECOWAS Single Currency Non-compliance with the convergence criteria by the States

Domains	Objectives set out in the 1993 Revised Treaty and commitments made by Member States	Policy Frameworks and initiatives effectively implemented by ECOWAS	Adoption dates	Achievements of ECOWAS programmes	Implementation shortcomings
		Adoption of Decision A/DEC.17/12/99 relating to the adoption of the convergence criteria within the scope of the ECOWAS monetary cooperation programme.	1999	accounts and price statistics ECOWAS Mechanism for Multilateral Surveillance(ECOMAC) works Establishment of National Coordinating Committees (NCC) in the Member States. Establishment of the West African Monetary Agency (WAMA) And of the West African Monetary Institute(WAMI)	
		Adoption of decision A/DEC.17/12/01 on the establishment of a multilateral surveillance mechanism for economic and financial policies of the Member States of ECOWAS	2001		
		Adoption of the roadmap for the single currency in ECOWAS	2009		
		Adoption of the Supplementary Act A/SA.4/06/12 relating to Macroeconomic Stability and Convergence Pact among ECOWAS Member States	2012		

2. PEACE, SECURITY AND GOVERNANCE:

Undeniable gains have been made by ECOWAS in the area of peace and security, within a context of great instability.

Conflicts and rebellions have been recurring in the ECOWAS zone over the last forty years and have affected more than half of the Member States: Liberia, Sierra Leone, Guinea, Guinea Bissau, Ivory Coast, Mali, Niger, Nigeria, and Senegal.

Furthermore, several Member States have experienced military coups since 1977.

That is why the West African sub-region remains one of the most unstable areas on the continent.

To address this state of affairs, ECOWAS has, throughout its history, established and gradually strengthened a mechanism for conflict prevention, management, resolution, peace-keeping and security. To this end, it has successfully established regional forces that are ready to intervene when necessary and known as ECOMOG.

The work accomplished by ECOMOG in Liberia, Guinea, Guinea Bissau and Sierra Leone is worthy of praise (including the return to constitutional order and restoration to power of President Ahmed Tejan Kaba in Sierra Leone). Recently, ECOWAS worked decisively to ensure the gradual withdrawal of the military from power in Mali and for the recognition of the legitimately elected authorities in Côte d'Ivoire. Moreover, its action was decisive in mobilizing the International Community for the resolution of the crisis in these two countries. In northern Mali, is through its appointed mediator, the President of Burkina Faso, that the preliminary cease-fire was signed with the MNLA.

However, the Malian crisis has revealed that ECOWAS should strengthen its rapid response capabilities to crises, particularly through its standby forces, so as to ensure and consolidate its leadership role in the resolution of conflicts in the region.

In the area of democracy and good governance, the action of ECOWAS has also yielded tangible results, gradually consolidating democratic institutions in the sub-region.

The Protocol on Democracy and Good Governance is certainly the Supplementary Protocol of ECOWAS whose implementation is, in general, satisfactory. On the whole, ECOWAS has striven to defend the ideal of democracy and the rule of law by suspending, without hesitation, some of its members, namely: Guinea, Niger, and Guinea Bissau.

The rules prescribed at the Community level, in matters of election, are generally respected here and there. Thus, the election results are increasingly accepted by the parties involved in the elections in the Member States of the Organization. In addition, ECOWAS observation missions, usually led by former heads of state or persons of high repute have helped to confirm the progress made by the region in terms of respect for democratic rules.

The Armed Forces of ECOWAS countries generally show respect for republican values, staying neutral in politics and showing loyalty to the elected authorities, in accordance with the provisions of the said Protocol.

ECOWAS has however not been able to address the persistent weaknesses of its Member States in terms of global indicators of good governance, despite some noticeable progress in recent years.

Comparative statistics between the countries on good governance indicators, cited by the ECOWAS CDP document (Annex2) reveal for the region, with the relative exception of Cabo Verde, that most countries are classified in the lower half of countries of the world in terms of good global governance (see Table 12 below).

Table 9: Score of some governance indicators of ECOWAS countries in comparison with selected countries outside the region.

Country	Percentage of countries below the country concerned (in %)					
	Participation and accountability	Political stability/absence of violence	Effectiveness of governance	Quality of Regulatory Bodies	Rule of Law	Corruption control
BENIN	55.92	56.13	35.41	41.63	27.96	25.84
BURKINA FASO	39.34	40.57	33.01	50.24	48.34	44.02
CABO VERDE	72.51	76.42	53.59	51.20	63.98	74.64
COTE D'IVOIRE	15.64	7.08	7.18	19.62	9.48	9.57
GAMBIA	16.11	48.58	29.67	38.76	36.02	34.93
GHANA	63.03	47.64	55.50	54.07	54.03	60.29
GUINEA	22.75	4.72	11.48	13.88	2.84	8.13
GUINEA BISSAU	23.70	23.58	13.40	14.35	5.69	14.35
LIBERIA	40.28	29.72	8.13	16.75	17.06	36.36
MALI	54.98	34.91	19.14	36.36	40.28	30.14
NIGER	29.86	14.62	27.75	34.45	33.18	31.10
NIGERIA	27.01	3.77	10.53	22.97	10.90	15.79
SENEGAL	36.02	33.02	37.32	43.06	41.71	29.67
SIERRA LEONE	41.71	37.26	11.00	24.88	18.01	25.36
TOGO	19.91	38.21	5.74	20.10	18.96	17.70
TAIWAN, CHINA	73.93	72.64	84.69	83.73	81.52	74.16
UNITED STATES	87.20	56.60	89.95	90.43	91.47	85.65
BRAZIL	63.51	48.11	56.94	55.98	55.45	59.81
SWEDEN	99.05	88.21	98.56	96.65	99.53	99.04

Source: World Bank, 2011, (www.govindicators.org), cited in the CDP document of ECOWAS (volume 1)

3. FREE MOVEMENT OF PERSONS:

In this domain, **ECOWAS is today cited as an example as a model of successful integration.**

Indeed, the various protocols in force grant the ECOWAS citizen the right to move freely from one State to another, with the sole requirement being to present a passport (identity card in the WAEMU zone) or an ECOWAS travel certificate. The citizen shall also, in theory, enjoy the right of residence and is entitled, at the end of three months, to a residence card or permit. And lastly, the citizen may set up a business or get a job. This therefore enshrines the *principle of equal treatment within the Community*.

In practice, the measures thus adopted are not implemented uniformly. Table 14 below identifies the strengths and weaknesses that can be observed. Unwarranted controls on West African roads have always been and continue to be the Achilles heel in the application of the protocols on free movement of persons. In addition, the recent closure of their borders by certain Member States of the Community, due to the Ebola virus outbreak in West Africa, came as proof of the fact that freedom of movement, though well advanced, is not yet fully achieved.

Table 12 presents the implementation status of the instruments on free movement by member countries.

Table 10: Actual state of free movement of persons within ECOWAS

Strengths	Weaknesses and difficulties
Strong legal framework (but perfectible);	harassment on the roads and on the corridors (recurrent cases of extortion not sanctioned by the States);
The only region in Africa where no visa is required for travel between States since 1980 (ECOWAS is thus well ahead of the European Union whose Schengen Agreement only came into force in 2005);	Some countries (The Gambia and Cabo Verde) have not yet adopted the Community passport;
Existence of community identity (travel certificate, ECOWAS passport);	Lack of a Community driving license;
Citizens have right of residence and may get employment;	Breach of control plans at certain land borders;
Effective functioning of the brown insurance card.	Questioning at the borders of certain countries (Cabo Verde, for example, which they justify by the smallness of its population) in a bid to ascertain that Community passengers have adequate resources;
	Forms required at some borders;
	Concomitant existence of the ECOWAS Brown Card and the CIMA card, instead of a single card.

Table 11: Location of roadblocks on some regional corridors

Highways	Distance	Checkpoint	Checkpoint posts per 100 Km
Lagos-Abidjan	992 Km	69 Km	7
Cotonou-Niamey	1036 Km	34 Km	3
Lomé-Ouagadougou	989 Km	34 Km	4
Accra-Ouagadougou	972 Km	15 Km	2
Abidjan-Ouagadougou	1122 Km	37 Km	3
Niamey-Ouagadougou	529 Km	20 Km	4

Source: ECOWAS Commission

Table 12: Adoption status of instruments on free movement of persons by ECOWAS member countries (as at 30 June 2014)

Instruments	Implementation status
Abolition of visa and entry permit	Measure adopted and implemented by all Member States.
Introduction of the ECOWAS Travel Certificate	Introduction of the ECOWAS Travel Certificate The certificate has been adopted by all Member States but implemented by eight Member States, namely: Benin, Côte d'Ivoire, Gambia, Guinea, Niger, Nigeria, Sierra Leone and Togo
Introduction of harmonized immigration forms	Measure adopted by all member states, except Liberia Burkina Faso, Niger and Nigeria do not yet apply this measure
Establishment of National Committee responsible for monitoring programmes on the free movement of persons and vehicles	Adopted by all Member States. The following countries have actually set up their committees: Benin, Burkina Faso, Ghana, Guinea, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo. However, given the many obstacles to the free movement of people and goods in the Member States, the monitoring committees face difficulties in achieving the goals set for them. The Police, immigration services, the Gendarmerie, Customs and other competent bodies of the Member States are charged with supervising Entry and Departure formalities at common borders. Through training, the Commission was strengthened, and most recently, in 2013, the capacities of national structures were also strengthened. In addition, the syllabus of training institutions in the Member States has been reviewed to ensure that they incorporate into their modules issues related to rights of residence and establishment, and rights of Community citizens.
Introduction of the brown insurance card	Adopted by all except the Cabo Verde which is an island. Twelve countries currently apply the system: Benin, Burkina Faso, Ivory Coast, Ghana, Guinea, Guinea Bissau, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo.
Introduction of laws on the Right of Establishment and Residence	Introduction of laws on the Right of Establishment and Residence The legal basis for the right of residence and establishment have been laid down. And in many cases, these rights were enforced. However, citizens still face restrictions as implied by the protocol of free movement. The reason for these limitations is attributed to: i) selective implementation of the protocols on free movement and of the relevant provisions on free movement, (ii) Proliferation of unauthorized roadblocks; iii). Harassment at border crossings, (iv) lack of proper knowledge among ECOWAS citizens and security employees on the rights set out in the Protocol on free movement.

Source: Interviews conducted by Authors at the ECOWAS Commission

4. INTRA-REGIONAL TRADE:

4.1. A relatively low level of intra-regional trade:

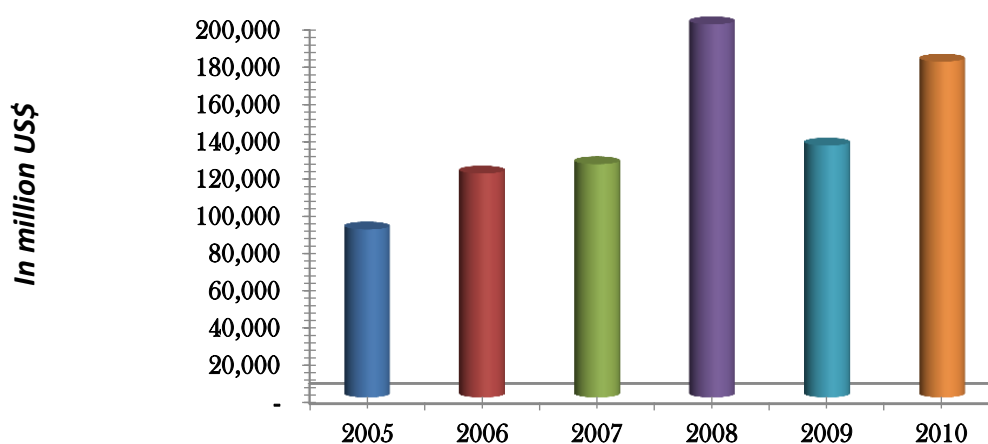
According to the ECOWAS Commission, one of the first objectives of the creation of ECOWAS remains the promotion of trade between Member States (W.K. Olayiwola, 2012).

- **Recent Trends in West African trade:**

Trade in West Africa has its natural foundation in the exports of two categories of resources: the mineral resources, namely oil, of which it is the largest exporter of the continent, manganese (34% of world production), iron (27% of African production), bauxite (almost all African production), uranium (main reserve in Africa), gold, etc. The other products include cocoa (over 60% of world supply), cotton (5% of world supply), coffee, rubber, and fruit. Imports are dominated by consumer goods, including fuel and food.

The recent global ECOWAS trade has increased by an average of 18% per year between 2005 and 2010. However, this evolution went up and down. In 2006, trade has increased by 28% compared to 2005 and grew only 1% in 2007. It has recorded a 57% increase in 2008, before dropping to -33% in 2009. It has increased in 2010, rising by 36% compared to 2009.

Chart 4: Recent ECOWAS overall trade developments



Source : UNCTAD, 2010

The sharp increase in 2008, more than 100% compared to 2005, is explained, all things being equal, by the heightening of economic and food crisis. This has resulted in massive imports of non-food items, including factors of production, to contain the surge in prices of basic foodstuffs in 2007. Thus imports reached US \$108,002 million against US\$102,068 million of exports and US\$3,178 million of re-exports. But food imports fell in 2008, recording US\$10,215 million compared to US \$11,862 million in 2007. The boost of imports in

2009 and 2010, with US\$10,474 million and US \$10,500 million respectively, shows that imports of consumer goods have not had a very significant effect in the handling of the food crisis.

But if the crisis has reduced exports, thus limiting the ECOWAS capacity of internal financing of its imports in 2007 and 2009, it paradoxically favoured a rise in trade in 2008 mainly induced by Nigeria's fuel exports, which recorded US \$74,839 million against US \$51,998 million in 2007 and 44,942 million in 2009.

- **The main countries benefiting from regional trade:**

The ECOWAS exports are dominated by Nigeria and Côte d'Ivoire which account for 87% of transactions. Nigeria ensures 77% of regional exports and Côte d'Ivoire 11%. The two other leading countries of the region, Ghana and Senegal, are placed third and fourth with 4% and 2%, respectively. Mali follows these traditional leaders with 1.7% of regional exports. Five countries (Benin, Burkina Faso, Guinea, Niger and Togo) provide each 1% of regional exports.

Nigeria alone accounts for 77% of exports. Its fuel exports represent 73% of the total exports of West Africa. Nigeria is the largest importer of foodstuffs with 40% of regional imports and 41% of regional non-food items imports.

Ghana accounts for 11% of the overall trade in front of Côte d'Ivoire, with 4% of total exports and 18% of regional imports, representing US\$ 12.6 billion on average. The exploitation of its oil field could consolidate its regional economic weight.

Côte d'Ivoire still retains its position of economic power in the region, despite the decade of political crisis that damaged its economic production infrastructure. It currently ranks third behind Ghana and Nigeria with 10% of regional trade. It remains the second regional exporter (11% of total exports of ECOWAS) and accounts for 10% of the total West African imports, regardless of origin.

Senegal is a country weighed down by imports of foodstuffs. It is the second largest food importer in the region, with 14% of West African imports. It weighs 6% in the total trade in West Africa, that is to say about US \$ 9 billion per year on average.

- **The geographical orientation of exports:**

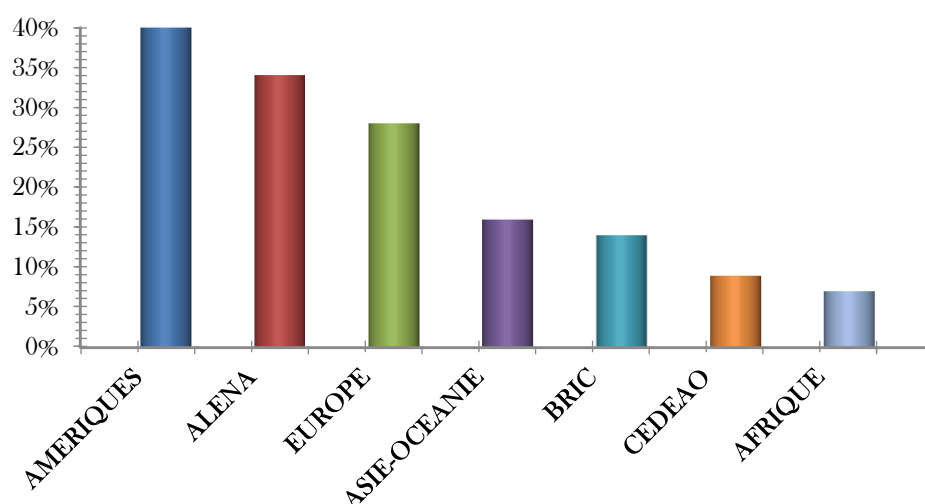
Europe accounts for about 28% of ECOWAS exports, of which 23% for the European Union (UE 27). The Americas provide 40%, of which 34% for the North American Free Trade Agreement (NAFTA) formed by the United States, Canada and Mexico.

Thus, Europe and the Americas are the main destinations of West African exports (68% of exports), of which 57% for the EU and North America. In buying 34% of ECOWAS exports, NAFTA relegates to the second rank the traditional partner of the Community, namely the EU. Trade openness fostered by globalization shows a substantial breakthrough by Asian countries and Oceania, which make 16% of exports, of which 0.3% for the near and Middle East. *ECOWAS itself represents 9% of these exports from the sub-region*, a little more than

what Africa buys from the area (7%), including 1% for North Africa and 6% for the rest of the Africa involving regional economic communities of Central, East and Southern Africa.

With regard to the other parts of the world, we could mention the ASEAN which absorbs 2%. Apart from India and China, ECOWAS exports very little to the rest of Asia.

Chart 5: Destination areas of ECOWAS exports



Source: UNCTAD, 2010

The structure of West African exports differs according to the major regions of destination. Thus, exports to the EU are made up by 79% of fuel (65%) and cocoa products (14%). To North America, these two products constitute about 98% of ECOWAS exports.

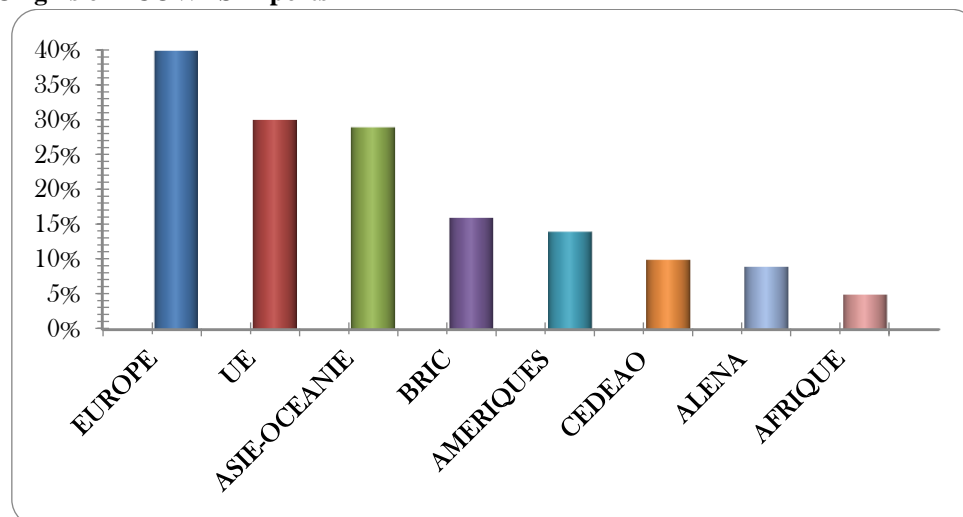
In Africa, 91% of ECOWAS exports to all three Regional Economic Communities (RECs) (COMESA, SADC and EAC) are based on fuel and precious stones, including hides and skins (3%) and products cocoa (1%). On average, exports to these RECs to exports are 95% dominated by these four product groups.

- **Geographical focus imports:**

The total imports of the community are dominated by Nigeria, which alone accounts for 41% of all transactions against 18% for Ghana, 10% for both Senegal and Côte d'Ivoire. Nigeria and Ghana account for 59% community imports against 36% for the eight UEMOA (WAEMU) countries. The other five ECOWAS member countries provide only 5% of community imports. In volume, these imports are dominated by cereals, milled grain products and processed cereal-based foods. These three groups of products accounted for 57% of imports in volume, of which 52% for cereals and 3% for milled grain products and 2% for processed cereal-based foods.

Europe is the main source of supply of ECOWAS. It contributes to 40% for imports in the region, that makes on average of US \$28,541 million per year. Approximately 30% of imports come from the European Union in particular. Asia and Oceania are positioned in the second place with 29%, that is to say US \$ 20,945 million, before the Americas (14%, that is to say US\$ 9,613 million, of which 9% for NAFTA). These three regions, Europe, Asia-Oceania and the Americas provide the Economic Community of West Africa, on average, 84% of its imports, that is to say US\$ 58,949 million per year over the period 2005-2010.

Chart 6: Origins of ECOWAS imports



Source :UNCTAD 2010

The BRIC group is the third imports area of ECOWAS with 16% of total imports before the Americas. Compared to their level of 2005, that is to say US\$ 4,912 million, imports from the BRICs were multiplied by 2.42 in 2007, 2.86 in 2009 and by 3.55 in 2010. In contrast, the imports from the traditional trading partner, namely the EU, have been multiplied by 1.75 shifting from 13,923 million in 2005 to US\$ 24,424 million in 2010. Thus, the BRIC group provides, on average, to the ECOWAS US\$ 11,841 million of goods per year, that is to say 16% of its commercial imports. Between 2005 and 2010, ECOWAS imported from the BRIC for US\$ 68,884 million of goods. Imports from Africa, including North Africa, account for 5%.

- **Trends in intra-regional trade:**

The analysis of available statistics reveals that the level of intra-ECOWAS trade is low. The share of intra-Community trade in world trade of the member countries has even decreased with time (8.1% in 2012 against 16.2% in 2001) for imports from Member States; from 9.6% to 7.8% for exports during the same period) (see Table 11 below). This level is very disappointing given the important measures taken by ECOWAS to increase the volume of sub-regional trade and which have been reviewed above. This applies to trade in goods as well as for trade in services.

However, according to Bourdet (2005), the volume of intra-WAEMU trade increased sharply following the institution of the Customs Union in 1994. The degree of trade integration in West Africa was very low before the institution of the Customs Union between WAEMU countries. In fact, in the early 90s, the share of intra-WAEMU trade was below 4% and trade between WAEMU and other ECOWAS countries under 2%. "*The share of community imports and exports increased from 3.6% and 3.5% during the period preceding the launch of the Customs Union (1989-93) to 10.3% and 14.8%, respectively, after definitive abolition of tariffs on intra-zone trade in year 2000*" (Bourdet, 2005). The author also states that deepening trade integration within WAEMU did not cause trade diversion at the expense of third countries, including those of ECOWAS.

However, these figures should be seen in proportion, since, according to the UNCTAD report (2013, p. 19), "estimates of informal cross-border trade transactions in West Africa show that these could represent 20% of Nigeria's GDP and 75% of the GDP in Benin (Afrika and Ajumbo, 2012). These estimates suggest that the actual share of intra-African trade in total trade is higher than the official figures.

In terms of country performance for 2012, the analysis in Table 17 below enables the following comments to be made.

Regarding exports to the rest of ECOWAS, the most active countries (in percentage of their total exports) are, in that order: Togo (58.2%), Benin (55.6%), Niger (49.7%), The Gambia (36.1%), Senegal (33.2%), Ghana (23.7%) and Côte d'Ivoire (22.9%)¹². In contrast, Cabo Verde (0.8% of its total exports), Liberia (1.7%), Guinea Bissau (2.6%), Nigeria (3%) and Sierra Leone (3.2 %) propose a small volume of their exports to ECOWAS.

Regarding imports from ECOWAS, the most successful countries are, in that order: Sierra Leone (51.3%), Mali (32.2%), Côte d'Ivoire (27% owing to oil from Nigeria), Burkina Faso (26.2%) and Gambia (23.4%). At the other end, Liberia (0.6%), Nigeria (0.9%), Cabo Verde (1.5% of its imports) and Guinea (4%) get limited supplies of products from ECOWAS.

4.2. Which are explained by factors of a different nature

The implementation of the ECOWAS liberalization scheme was not accompanied by a trade creation or diversion effect within the area. This underperformance can be explained by the following considerations.

First, *the Customs Union is not yet effective*, a situation which generates costs and transaction procedures (approval applications) for community enterprises and do not incite them to occupy the regional market. In fact, approvals are sometimes granted tardily; as the procedure involves several parties (the exporting country, the importing country and the ECOWAS Commission). Now, the 90-daytime limit is itself considered too long by the economic operators who often seek to rapidly exploit market opportunities. The **60% level which that is required of products of Community origin** is also considered too restrictive (the United States AGOA only

¹²Proximity of the Nigerian market(for the three countries cited) and of Senegales market for Gambia,could be the reason for the large re-export flows.

requires 30%). In that regard, Mali has 300 approved products in the WAEMU zone, but only about ten of these products are exported to other ECOWAS countries.

Then, ***most countries have, under the Trade Liberalization Scheme (TLS), eliminated tariffs on local products but few have done so on industrial products*** (see Table 12 below). Support mechanisms (compensation for loss of earnings, contributions to the Union's budget etc.) are, however, rarely used.

Moreover, ***most member countries also complain about obstacles to the free movement of goods***. Thus, despite the adoption of ISRT and the supplementary protocol convention, cross-border traders continue to complain about the violation of its provisions by State employees. Likewise, certain countries require certificates of origin for agricultural products, which is inconsistent with ECOWAS texts. Beninese exporters also have to request for a special authorisation from Abuja, as Nigeria is uncertain about products imported from Benin, whereas, on the contrary, Nigerian products enter Benin more easily. Groundnuts produced in Senegal are not accepted in Guinea and banana from Guinea does not officially enter Senegal. The same difficulties are observed in relations between Ghana and Nigeria, and almost everywhere in the region, especially when the two trading countries belong to different zones (WAEMU and WAMZ).

Language issues (when documents are not translated) and the absence of community standards, coupled with the eagerness to protect their producers shown by certain States, combine to explain this situation which greatly helps to slow down intra-regional trade.

The absence of an appropriate court of law further complicates the resolution of disputes. The Court of Justice is empowered to handle matters concerning blocked products, but unlike in the WAEMU zone, ECOWAS is yet to set up a court of arbitration (although the 1993 revised Treaty makes provision for that in Article 16).

The lack of quality transport infrastructure and of industrial companies, as well as ***of information*** on business opportunities in the region, is the explanatory motive behind the low level of intra-Community trade. Trade among the WAEMU countries could thus be tripled, if the entire national road infrastructure linking these countries is in good condition. The UNCTAD report (2013) cites authors - Coulibaly and Fontagné - who conducted a study in 2005.

For W.K. Olayiwola (2012), other major barriers such as ***tariff and non-tariff barriers***, uncompetitive products, high transaction costs and deficient communication networks also constitute obstacles not only to intra-ECOWAS trade but also to trade between the countries of the sub-region and the rest of the world.

S.K.B. Asante (2003) points to ***the unwise choice of ECOWAS to establish market integration primarily on trade liberalization, while making little effort to promote the development of diversified production***. In fact, most of the West African countries have little else to trade in, except commodities which they sell on the world market.

However, the development of a regional industrial base and the removal of tariff and non-tariff barriers would have enabled West Africa to provide, within it, several products which it imports today. Assessing Regional Integration in Africa (ARIA V, CEA 2012) cites the following products: hides and skins; coffee; inorganic products; fish; tobacco; cocoa and metals.

Table 13: Evolution of intra-Community trade between 2001 and 2012

PAYS	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Exports to ECOWAS (as % total value of country's exports)												
Benin	13.7	20.7	19.9	24.2	26.7	30.0	24.9	39.4	49.3	55.6	55.6	55.6
Burkina Faso	22.0	23.0	87.8	78.3	23.8	26.3	32.2	25.6	7.5	9.6	9.6	9.6
Cabo Verde	3.0	5.1	0.5	0.4	0.4	5.8	14.9	2.5	1.7	0.6	1.1	0.8
Cote d'Ivoire	24.6	24.6	17.5	22.2	24.8	23.4	25.4	26	24.5	24.9	21.1	22.9
Gambia	8.0	18.6	11.1	2.6	55.1	36.0	26.5	19.8	14.7	36.1	36.1	36.1
Ghana	7.6	9.9	11.6	7.3	9.7	52.8	32.1	7.6	11.2	10.3	30.6	23.7
Guinea	1.6	2.4	9.8	6.8	27.4	10.1	10.1	6.1	3.0	9.3	9.3	9.3
Guinea Bissau	0.1	0.8	0.1	0.3	0.5	0.4	0.1	1.0	4.2	0.7	2.6	2.6
Liberia	0.5	0.2	0.8	0.5	0.8	0.9	1.0	3.0	2.3	1.5	1.9	1.7
Mali	13.0	8.6	9.1	14.0	10.4	5.7	9.0	13.2	10.5	11.9	11.2	11.6
Niger	45.1	43.6	40.8	23.2	30.3	28.2	31.3	45.8	53.1	48.8	50.7	49.7
Nigeria	4.5	6.7	4.6	3.7	4.0	6.3	4.2	7.2	4.3	2.4	3.4	3.0
Senegal	17.1	21.3	26.5	30.3	30.0	32.4	37.4	31.9	31.0	34.7	32.1	33.2
Sierra Leone	65.3	93.8	28.2	0.5	11.6	5.9	47.4	91.9	53.4	6.8	2.1	3.2
Togo	46.2	46.4	46.7	53.8	53.5	57.0	60.0	68.7	51.0	58.2	58.2	58.2
ECOWAS	9.6	12.8	12.2	8.9	8.4	14.1	9.1	11.4	10.4	6.8	8.2	7.8

Imports from ECOWAS (as % total value of country's imports)												
Benin	24.0	22.5	21.9	23.0	22.0	31.7	21.3	18.3	18.0	17.9	17.9	17.9
Burkina Faso	27.2	26.5	44.6	43.7	27.6	29.1	25.9	25.5	23.9	26.2	26.2	26.2
Cabo Verde	2.1	3.3	8.1	6.6	7.2	9.7	4.1	1.5	2.0	1.4	1.7	1.5
Cote d'Ivoire	20.7	16.1	16.2	21.6	25.7	22.7	26.1	31.7	23.0	28.0	25.9	27.0
Gambia	10.7	8.7	8.6	16.3	15.7	13.4	10.0	13.4	17.6	23.4	23.4	23.4
Ghana	15.3	18.4	18.6	14.5	17.5	4.6	10.4	13.7	6.7	9.3	4.9	6.8
Guinea	18.5	14.8	8.8	21.4	25.4	19.9	3.3	3.5	3.9	4.0	4.0	4.0
Guinea Bissau	22.9	24.8	18.8	38.4	53.9	44.2	39.2	26.8	18.8	16.3	17.6	17.6
Liberia	0.9	0.1	0.7	1.1	1.8	1.5	0.9	10.7	0.7	0.5	0.6	0.6
Mali	33.7	36.9	36.4	47.4	35.5	39.6	46.6	40.4	39.0	29.9	34.5	32.2
Niger	34.1	30.8	31.5	31.0	29.2	23.6	23.5	18.7	14.9	11.4	12.8	12.1
Nigeria	4.3	1.0	2.4	2.9	6.1	1.0	2.3	3.3	0.2	0.4	1.4	0.9
Senegal	19.9	18.7	22.8	22.5	21.9	11.3	17.3	25.6	15.1	13.9	14.5	14.2
Sierra Leone	34.4	26.8	28.5	33.7	33.6	76.4	66.8	44.3	55.6	49.9	52.7	51.3
Togo	14.2	12.9	14.1	16.9	13.3	12.8	12.2	14.2	13.1	12.5	12.5	12.5
ECOWAS	16.2	13.5	13.6	18.8	19.8	12.9	12.5	16.8	8.8	8.5	7.4	8.1

5. MULTILATERAL SURVEILLANCE:

According WAMA (2014), no member country had complied with all ECOWAS primary criteria in 2012 or 2013.

In addition, the behaviour of States does not follow a smooth curve, with poor performances following on good performances (see Table 14 above).

Nevertheless, the overall trend is slightly positive, as shown in Table 18 below. In fact, in comparing the situation in 2009 with that in 2013, one observes that, by convergence criterion, the number of countries meeting the standards set has increased during the period for six of the eleven criteria, with a continuously positive development for the criterion on investments financed by internal resources.

Table 14 : Trend in the number of countries complying with the convergence criteria

	2008	2009	2010	2011	2012	2013*
Primary criteria						
Budget deficit (of which)	10	6	7	8	6	8
Inflation (annual average)	1	11	10	9	8	9
Foreign exchange reserves	1	9	10	10	1	1
Central Bank financing	13	12	12	13	14	15
Secondary criteria						
Domestic arrears	7	9	9	9	10	11
Fiscal revenues	1	2	2	3	2	1
Wage bill	7	6	4	3	2	3
Investments on internal resources	8	7	7	7	9	10
Real interest rate	4	13	12	11	12	13
Nominal exchange rate	12	12	14	14	14	14
Public debt	14	11	13	12	13	13
* Estimates						
Source :WAMA (2014)						

6. ECONOMIC GROWTH AND STRUCTURAL TRANSFORMATION:

One of the highest growth rates in the world in recent times:

In its economic activities, the West African region experienced positive developments in recent years. GDP increased by 6.3% on average between 2007 and 2012. Even at the height of the energy, financial and economic crisis, the growth rate of the regional GDP was, on average, 6.0%, 5.7 % and 5.4% in 2007, 2008 and 2009¹³, respectively (see Table 19). According to International Monetary Fund (IMF) estimations in October 2013, the

¹³Source : WEI, 2012

global GDP growth rate should have been 2.87% in 2013, that of sub-Saharan Africa would have increased by 4.9% while that of ECOWAS would have grown by 6.3%.

Economic activity in the Community takes place in a context of lower inflation, particularly due to the easing of tensions on world commodity markets in 2012 and the improvement in climatic conditions in the Sahel. The annual average inflation rate in the Community thus stood at 9.1% in 2012 against 10.1% in 2011. Inflation is better controlled in the WAEMU zone with a rate of 2.3% in 2012 against 3.9% in 2011. In all ECOWAS countries, budget balances, including grants, were negative in 2012, reflecting the impact of the global crisis on the economies of West Africa. Moreover, the pattern of trade has changed little between 2011 and 2012. The balance of the current account was estimated at 0.8% in 2012, due to economic recovery in Côte d'Ivoire, the decline in Nigeria's surplus and rising food needs. All other countries recorded a negative external balance except Nigeria, with a positive balance of 3.5%.

Overall, the economic situation within ECOWAS has entered into a dynamic of growth since 2005, with an average economic growth of over 5% per year. This good performance makes the sub-region one of the fastest growing areas in the world. However, it hides many structural weaknesses, notably an excessive dependency on raw materials for export and (unfavourable) climatic conditions. In addition, the security threat, resulting from serious governance failings, is now a major challenge for the sub-region. It strongly influences its economic and social prospects.

Table 15: Growth rate trends in West Africa

Country	2007	2008	2009	2010	2011	2012	2013 (Est)
Benin	4.6%	5.0%	2.7%	2.6%	3.5%	5.4%	5.0%
Burkina Faso	4.1%	5.8%	3.0%	8.4%	5.0%	9.0%	6.5%
Côte d'Ivoire	1.6%	2.3%	3.8%	2.4%	-4.7%	9.8%	8.0%
Guinea Bissau	3.2%	3.2%	3.0%	3.5%	5.3%	-1.5%	3.5%
Mali	4.3%	5.0%	4.5%	5.8%	2.7%	-1.2%	4.8%
Niger	0.6%	9.6%	-1.0%	10.7%	2.2%	11.2%	6.2%
Senegal	5.0%	3.7%	2.2%	4.3%	2.6%	3.5%	4.0%
Togo	2.3%	2.4%	3.5%	4.0%	4.8%	5.6%	5.5%
WAEMU	3.1%	4.2%	3.0%	4.8%	0.9%	6.5%	6.1%
Cabo Verde	9.2%	6.7%	-1.3%	1.5%	4.0%	2.5%	1.5%
Gambia	3.6%	5.7%	6.5%	6.5%	-4.3%	5.3%	6.4%
Ghana	6.5%	8.4%	4.0%	8.0%	15.0%	7.9%	7.9%
Guinea	1.8%	4.9%	-0.3%	1.9%	3.9%	3.9%	2.9%
Liberia	13.2%	6.2%	5.3%	6.1%	7.9%	8.3%	8.1%
Nigeria	7.0%	6.0%	7.0%	8.0%	7.4%	6.6%	6.2%
Sierra Leone	8.0%	5.2%	3.2%	5.3%	6.0%	15.2%	13.3%
ECOWAS	6.0%	5.8%	5.5%	7.2%	6.7%	6.7%	6.4%

Source : *World Development Indicators (2014)*

(Est) Estimates for 2013.

Differences in economic performance of member countries can partly be explained by changes in the terms of trade¹⁴ and especially by the diversity of exchange rate policies in ECOWAS. Some authors, studying the impact of changes in nominal exchange rates on the competitiveness of WAEMU countries through the real effective exchange rate (REER), highlight the behaviour of the euro against the US dollar. Thus, an appreciation (depreciation) of the euro against the dollar causes an appreciation (depreciation) of the REERs. The results of studies show, on average, a much stronger appreciation of REERs before the 1994 devaluation than after (WAMA, 2009). This appreciation of REERs, by increasing the price of products, made WAEMU countries less and negatively affected their economic performance. Thus, changes in the REERs were generally more favourable for WAMZ than for WAEMU.

However, a favourable REER trend – therefore better competitiveness for products of the area - does not necessarily generate a foreign trade surplus. Two main reasons explain this case. First, the trade performances of ECOWAS (WAEMU+WAMZ) depend heavily on the economic situations in the partner countries - advanced and emerging countries. Second, the export products - raw materials which are not (or only slightly) processed - are marked by a relatively rigid supply (mining, oil) or by dependence on climatic conditions (cereals).

Indeed, a sluggish global demand and/or poor weather conditions – therefore causing a decline in the volume and quality of supply – will lead to a decline in export earnings. The review of statistical data for the period 1986-2008 shows that generally ECOWAS countries very often recorded current account deficits (S.A. Dieng, 2012a). On the whole, Nigeria, Gambia and Côte d'Ivoire are the best performing countries, although at times, they experience situations of current account deficits.

However, the appreciation of the euro does not only have adverse effects; it allows WAEMU countries – by reducing the price of imported goods or cushioning their increase - to ensure the stability of their level of inflation. For example, the oil bill, expressed in US dollars, is reduced as the euro appreciates against the US dollar. In addition, inflation is better controlled in the WAEMU (about 3%) than in the WAMZ (often in double-digits).

On examining statistics on the real interest rate, over the 1980-2008 period, it can be seen that there are often marked differences between countries (S.A. Dieng, 2012b). But in general, the evolution of real interest rates is more unfavourable for the economic activity of WAEMU countries than for the WAMZ countries. Monetary and financial conditions seem much stricter and more binding in the WAEMU countries - hence their low level of inflation. This fact is mainly due to the strict convergence criteria to be observed by these countries particularly to ensure the credibility of their common currency. The WAMZ countries also observe the convergence criteria in preparation for the future single currency of ECOWAS, scheduled for 2020.

A generally low competitiveness shown by member countries:

The business environment in ECOWAS member countries continues to be perceived as uncompetitive by the business community, although it tends to improve from year to year. According to the Doing Business (2015)

¹⁴ Structural weaknesses in the export sectors of ECOWAS countries entail increase in magnitude of terms-of-trade shocks and their asymmetrical character (J.Lama, 2011).

report published by the World Bank, all countries of the Community, except for Ghana (ranked 70th out of 189, and to a lesser extent, Cabo Verde ranked 122nd out of 189), are in the bottom third of the ranking composed of the least competitive countries in the world.

Table 16: Score and rank in the Doing Business report for ECOWAS countries

COUNTRY	Score in 2010	Score in 2015	Rank in 2015 (out of 189 countries)
Benin	38.67	51.10	151
Burkina Faso	41.01	48.36	167
Cabo Verde	53.32	57.94	122
Côte d'Ivoire	41.36	52.26	147
Gambia	54.81	48.47	138
Ghana	61.47	65.24	70
Guinea	37.23	47.42	169
Guinea Bissau	33.46	43.21	179
Liberia	42.20	46.61	174
Mali	44.30	52.59	146
Niger	38.89	47.63	168
Nigeria	42.83	47.33	170
Senegal	41.89	49.37	161
Sierra Leone	39.87	54.58	140
Togo	38.58	51.29	149
ECOWAS average	43.33	50.89	
Africa	44.53	51.73	

Source: World Bank, Doing Business (2015)

Agricultural development which is yet to gain speed:

The various agricultural programmes implemented have not yet achieved the objectives that were assigned to ECOWAS, notably those related to food security and food sovereignty. The stakeholders in agriculture should therefore be more involved in the design, development and implementation of programmes to support agriculture in the sub-region.

According to the CDP, despite a relatively large contribution to the regional GDP with an average level of 35% against the level of 15.8% and 19% for sub-Saharan Africa and South-East Asia, ECOWAS thus records the lowest levels of fertilizer use (7.8 kg per hectare against 11.4 and 133.3 kg, respectively, for sub-Saharan Africa and South-East Asia) and a relatively high food dependence (17.7% against 11.7% and 7.3%, respectively, for sub-Saharan Africa and South-East Asia).

Table 17 : Main comparative indicators of the agricultural sector for ECOWAS

Country	Value added agriculture (%)	Cereal yield	Kg of fertilizer /ha	Share of foodstuff in total imports	Agricultural production/hectare Kg	% Rural population
Benin	33.7	1,157	4.3	25.1	148	59.9
Burkina Faso	33.8	1,006	9.9	17.4	241	81.6
Cabo Verde	9.6	329		29.6	21	42.7
Côte d'Ivoire	24.1	1,757	23.6	19.3	76	53.2
Gambia	25.7	1,084	7.8	35.7	145	46.3
Ghana	35.0	1,434	9.8	15.5	95	52.2
Guinea	21.8	1,489	1.0	20.2	254	66.9
Guinea Bissau	55.0	1,342		50.8	139	70.3
Liberia		1,180			56	42.0
Mali	37.4	1,140	12.9	15.1	283	69.4
Niger	39.3	415	0.4	29.8	275	83.6
Nigeria	37.2	1,383	6.0	16.3	171	53.8
Senegal	16.6	981	7.0	25.7	115	58.3
Sierra Leone	49.4	1,193		27.6	129	63.1
Togo	38.6	1,141	5.6	18.0	161	60.1
ECOWAS	35.3	1,247	7.8	17.7	169	58.4
Sub-Saharan Africa	15.8	1,203	11.4	11.7	138	65.0
South Asia	19.9	2,548	133.3	7.3	218	71.3
World	3.1	3,307	117.0	7.1	347	51.4

Source: World Development Indicators (WDI), 2011.

A slow industrial development:

The manufacturing industry in West Africa, which is dominated by agribusiness, accounts for only about 8% of regional GDP. Most of the global manufacturing value added comes from four countries, namely Nigeria, Côte d'Ivoire, Ghana and Senegal.

For purposes of comparison, the CDP states that the contribution of the secondary sector to the GDP in South Africa, Malaysia, Mauritius and Tunisia varies between 34% and 47% of GDP of these countries. There is also a great contribution of the manufacturing sector to GDP from about 20% to 33%. These countries record a high level of industrial processing for primary products, mainly agricultural products, and the development of high technology sub-sectors (biotechnology, ICT, etc.).

A major part of the economy is tied to mining and agricultural resources. They are, therefore, permanent victims of the volatile prices on the world markets. In the eight WAEMU countries, food-processing and textiles account for 2/3 of the manufacturing value added. The overall situation of ECOWAS countries shows that important components of manufacturing activities are seriously affected by import competition. In many countries, weak infrastructure, particularly in the area of electricity supply, high interest rates for bank loans and deteriorating business environment have compounded the difficulties and restricted the performance of the industrial sector.

The ECOWAS Common Industrial Policy, having been poorly implemented as a result of a lack of funding, has had little impact on the ability of member countries to address the challenges thus posed.

An under developed financial sector:

According to the CDP, the financial sector in the ECOWAS zone is still relatively underdeveloped despite the efforts made by Member States in recent years to streamline and further deepen it. This weakness is evidenced by the significant challenge in financing development and household needs which all countries face. This has thus led to a reliance on external funding partners, waiving or deferring investment projects and programmes, and difficulties experience in financing consumption needs.

In terms of financial depth, the ECOWAS Zone is still below international standards and even those of Africa¹⁵ with a ratio of broad money to GDP, which was around 30% in 2011, however with progress recorded by Cabo Verde (70%), Togo (50.7%), and Senegal (48.3%). Nigeria which accounts for more than 60% of the zone's production only reached 35.4%.

7. TRANSPORT, ENERGY AND TELECOMMUNICATIONS INFRASTRUCTURES:

A poorly competitive transport network:

According to the ECOWAS CDP document, the region is heavily dependent on **road transport**. Over 90% of freight and passenger movements are still carried out by road. Despite the almost exclusive dominance of this transport mode, ECOWAS countries are still under-equipped in terms of road infrastructure. In fact, this region has only about 4.7 km of roads per 100 km², well below the average 6.8 km for the entire African continent. In addition, existing roads along the corridors are in a poor state (see Table 21 below). This situation generates relatively high production costs for the region and negatively affects international and intra-regional trade.

The CDP document also states that the Community has a **railway network** with a total length of 10188 km. This network includes 12 national networks, of which six could become sub-regional networks. As in road transport, the railway infrastructure is, in general, dilapidated and unsuitable for the needs of modern rail transport and rail gauges differ from one country to another. In fact, the network is divided into 3 different gauge types: 1435 mm (about 1179 km), 1067 mm (about 4536 km), and 1000 mm (about 4473 km), making interconnections difficult and expensive.

Regarding **air transport**, the CDP states that the Community lacks the capacity to meet an increasingly growing domestic demand. Although each country in the ECOWAS region boasts at least one international airport, disparities related to certain technical characteristics of the facilities, runways and other equipment remain. In fact, the length of airport runways ranges from 1200 m to 3900 m and air navigation equipment still require a lot of modernization efforts to permit adequate development of air transport in the ECOWAS region.

Concerning **maritime transport**, the Region has, according to the CDP, some twenty seaports and a river system consists of three main rivers: the Gambia River, the Niger River and the Senegal River. The ports are among the worst performing in the world, with rates below the world average. Moreover, most of them do not meet international standards. As for the river system, it experiences variations in water levels and the presence of sandy and rocky thresholds; which explains it's seasonal and localised nature in the region.

¹⁵ Morocco and Mauritius recorded 110.6% and 107%, respectively, in 2001

Table 18: Road condition along corridors in West Africa

Road/Percentage in terms of condition	Percentage in condition			Percentage paved	Percentage in traffic band		
	Good	Fair	Poor		<300	300-1000	>1000
GATEWAYS TO THE SEA							
Tema-Ouagadougou-Bamako	67.1	30.7	2.2	100.0	3.8	25.7	25.4
Burkina Faso	52.4	47.6	0.0	100.0	8.3	31.0	60.7
Ghana	62.8	32.5	4.8	100.0	0.0	0.0	0.0
Mali	100.0	0.0	0.0	100.0	4.7	72.0	23.2
Dakar-Bamako	48.0	19.8	32.1	100.0	24.9	55.6	19.5
Mali	75.6	24.4	0.0	100.0	46.7	47.2	6.1
Senegal	16.6	14.6	68.8	100.0	0.0	65.2	34.8
Abidjan-Ouagadougou	33.1	23.0	43.9	100.0	3.5	23.3	73.1
Burkina Faso	68.6	27.3	4.1	100.0	4.1	27.6	68.3
Côte d'Ivoire	3.1	19.5	77.5	100.0	3.1	19.7	77.2
Lomé-Niamey	50.2	30.1	19.8	100.0	0.0	82.6	17.4
Burkina Faso	35.4	38.9	25.8	100.0	0.0	77.3	22.7
Niger	99.0	1.0	0.0	100.0	0.0	100.0	0.0
Togo	51.7	0.0	48.3	100.0	0.0	37.2	62.8
Cotonou-Niamey	49.5	7.9	42.6	98.5	1.5	26.4	70.0
Benin	38.1	2.2	59.7	97.8	2.2	15.8	81.5
Niger	77.7	22.3	0.0	100.0	0.0	52.8	41.4
INTRA-REGIONAL CORRIDORS							
Abidjan-Lagos	50.7	28.0	20.6	98.8	0.0	0.4	43.6
Benin	26.9	0.0	68.0	92.4	0.0	2.5	90.3
Côte d'Ivoire	0.0	100.0	0.0	100.0	0.0	0.0	100.0
Ghana	75.0	14.5	10.5	100.0	-	-	-
Nigeria	50.0	50.0	0.0	100.0	0.0	0.0	100.0
Togo	0.0	0.0	100.0	100.0	0.0	0.0	100.0
Burkina Faso	70.7	29.3	0.0	100.0	6.2	37.6	56.3
Mali	62.9	31.3	0.0	94.2	5.8	75.8	16.4
Niger	66.4	4.4	29.1	99.1	3.8	46.8	48.5
Nigeria	-	-	-	100.0	0.0	0.0	100.0
Senegal	10.9	26.5	62.6	28.6	0.0	100.0	0.0

Source: Rupa Ranganathan and Vivien Foster (2011).

Table 19: Comparison of the efficiency of ports in Africa

Indicator	East Africa	Southern Africa	West Africa	Rest of the world
Performance				
Container dwell time (days)	5–28	4–8	11–30	<7
Truck processing time (hours)	4–24	2–12	6–24	1
Crane productivity (containers per hour)	8–20	8–22	7–20	20–30
Crane productivity (tonnes per hour)	8–25	10–25	7–15	>30
Charges				
Container handling (up to port exit point), US\$ per TEU	135–275	110–243	100–320	80–150
General cargo handling (on dock per metric tonne) US\$ per tonne	6–15	11–15	8–15	7–9

Source: Ranganathan and Vivien Foster (2011).

Electric power supply still inadequate in quantity and quality:

According to the CDP, the ECOWAS region has one of the greatest energy potential in Africa, with 30% of proven reserves of crude oil (3.017 million tonnes) and 3.581 million m³ of natural gas, or 31% of proven reserves of the continent, to which should be added a hydroelectric potential estimated at 23,900 MW and opportunities for development of solar energy and wind energy, as well.

However, despite the significant proven resources and their potential, the regional energy sector faces considerable challenges related to both low production capacity and decrepit distribution infrastructure. Thus, less than 30% of the West African population have direct access to electricity and this proportion is a mere 6% in the rural areas. In addition, ECOWAS energy consumption in ECOWAS countries is one of the lowest in the world, with 88 KWh of electricity per capita/year against 350 KWh for East Asia (see Table 20 below).

Based on 2003 electricity demand level (about 6500MW), the expected increase in demand should have been at a rate of about 7.6% up to Year 2020; with peak demand exceeding 22,000 MW, while the population will reach 380 million, thus rendering the energy problem more acute, if no action is taken to address the issue.

Rapid development of mobile telephony which is not yet matched by that of the Internet

Between 2006 and 2012, the mobile phone access rate rose sharply in all ECOWAS countries (see Table 21 below), reaching 100% in Ghana, 98.7% in Mali and 91.2% in Côte d'Ivoire. The decrease in subscription, as well as communication, costs was the determining factor in this development. The rate of access however remains low in Niger (31.4%), Guinea (48.9%) and Togo (about 50%). Indeed, the structure of the telecommunications market (in particular, the identity of these operators and their pricing strategy) seems to play a role in the mobile phone accessibility.

Internet use was less dynamic (as shown in Table 22 below); with only four countries in the area registering a number of users per hundred inhabitants which exceeds 10% in 2012. These are: Cabo Verde (34.7%), Nigeria (32.8%), Senegal (19.2%) and Ghana (12.3%).

Table 20: ECOWAS electricity consumption and energy intensity (2009)

Country	Population (Year 2009)	Electricity consumption (MWh) 2009	Electricity per capita (kWh)	Total primary energy supply (TPES, ktoe)	GDP in 2009 (millionUSD)	Energy intensity (TPES/GDP)
Benin	8 520 876	800 605	94	3 470	6 585	0.53
Burkina Faso	15 224 780	699 789	46	3 260	8 348	0.39
Cabo Verde	506 000	294 934	583	121	1 600	0.08
Côte d'Ivoire	21 080 000	3 672 819	174	9 978	23 041	0.43
Gambia	1 766 100	204 600	116	506	983	0.51
Ghana	23 840 000	6 060 000	254	9 240	25 978	0.36
Guinea	10 498 597	855 600	81	4 275	4 164	1.03
Guinea-Bissau	1 449 000	65 100	45	219	834	0.26
Liberia	4 128 600	311 600	75	227	879	0.26
Mali	14 528 662	979 767	67	3 500	8 964	0.39
Niger	14 693 112	580 977	40	4 000	5 254	0.76
Nigeria	154 880 872	18 140 000	117	108 250	168 567	0.64
Senegal	12 767 600	2 328 372	182	2 940	12 769	0.23
Sierra Leone	5 997 500	53 940	9	317	1 856	0.17
Togo	6 191 000	671 900	109	2 630	3 156	0.83
ECOWAS	296 072 699	35 720 003	121	152 933	272 978	0.56

Source: ECREEE, ECOWAS Energy Efficiency Policy, 2012.

Table 21: Mobile phone subscription (per 100 persons) in ECOWAS

COUNTRY	2006	2012
Benin	12.5	83.6
Burkina Faso	7.35	60.60
Cabo Verde	22.59	86.0
Cote d'Ivoire	23.01	91.2
Gambia	27.28	85.2
Ghana	23.72	100.99
Guinea	NA	48.76
Guinea Bissau	10.83	63.06
Liberia	8.27	56.79
Mali	12.27	98.37
Niger	3.53	31.44
Nigeria	22.55	66.79
Senegal	25.75	83.56
Sierra Leone	NA	NA
Togo	12.45	49.86

Source: World Bank, WDI (2014). NA: Not available.

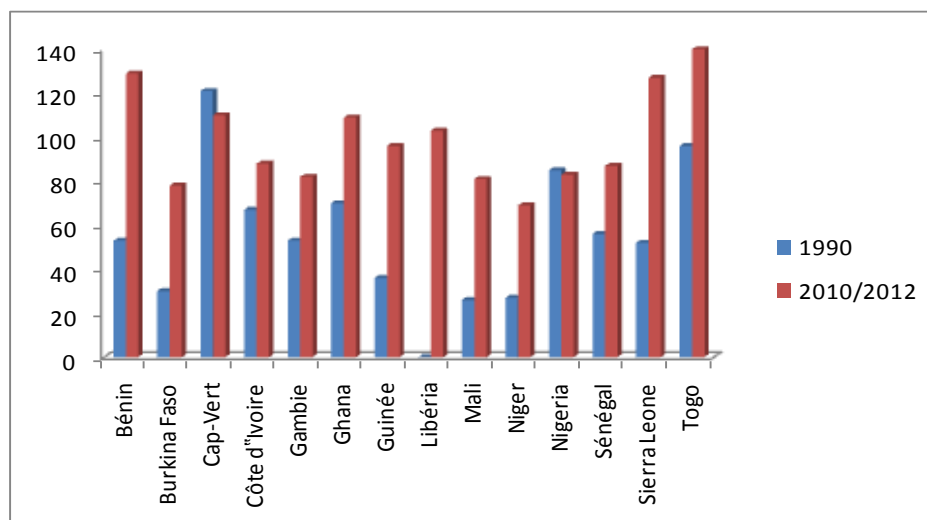
Table 22: Internet users (per 100 persons) in ECOWAS

COUNTRY	2006	2012
Benin	1.53	4.5
Burkina Faso	0.63	3.72
Cabo Verde	6.80	34.7
Cote d'Ivoire	1.52	2.37
Gambia	5.23	12.44
Ghana	2.72	12.3
Guinea	0.63	1.49
Guinea Bissau	2.05	2.89
Liberia	NA	3.79
Mali	0.72	2.16
Niger	0.29	1.40
Nigeria	5.54	32.8
Senegal	5.61	19.20
Sierra Leone	NA	NA
Togo	2	4

Source: World Bank, WDI (2014).

8. HUMAN CAPITAL:

According to the CDP, significant efforts have been made to improve school enrolment rates in West Africa. However, the gross enrolment generally increased in the region, with an average leap of thirty-nine (39) percentage points between 1990 and 2010.

Chart 7: Gross school enrolment ratios, 1990 and 2010/2012

Source: ECA-SRO/WA, 2013

However, the Global Monitoring Report - Education for All (EFA) stated that in West Africa, the following countries: Benin, Burkina Faso, Gambia, Ghana, Guinea, Mali, Niger, Nigeria and Senegal, are among those that

have not reached 80% enrolment in 2009. Yet universal primary education (UPE) is a target within the scope of EFA as well as for MDGs. In the sub-region, only 77% of children of primary school age were actually enrolled in 2010. The primary school completion rate, which is a measure of the quality of the education system, is generally below 60% in these parts.

The CDP also states that technical education and vocational training are real challenges for the ECOWAS region. The rapid population growth and composed mainly of youth, coupled with early school leaving and the lack of vocational training are among the major factors that perpetuate unemployment and job insecurity among young people in West Africa¹⁶. This subsector, despite its recognized importance in supporting employment policies and ensuring a match between training and actual needs of enterprises, is not yet receiving the necessary attention in the region. Enrolment in higher education represents only about 5% of the students from high school. In some countries like Gambia, Ghana, Guinea and Senegal, among others, these numbers hardly reach 5%, while the African continental average is 14%.

9. SOCIAL DEVELOPMENT:

All ECOWAS countries, except Cabo Verde, are in the group of countries with low human development. This situation stems from the low income of most of the countries, with a life expectancy at birth below 65 years, and the low level of schooling.

However, some countries have made significant progress in the areas of health, with a decrease in mortality for children under 5 years. Similarly, HIV/AIDS control efforts are yielding good results as shown by a decline in new HIV infection cases, and new momentum in the deployment of the required medicines.

For its part, ECOWAS could contribute particularly to the effective management of epidemics in the sub-region, by establishing a mechanism for monitoring, prevention and appropriate action (see the section on conclusions and recommendations). In doing so, the region could claim to be doing well in the management of health, a regional public good that transcends borders.

Regarding gender issues, the elimination of gender disparities in primary, secondary and higher education is in a progressing positively. Indeed, Guinea and Benin have almost achieved parity in primary education, while Togo and Senegal are progressing satisfactorily, followed by Burkina Faso and Mali. For secondary and higher education, the situation remains worrying, and it is unlikely that any of the fifteen countries would reach the goal by 2015.

In relation to achieving the Millennium Development Goals (MDGs), the West African sub-region recorded mixed results with the slow progression of social development indicators, while economic growth there was rapid. For example, achieving the goal of reducing extreme poverty remains elusive for many countries.

¹⁶ ECA, SRO-WA, 2012

V. DISCUSSION OF VARIOUS STAGES OF THE SUB-REGIONAL INTEGRATION PROCESS AND THEIR CONTRIBUTION TO CONTINENTAL INTEGRATION:

1. DESCRIPTION OF THE CONTINENTAL INTEGRATION SCHEME:

1.1. Stages of African integration:

According to the Abuja Treaty, the Regional Economic Communities (RECs) are defined as "pillars" of the African Union.

The Abuja Treaty (signed in 1991) stipulates that the African Economic Community (AEC) will be set up through a gradual process based on the strengthening, the gradual harmonization and integration of the RECs, and this, on a thirty-four (34) years period subdivided into six (6) stages from 1994 (date of entry into force of the Treaty) to 2028, namely:

- Strengthening of existing Regional Economic Communities - RECs (5 years);
- Stabilization of tariff barriers and other barriers to regional trade, strengthening of regional integration and infrastructure, coordination and harmonization of activities among the RECs (8 years);
- Establishment of a free trade area and a customs union at the level of RECs (10 years);
- Coordination and harmonization of tariff and non-tariff systems between the RECs (2 years);
- Establishment of an African Common Market through the adoption of common policies (4 years);
- Integration of all sectors, setting up of an African Central Bank, a single African currency, a Pan-African Economic and Monetary Union and the first Pan-African Parliament (5 years).

1.2. Executing a Minimum Integration Programme to Speed up Implementation of Abuja Treaty Objectives:

The Minimum Integration Programme (MIP) is a convergence mechanism for RECs, which, referring in particular to the gains made in some RECs, aims at accelerating regional and continental integration in priority areas. It promotes the realization of the different stages of integration provided for under Article 6 of the Abuja Treaty.

Each REC will continue to implement its own community programme, according to the *African integration through variable geometry* approach. However, it will strive, concomitantly, to achieve at least the sectoral measures contained in the MIP, during the period jointly agreed upon.

Each REC will continue to implement its own community programme, according to the *African integration through variable geometry* approach. However, it will strive, concomitantly, to achieve at least the sectoral measures contained in the MIP, during the period jointly agreed upon.

For the first two phases (2009-2012 and 2013-2016) of the MIP, 21 objectives were defined for these priority sectors. These are:

- Progressive elimination of tariff barriers (TB) in all the RECs;
- Elimination of non-tariff barriers (NTBs) in the RECs;
- Simplification and harmonization of rules of origin;

- Signing of partnership agreements between RECs;
- Facilitation of customs procedures and creation of customs union in each REC with a Common External Tariff (CET);
- Total free movement of persons in the regions and partial free movement between the regions;
- Free movement of goods in the regions;
- Progressive free movement of services and capital in the regions;
- Conflict prevention and resolution and post-conflict development in Africa;
- Infrastructural development in Africa;
- Speed up implementation of CAADP (Comprehensive Africa Agricultural Development Programme) ;
- Industrial sector development in Africa;
- Establishing a regional and continental framework to attract investors;
- Development of educational system in Africa;
- Promotion of the use of Science and Technology to eradicate poverty in Africa;
- Guaranteeing Africans access to primary health care;
- Promoting women's participation in economic development;
- Organization of democratic elections and political power succession;
- Improvement of governance in the RECs;
- Devising tools for harmonization of statistics in Africa;
- Enhancing the capacities of RECs, AUCs and Member States

The MIP implementation plan for RECs allows approaches that differ from one community to another. RECs that have already achieved the goals set for the period of the MIP stage should strive to achieve more ambitious goals, while sharing their experience with other RECs. An action plan was thus prepared for each REC, based on its specific situation.

2. ECOWAS PROGRESS IN IMPLEMENTING CONTINENTAL INTEGRATION:

2.1. Aligning ECOWAS with the Continental Strategy:

In its Revised Treaty of 1993 (Article 54), ECOWAS set out to achieve the status of an ***Economic Union*** within a maximum period of fifteen (15) years from the start of the trade liberalization scheme in January 1990, that is by 2005 and twelve (12) years ahead of the target date set by the Abuja Treaty, which is in 2017.

In Article 55 of the Revised Treaty, ECOWAS goes further by aspiring to establish an ***Economic and Monetary Union***, five (5) years following the establishment of the Customs Union (actually an Economic Union), thus in 2010, in other words, eighteen (18) ahead of the establishment of the African currency, through :

- the adoption of a common policy in all fields of socio-economic activity, particularly agriculture, industry, transport, communications, energy and scientific research;
- the total elimination of all obstacles to the free movement of people, goods capital and services and the right of entry, residence and establishment;
- the harmonisation of monetary, financial and fiscal policies, the setting up of a single regional Central Bank and the creation of a single West African currency.

Indeed, the policies of ECOWAS have inspired many programmes of the African Union.

2.2. Overall Performance of ECOWAS in Implementing the Continental and Regional Integration Scheme:

With regard to *trade liberalization*, ECOWAS witnessed a ten year delay at the regional level in achieving its planned Customs Union, whose initial target date was set for 2005 and is now targeted to start in 2015. The Regional Community thus fulfills the continental objectives of setting up a Customs Union in the RECs latest in 2017.

The same ten-year delay has been recorded in the ECOWAS plan to achieve an *Economic and Monetary Union*, endowed with a single currency and a single Central Bank. The target date of 2010 has thus been pushed to 2020. But, there are still threats to the attainment of this objective.

Concerning the *free movement of persons*, ECOWAS, as we have seen throughout this report, is well ahead of all the other regions and the system works relatively well, although there are sometimes implementation difficulties observed sometimes.

Concerning *sectoral policies*, ECOWAS has established Community policies in all sectors mentioned in the Revised Treaty of 1993. However, their real impact on the field is still mixed.

Table 27 below shows the current status of ECOWAS with respect to the objectives set out in the Minimum Integration Programme of the African Union, in comparison with other RECs. Generally speaking, the SADC and ECOWAS appear to be the two most advanced Regional Communities in the integration process.

Table 23: Summary of implementation status of ECOWAS sectoral policies by objectives of the African Union Minimum Integration Programme and in comparison with other RECs

MIP PRIORITY SECTORS	MIP OBJECTIVES	ECOWAS	SADC	EAC	COMESA	UMA	CEEAC
TRADE	<i>Objective 1 : Progressive elimination of tariff barriers in all the RECs</i>	**	***	***	**		*
	<i>Objective 2 : Elimination of non-tariff barriers in the RECs</i>	**	***	*	**	***	
	<i>Objective 3 : Simplification and harmonization of rules of origin</i>	**	***	**	**		
	<i>Objective 4: Signing of partnership agreements between RECs</i>	*	***	***	***		*
	<i>Objective 5: Facilitation of customs procedures and creation of customs union in each REC with a Common External Tariff (CET)</i>	**	**	**	*		*
FREE MOVEMENT	<i>Objective 6: Total free movement of persons in the regions and partial free movement between the regions</i>	***	*	**	**		**
	<i>Objective 7: Free movement of goods in the regions</i>	**	**	**	**		
	<i>Objective 8: Progressive free movement of services and capital in the regions</i>	*			*		
PEACE AND SECURITY	<i>Objective 9: Conflict prevention and resolution and post-conflict development</i>	***	**		*		**
INFRASTRU CTURE AND ENERGY	<i>Objective 10: Infrastructural development in Africa</i>	**	**	**	*	*	**
AGRICUL- TURE	<i>Objective 11: Acceleration of CAADP implementation</i>	**	***	**	*		*
INDUSTRY	<i>Objective 12: Industrial sector development in Africa</i>	**	**	**	*		*

INVESTMENT	<i>Objective 13 : Establishing a regional and continental framework to attract investors</i>	**	**	**	*		*
SCIENCE AND TECHNOLOGY	<i>Objective 14: Development of educational system in Africa</i>	*	**	**			*
	<i>Objective 15: Promotion of the use of science and technology to eradicate poverty in Africa</i>	*	*	**	**		*
SOCIAL AFFAIRS	<i>Objective 16: Guaranteeing Africans access to primary health care</i>	**	**	*			*
	<i>Objective 17: Promoting women's participation in economic development</i>	**	**	*	**		*
POLITICAL AFFAIRS	<i>Objective 18: Organization of democratic elections and political power succession</i>	**	**		*		*
	<i>Objective 19: Improvement of governance in the RECs</i>	*	*		*		*
STATISTICS	<i>Objective 20: Devising tools for harmonization of statistics in Africa</i>	**	**	**			*
CAPACITY BUILDING	<i>Objective 21: Enhancing the capacities of RECs, AUC and Member States</i>	***	***	**	*		**

Source: Evaluation by authors based on reports and documents published by various RECs and the ECA (2013, Assessing Regional Integration in Africa)

3. A TOOL FOR ASSESSING REGIONAL INTEGRATION: THE AFRICA REGIONAL INTEGRATION INDEX OF THE ECA:

The ECA, in collaboration with the AfDB and the African Union, undertook the development of a tool to measure progress made in regional integration in Africa, known as the Africa regional integration index. The index seeks to determine the extent to which each country in Africa fits into the rest of the continent. It assesses the degree of achievement of the objectives stated in agreements on integration, such as the African Union's Minimum Integration Programme and the Abuja Treaty establishing the African Economic Community.

The Africa regional integration index, when finalised and computed on a regular basis, should constitute an indispensable reference for African governments and the regional economic communities, which helps them to know the extent of progress made as well as the areas of the integration programme in which they are lagging behind. The index could, in this regard, serve as a tool in the decision making, for directing public policy interventions to specific areas of integration where poor performances were identified.

The index consists of 76 core indicators classified under seven dimensions and 20 sub-dimensions and which cover the Africa's main objectives for regional economic and trade integration. These indicators were selected based on the following criteria: relevance to the priorities of African integration, measurability, and data availability. The indicators are grouped under the following seven dimensions or categories:

- Regional Migration and the labour market (5 indicators)
- Trade integration (16 indicators)
- Political economy (9 indicators)
- Productive Integration (4 indicators)
- Financial integration and macroeconomic policy convergence (12 indicators)
- Regional infrastructure and interconnections (26 indicators)
- Social and cultural integration (4 indicators)

The methodology for calculating the indicator is presented in Annex 5.

Pending the finalization of the on-going work to ensure its regular computation, the provisional results for year 2015 put ECOWAS and SADC in the first ranks of RECs in Africa, on the bases of the six dimensions of the index. In particular, ECOWAS confirmed previous analyses of its performance in respect of the movement of people and macroeconomic policy convergence. In fact, this West African REC is cited as an example of a successful model in relation to free movement in this zone. The community has various texts and protocols allowing ECOWAS citizens to move freely from one state to another, for example with the only requirement being to present a passport (identity card in the WAEMU zone) or an ECOWAS travel certificate. The ECOWAS citizen enjoys, in theory, the right of residence and may be granted, after three months, a residence card or permit. He/she may also set up a business or get employment. Thus, it is the principle of equal treatment in the community which is hereby enforced.

Regarding progress in the area of macroeconomic policy convergence, real progress has been observed. It should be noted that the Economic Community of West African States, in 1987, adopted the monetary cooperation programme which should lead to the establishment of a single currency within the Community. Since then, the ECOWAS Commission has undertaken several actions to operationalize the multilateral surveillance mechanism within its Member States, in collaboration with other regional institutions. ECOWAS has witnessed significant progress with respect to the harmonization of policies, and also adopted common rules on public procurement and public debt management in the area of public finances. In terms of compliance with the convergence criteria, there has been progress although no country has been able to comply with the set criteria in a lasting manner.

VI. ECOWAS CHALLENGES AND FUTURE VISION:

1. CRITICAL CHALLENGES AND POSSIBLE ECOWAS EVOLUTION SCENARIOS:

Since its inception in 1975, ECOWAS has made several achievements in the various fields of integration identified in the initial Treaty as well as the revised Treaty. At the same time, it has faced a number of constraints, which constitute challenges to be met, and which have hampered the implementation of common sectoral policies and programmes.

On its ability to address these challenges depends the evolution of the Community project in West Africa. We present these challenges below.

1.1. The challenge of Community discipline in the Member States:

Community discipline is the only way leading to regional integration and is a key factor.

It begins with the ratification, by Member States, and on time, of Community texts, and their domestication. It continues with the full payment, and on time, of contributions to the funding of the Community, and with regular participation in regional meetings and initiatives. It ends with the full implementation, and at all levels, of the provisions stipulated in the texts and decisions of ECOWAS organs.

On all these points, the ECOWAS member countries have, on the whole, have shown a fairly satisfactory conduct in terms of compliance with commitments made, over the last forty years, as shown by the table of data on attendance at conferences and ministerial meetings (93.6% attendance rate between 1977 and 2012), the payment of the Community levy (74% of amounts due actually paid as at 30 June 2013) and the ratification of Community texts (38 texts out of 54 have actually entered into force as at 30 June 2013, that is, an achievement rate of 70.4%).

For an organization that has always sought to be at the vanguard of regional integration in Africa, these figures could have been better.

The non-payment of the full amounts due as Community levy already very seriously holds back the capacity of ECOWAS to develop worthy programmes, especially in areas related to infrastructure, production sector as well as human capital development and local knowledge.

In addition, each of those texts that have not yet entered into force contains useful provisions which the Community cannot benefit from. Some of these provisions can be of major importance, such as the regional mining code which introduces many positive innovations in the legal framework for mining agreements.

Experience has also shown that the implementation of Community decisions does not happen without difficulties on the ground. Thus, no State has managed to comply, over time, with the convergence criteria which are

prerequisites for the institution of the ECOWAS single currency. Moreover, with regard to the movement of goods (and sometimes people) there are still cases of harassment at borders and on the trade corridors, although progress has been generally observed in the integration of national markets.

If this show of distrust with respect to decisions that had been taken jointly by the Member States were to continue and even intensify, it would threaten the ability of ECOWAS to make progress in the integration process by slowing it down. It would lead to a ***regional integration blocking scenario***. A vicious circle could then be initiated; the limited resources and the non-compliance with decisions would negatively affect sectoral programmes and making the real value added of ECOWAS debatable. The future of ECOWAS as an institution would thus be at stake.

It is for the Member States to jointly face this first challenge, by openly discussing the theme of community discipline and for each, in their own right, to commit to respect the Community provisions and decisions taken, not in secret, but after a broad discussion involving each Member State. The celebration of the fortieth anniversary of ECOWAS is an ideal opportunity for the member countries to make a new beginning and give a new image to the pace of regional integration.

1.2. The challenge of creating value and ensuring effectiveness in ECOWAS programmes:

The second challenge is consubstantial with the first. It concerns the very credibility of ECOWAS, which should demonstrate through effectiveness of programmes that the Organization implements and through the quality of the management of its structures. This is the *sine qua non* condition for Member States to fully adhere to the Community project and to give it due attention.

This report reviewed the main programmes of ECOWAS and indicated that, in general, the Organization's performance is, for now, rather satisfactory, with contrasting levels of achievement depending on the areas of integration. Today, ECOWAS should quickly demonstrate that it is able to create value and promote overall well-being in the Member States, which is the ultimate goal of regional integration.

To this end, ECOWAS ***should fully assume multiple missions and roles*** that are rightfully vested on it by the founding treaty (initial and revised) and supplementary acts, in order to effectively impact on the regional integration process and on the development of members countries:

- Role 1: ECOWAS as a link between the African Union/NEPAD and the Member States of the West African sub-region;
- Role 2: The construction of a single West African space (free movement and establishment, full market integration, monetary and financial union);
- Role 3: Harmonization of strategies and policies and the promotion of best practices; (Definition of sectoral policy frameworks based on national, regional and international practices, investment code, mining code, common external trade policies, mutual recognition of diplomas, regulations);
- Role 4: Ensuring coherence in the actions of Member States and other actors in the regional integration process (Vision 2020, Strategic Framework, CDP, coordination and rationalization of interventions of sub-regional IGOs);

- Role 5: Definition of common policies and standards which are directly applicable in the States (community levy, convergence criteria, product standardization, statistical standards, rules of competition, rules on the organization of elections, governance and human rights);
- Role 6: Preservation of Peace and Security in the sub-region;
- Role 7: Representation and coordination of Member States during international negotiations (EPAs);
- Role 8: Capacity building and support to Member States and their national public and private structures (training workshops and seminars, resource mobilization for development financing, direct subsidies to Member States);
- Role 9: Monitoring and evaluation (multilateral surveillance, statistical databases, reports on regional competitiveness);
- Role 10: Promotion of joint projects, integration projects and multifaceted cooperation between the Member States and between their national structures (interconnection of transport, energy and telecommunications infrastructure, African multinational industrial projects, scientific research);
- Role 11: Promoting the global image of the West African sub-region on the continent and in the world (investment promotion);
- Role 12: The promotion of the community spirit (ECOWAS of peoples).

If ECOWAS faces difficulties in playing the roles expected of it and fails to become efficient, it would generate a gradual apathy on Member States which may then elect to focus on other cooperation frameworks (WAEMU, Council of the Entente, Basin development organizations, and implementation of one-off projects involving two or more countries). ECOWAS certainly remains, though with less consideration on the part of its members, who would support it in theory, but, in fact, without granting it much hopes. This would then lead to an evolution scenario of a *slowdown in regional integration*.

By improving on its performance, ECOWAS would give itself the means to prevent this scenario from happening. To this end, it should effect, without delay, a profound structural transformation in order to: (i) strengthen its methods of strategic planning and monitoring and evaluation, by ensuring the close involvement of States and stakeholders; (ii) streamline its operating costs in order to devote more resources to programmes; (iii) develop its human resources and its internal working methods; (iv) ensuring a stronger presence on the ground.

1.3. The challenge of good coordination between ECOWAS and sub-regional IGOs:

According to the ECOWAS treaty (Article 2, Paragraph 1), ECOWAS will eventually be the only Regional Economic Community (REC) in West Africa. Meanwhile, it should coexist with several Inter-Governmental Organizations (see Box 8 below), without the necessity of their actions being coordinated. If this state of affairs is badly managed, it would favour cacophony in the conduct of integration actions within the West African sub-region. Each organization would certainly develop programmes, but the overall result would be a poorly designed and badly managed regional integration process, which would lead Member States to focus on their membership in one or other organization, according to their interests, and thereby reducing the community feeling of belonging. This would lead to the development of a *scenario of an unfinished and incomplete integration*.

Box 7: The complex institutional land scape of Intergovernmental Organizations (IGOs) in West Africa

West Africa has a long tradition of establishing intergovernmental organizations (IGOs). Currently, this number exceeds thirty IGOs which are characterized by a great diversity in terms of areas of activity and geographical area covered.

With regard to the areas of intervention, these concern: agriculture and livestock, energy and water resources, transport and communications, financial cooperation, education and research, health and youth affairs. Among these IGOs, three are directly involved in economic or monetary integration. These are ECOWAS, WAEMU and the Mano River Union (MRU). It should however be noted that ECOWAS has a broader mandate as it includes, over and above the harmonization of socio-economic policies, the political dimension, of maintenance of peace and security and of promoting good governance and democracy in all member countries.

Each Member State of ECOWAS belongs to several other IGOs in zones that often overlap, with an average of 19 per Member State. This multi-membership in several organizations justifies the relevance of the debate on the comparative advantages of IGOs if they are not rationalized.

Source: Regional Document of ECOWAS Community Development Programme, Volume 1, ECOWAS Commission, 2014.

To prevent this scenario, ECOWAS has recently taken the initiative of drawing up a **Protocol Agreement** to establish the framework for consultation, cooperation and partnership between intergovernmental organizations in West Africa. The Protocol was initialled on 13 June 2013, in Ouagadougou, Burkina Faso, between ECOWAS, WAEMU, the Liptako-Gourma Authority (LGA), the Permanent Interstates Committee for Drought Control in the Sahel (CILSS), the Niger Basin Authority (NBA) and the African Centre of Meteorological Applications for Development (ACMAD). Several other IGOs should join the movement in the coming years.

In Article 2 of the Protocol Agreement, it is stated that the Parties, by creating this framework for consultation, decide to promote between them *cooperation and partnership*, in a bid to strengthen the *coordination, complementarity and effectiveness* of their respective or common development and integration activities in West Africa.

The priority objectives of the signatory IGOs, as indicated in Article 3 of the Protocol, are as follows: (i) create synergies and complementarity among the Parties and to uphold the principle of subsidiarity; (ii) make the best use of their human, financial and technical resources, (iii) coordinate their interventions in the process of regional integration and development in order to ensure efficiency.

In order to promote the implementation of the Protocol Agreement, an institutional mechanism was put in place comprising: the Supreme Council of Regional Integration (which brings together the leaders of the IGOs once a year), the Regional Integration Committee (IGO experts and meets twice a year) and the Permanent Secretariat (services provided by the ECOWAS-WAEMU Joint Technical Secretariat).

Areas of cooperation cover almost all sectors of integration. Cooperation may focus notably on the CDP, which is intended to serve as a framework for ensuring coherence in regional initiatives (see Box 10 below).

Box 8: Ensuring coherence in regional integration initiatives

The process of integration and regional development involves many actors (the State, IGOs, Non-State Actors, donors) as well as various organizational and legal frameworks in a heterogeneous space. Many policies, projects, commitments and obligations are juxtaposed or overlap, often creating inconsistencies that are harmful to the proper implementation of development strategies and to the effectiveness of actions to promote integration. The search for coherence in the actions is thus clearly an imperative for the region. It would reduce wastage of resources, institutional conflicts and contradictions, the dislocation of spaces, and finally would help to ensure gains in efficiency and time.

The concept of coherence has different connotations. It can thus be sought internally, externally, vertically or horizontally.

Internal coherence

ECOWAS is composed of institutions and specialized agencies with organizational structures and which implement various initiatives that may not necessarily be in a global framework that ensures coherence. Internally, within the ECOWAS Commission, convergence fields clearly exist between the two departments in charge of Industry and the Private Sector which are separate. The ECOWAS agricultural policy includes aspects of trade, industry, and health, as well as those of private sector development that must be managed in full coherence by the various directorates in charge of these issues. This intra-ECOWAS level of coherence is associated with a level of extra-ECOWAS regional coherence. This involves the relationship between ECOWAS and the thirty odd IGOs involved in the construction of regional integration.

Horizontal coherence

This is a component of internal coherence. Horizontal coherence helps to articulate and link the various regional sector policies to create a multiplier effect and mutual reinforcement between the sectors. It also helps to prevent potential sources of conflict and contradiction in the implementation of sectoral policies.

External coherence

Operating in a complex international environment, West Africa is subjected to external influences, both positive and negative, in the implementation of its development programmes and policies. In addition to the options and decisions at national and regional level, ECOWAS must also manage a set of economic and political commitments, sometimes binding, taken at the bilateral, African and multilateral level: NEPAD; EPA; WTO; AGOA; African Continental Free Trade Area (CFTA), MDGs; Paris Declaration for Aid Effectiveness; etc.

Vertical coherence

This coherence is one aspect of external coherence. The different commitments at the bilateral, African or multilateral levels create a certain verticality that must be taken into account in all regional policies seeking to build the foundations for growth, integration and development. This is so because a commitment taken at one level could turn out to create difficulties for the effective conduct of some projects. An example to illustrate this is the contradiction between national commitments to the WTO made by some States in the region and the implementation of the ECOWAS Common External Tariff (CET).

The CDP: a framework for ensuring the coherence of initiatives:

The mandate of the CDP is to propose medium and long term development programme. Although the CDP is initiated by the ECOWAS Commission, it is in line with an overall regional perspective involving all IGOs and actors in the region. The CDP therefore establishes coherence with existing programmes and those being formulated. This approach should be followed both in defining projects and programmes of the CDP as well as in the management and implementation mechanism.

Source: Regional Document of ECOWAS Community Development Programme, Volume 1, ECOWAS Commission, 2014.

WAEMU is, of all the IGOs in West Africa, the most complete model in terms of integration. Over time, ECOWAS and WAEMU have strengthened their cooperation ties. Thus, a formal consultation framework

(ECOWAS/WAEMU Inter-Institutional meetings) brings together the heads of the two Commissions every six months and a Joint Technical Secretariat (which meets twice a year) is coordinated by two Commissioners of both organizations. Similarly, the two institutions have made real efforts to bridge the gap between their actions, particularly with regard to macroeconomic policy convergence, statistics and trade liberalization, as well as to infrastructure and various sectoral policies. For NEPAD and the EPAs, the two organizations also speak with one voice, with a leadership role entrusted to ECOWAS.

Nevertheless, there is still a need for greater coordination of ECOWAS and WAEMU programmes and relationships with external partners, in order to avoid overlapping and duplication in the implementation of Community programmes.

There was also the need for deepening legal cooperation between ECOWAS and WAEMU, in bid to harmonize the regulatory framework (what can be called “*integration of the integration*”) and to improve the situation for Member States confronted with different rules, for example, for exporting within the zone, or trying to meet the convergence standards. A protocol was signed to this effect by officials of the two organizations in 2014.

The question of the place of WAEMU in the ECOWAS institutional architecture will arise sooner or later. And, given the achievements and progress made by WAEMU, it would certainly be feasible to consider, not an immediate disappearance of WAEMU, but its progressive absorption by ECOWAS (by making it a real specialized agency that would inspire Community projects, in certain aspects, and for which ECOWAS will set multi-year targets and programmes, in accordance with Article 80 of the Revised Treaty).

The same prospects could be traced for other Inter-Governmental Organizations (IGOs) which will be maintained after the indispensable rationalization process.

1.4. The challenge of Community project ownership by the populations:

Popularizing ECOWAS with the Community citizens remains a huge challenge for ECOWAS. For, as of today, the Organization remains little known to the populations, as would have clearly shown an awareness survey of citizens in the Member States. During field visits by team members of this report, it was discovered that it was in countries emerging from conflict and where ECOWAS had played a key role (particularly through the intervention of ECOMOG), that enthusiasm for ECOWAS appeared to be highest. This CLEARLY demonstrates that the Community Vision will be shared to the extent that ECOWAS will develop visibility in Member countries and show its practical value for the populations.

Efforts should also be made to involve more and more the regional private sector in the construction of regional integration and make it, not just a mere partner, but the very engine of integration, which should anticipate and provide impetus for reforms and the major community projects.

In any case, the long-term viability of the Community ideal will be closely linked to the ability of ECOWAS institutions to promote ownership of the regional integration project by all stakeholders (populations, private sector, intellectuals, etc.). Failing that, ECOWAS may very well achieve the integration of States, but without their peoples feeling that they are concerned by that. That would produce the *scenario of regional integration without the peoples*.

Aware of this risk, ECOWAS has adopted a new Community drive, that of building an *ECOWAS of peoples*. But this should be more than a mere slogan: it should actually translate into reality.

1.5. The challenge of successfully integrating ECOWAS into the global continental integration project:

The Constitutive Act of the African Union made the RECs pillars of continental integration. ECOWAS should, in addition to deepening sub-regional integration, align itself with the global process defined at continental level, and cooperate closely with other RECs. Therefore, the coherence requirement in the sub-region should also prevail at the level of Africa as a whole.

ECOWAS, until now, appears to rather give priority to its own sub-regional agenda. In fact, its alignment with programmes stems simply from the fact that it is ahead of the other RECs in some areas of the Minimum Integration Programme of the African Union. Furthermore, it did not create a linkage with the continental project in its Vision 2020, which only concerns the West African sub-region, as if the African Union was an integration organization like the RECs.

Moreover, relations between ECOWAS and other RECs are relatively weak, especially when they are compared with SADC-COMESA-East African Community (EAC) relations, these organisations which work closely on a Free Trade Area covering the three Community spaces. Eventually, ECCAS might even be tempted to join the movement, if the continental free trade area (CFTA) project does not materialize in the meantime.

One of the rare initiatives by ECOWAS in the field of inter-RECs cooperation concerns the Economic Community of Central African States (ECCAS), with which it has signed agreements on security issues. The continuation of current trends would evidently result in inconvenient isolation of ECOWAS from the construction of major blocs in Africa. This is the scenario of *regional integration in isolation*.

To correct this situation, ECOWAS should develop an offensive strategy of partnership with all the RECs in Africa. With ECCAS, it could explore several other areas of cooperation and establish a joint multi-sectoral secretariat and consider annual meetings between the heads of both institutions, in the presence of all of their commissioners.

ECOWAS could also cooperate more with the countries of the Arab Maghreb Union (AMU), some of which (Morocco, Tunisia) already maintain close relations with ECOWAS Member States and wish, therefore, to conclude trade agreements with the West African organization. In addition to this, CEN-SAD, which essentially consists of Member States of ECOWAS, ECCAS and UMA, and which could therefore play a buffer role in promoting partnerships among the three RECs. Targeted agreements could also be concluded with the SADC, COMESA and EAC.

Finally, ECOWAS should work to improve, on its own initiative, its cooperation ties with the African Union. To this end, an official visit of the President of the ECOWAS Commission to the African Union Commission headquarters would present an opportunity to review all integration issues and to agree on a framework for cooperation, on the basis of the special Minimum Integration Programme which the African Union had adopted for ECOWAS.

ECOWAS would thus, gradually, emerge as a *model and engine of African Integration*.

2. VISION 2020 OF ECOWAS:

2.1. Vision statement and implementation strategy:

The Conference of Heads of State and Government, in June 2007 in Abuja (Nigeria), adopted **Vision 2020**, which aims by 2020, to make the ECOWAS space “*a borderless, peaceful, prosperous and cohesive region, built on good governance and where people have the capacity to access and harness its enormous resources, through the creation of opportunities for sustainable development and environmental preservation*”.

Specifically, Vision 2020 seeks to transform the ECOWAS space into:

1. A borderless region in where the population have access to its abundant resources and is able to exploit them through the creation of opportunities under a sustainable environment.
2. An integrated region within which the population enjoy free movement, have access to efficient education and health, engage in economic activities and live in dignity, in an environment of peace and security.
3. A region governed in accordance with the principles of democracy, the rule of law and Good governance.

The objective is also to convert ECOWAS from an “ECOWAS of States” to an “**ECOWAS of Peoples**” in which the people will be involved in the regional integration process so that they can own it, will be at the centre of regional policy concerns and will be the ultimate beneficiaries.

In view of laying the groundwork for the operationalization of the Vision, the following priorities have been defined for the Community: In the long term, by the year 2020, six priorities: (i) a shared vision (2020); (ii) a single regional economic community (2020); (iii) an efficient system of community governance; (iv) a common market and economic union; (v) effective single currency and monetary union; (vi) a peaceful, stable and democratic environment.

In the short and medium terms: (i) poverty reduction; (ii) infrastructural development; (iii) implementation of common policies on Agriculture, Environment and Water Resources; (iv) capacity building for trade negotiations; (v) consolidation of peace and democracy; (vi) Community Development Programme.

To achieve this Vision, the ECOWAS Commission developed the **Regional Strategic Plan** (2011-2015) whose implementation is yet to be evaluated and which will soon be replaced by a **Regional Strategic Framework** that will seek to integrate the various programmes of institutions and agencies in the Region.

In parallel, the ECOWAS Commission has, in a participatory process, prepared a **Community Development Programme** which was adopted by the ECOWAS Heads of State and Government in July 2014 in Accra, Ghana. This programme sets forth the Region’s medium and long term development agenda through the definition of a compact of priority projects and programmes to be implemented.

The challenge remains that of mobilising resources for implementing activities and the investments planned in the CDP.

Box 9: The Community Development Programme (CDP)

The general objective of the CDP is to build a competitive, viable and secure regional economic union with increased participation of the people in the integration process.

Its specific objectives are: (i) Ensure an effective participation of the people of West Africa in regional integration with a view to guaranteeing them a better ownership of the process; (ii) Promote a strong economic growth, geared towards employment creation and sustainable development in the ECOWAS region; (iii) Establish a business friendly environment characterised by good governance, the rule of law, peace and security; (iv) Work eventually towards the creation of a competitive, viable and secure Regional Economic Union with national economies harmoniously integrated at the regional level and fitting seamlessly into the global economy.

It consists of four Priority Areas which are sub-divided into twelve strategic objectives: (i) Priority Area 1: Integration of people, governance and human development; (ii) Priority Area 2: Consolidation of economic integration; (iii) Priority Area 3: Development of infrastructure and wealth creation; (iv) Priority Area 4: Cooperation and financing.

The strategic objectives as defined by priority area embrace the essence of the objectives stated in the ECOWAS Revised Treaty, except for security issues. They are as follows:

For Priority Area 1 (PA1) the objectives are: (i) Consolidate or create the conditions for overall stability of the Region by accelerating the development of good institutions (SO1), (ii) Turning people into real direct actors of regional integration and development (SO2), and (iii) Significantly improve the overall productivity of labour factor by strengthening investment in human development (SO3).

For Priority Area 2 (PA2), the strategic objectives are: (i) Increasing intraregional trade by creating a common market of ECOWAS (SO4), (ii) Stimulate the financing of economies in the region by developing a conducive environment for business and creating a stable and efficient regional financial system (SO5), (iii) Create a real single currency of ECOWAS in 2020, through an acceleration of all reforms and a respect of the datelines of programmes intended for the creation of the single currency (SO6).

For Priority Area 3 (PA3), the strategic objectives are: (i) Improving the competitiveness of productive sectors in region by enhancing the regional development of good economic infrastructures to boost the regional integration process and reinvigorate initiatives for wealth creation (SO7), (ii) Establish sustainable food security and sovereignty by strengthening the modernization of agricultural production systems (SO8), (iii) Achieving the challenge of industrial development by promoting the endogenous processing of local raw materials and diversification of industrial branches (SO9), (iv) Increasing productivity in sectors of activity by supporting efforts in research-development and innovation so as to create new knowledge or put into use existing knowledge (SO10), (v) Give value to natural resources, strengthen their protection and ensure adaptation to climate change so as to keep focus on sustainable development (SO11).

For Priority Area 4 (PA4), the strategic objective is to support the real implementation of priority projects of the CDP, through an enhancement of cooperation, partnerships, mobilization of resources and the strengthening of the capacities of human resources (SO12).

Two hundred and forty-two (242) priority projects, at a total cost of 28.44 billion dollars, have also been identified, in a bid to meet the main challenges of the Region. These include: structural reform projects whose maturity level do not require any assessment, physical investment projects which follow the preparatory stages before submission for funding and support projects to CDP operationalization.

Source : CDP Document, Volume 1, 2014.

2.2. The necessary revision of ECOWAS Vision 2020:

Vision 2020 should be revised for several reasons.

First, the 2020 time horizon is too close to permit the attainment of the set goal. It would thus be more reasonable to select a longer time horizon, such as year 2025, which coincides with the fiftieth anniversary of the establishment of ECOWAS.

Then, the ECOWAS Vision should, ideally, take into account the time horizon selected at the continental level, both in its formulation (which should clearly mention the construction of the African Union) and in its programmes which should be aligned with the major orientations fixed at the African level, in the various domains.

In fact, the African Union has undertaken the development of “**Agenda 2063**” which is supported by the AU vision of “An integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force on the global arena” and that draws on lessons of past efforts such as the Lagos Plan of Action, the Abuja Treaty and NEPAD to meet new challenges on the continent, in the short, medium and long terms.

In operational terms, Agenda 2063, once completed, should be broken down into plans for the short-term (10 years), medium term (10-25 years) and long term (25-50 years) to serve as guides for States on the Continent. Furthermore, the African Union has set, in its *strategic documents* (Vision, Mission, and strategic plans), several principles and flagship programmes that Member States should incorporate into their domestic policies.

Africa has also defined its own common *Position on the Post-2015 Development Agenda* and promotes it within the context of the on-going negotiations on this theme. The themes selected are: (i) *structural transformation of economies and inclusive growth* (inclusive and sustainable growth; Agriculture, Food Security and Nutrition, inclusive and green growth, industrialization and value addition; infrastructure and development); (ii) *Innovation, technology transfer and research and development* (Strengthening technological capabilities); (iii) *Human Development* (Poverty eradication; education and human capital development; universal and equitable access to quality health care; Gender mainstreaming and women's empowerment; Population dynamics: realization of the demographic dividend of Africa; water resources management; disaster risk reduction; Access to housing); (iv) *Financing and Partnerships*.

All these orientations should be taken into account in the Vision, policies and programmes of ECOWAS.

CONCLUSIONS AND RECOMMENDATIONS:

This study sought to assess the progress made by ECOWAS on the path to regional integration. The analysis of the institutional organization and sectoral policies of ECOWAS has shown that this Community, in general, is a model of advanced integration in the broader context of the African Union, in the same manner as SADC in southern Africa.

In forty years, it has built a solid *institutional architecture* which makes it a globally recognized organization. It also strove to adopt protocols and to define policies and programmes covering almost all areas of integration identified in the initial Treaty and later in the revised Treaty of ECOWAS.

In terms of real impact, *the performances of ECOWAS, since its establishment, may be deemed to be largely average at this stage.*

Implementation levels widely differ from one domain of integration to another.

Three classes may be defined for this purpose.

The first class includes domains in which regional integration is particularly advanced. This is notably the case with the *free movement of persons* and right of residence which, roughly speaking, works relatively well. The domain of *peace and security* can also be included in this class, although efforts are still needed to strengthen the operational and rapid response capacities of ECOWAS forces. It is the same for the supervision of *electoral processes* for which the credibility of ECOWAS is now without a shadow of a doubt.

This set of domains that show good performances together constitute the *strength of ECOWAS* and deserve to be consolidated constantly, in a bid to avoid losing the gains made.

The second class includes domains in which real progress has been made in terms of the integration of policies of the Member States but where huge constraints remain on the ground as a result of practical realities, sometimes for reasons related to lack of capacity or the behaviour of government employees. This class includes the domain of the *free movement of goods, services and capital*. Here, the Member States have signed, with boldness, supplementary acts, protocols, rules, directives and decisions intended to build a unified regional market. However, real challenges endure when businessmen seek to trade with their counterparts in other countries, because of harassment at borders. In addition, trade is severely handicapped by the poor quality of the *infrastructure* network and the low diversification of the sub-regional *production sector* which reduces the scope for trade.

This class also includes the domain of *monetary union* which, despite some progress in terms of institutional reforms, is still struggling to win the full support of member countries, which are unable to meet the convergence criteria considered as prerequisites for monetary unification. It also includes the domain of governance where ECOWAS has no genuine mechanism for monitoring the conduct of its members.

Lastly, the third class includes integration domains in which ECOWAS performs only marginally, mainly because of a lack of funding for ECOWAS programmes (case of the *Common Industrial Policy*) or of insufficient political will shown by the Member States (as in the *Mining Policy*).

Truly, ECOWAS has potential to go faster in the integration of its Member States, because of the several experiences in grouping countries which continue to prevail within it; each of these experiences, even as it presents a challenge in terms of harmonisation with ECOWAS, constitutes a testing ground which the extended regional community could draw lessons from to make progress in the construction of the unification of its Member States.

This is particularly the case of WAEMU whose membership comprises eight of the fifteen ECOWAS countries and whose pooling of interventions or even gradual fusion with ECOWAS, and not disappearance, will enable it to preserve its achievements, while promoting their ownership by ECOWAS.

Today, ECOWAS must take another step in developing its operational capabilities and generating tangible impacts on Member States and the Community citizens. Consequently, it would fully meet the targets set in the Constitutive Treaty and celebrate its fiftieth anniversary, in 2025, by becoming a successful model of Regional Economic Community in Africa.

Specifically, the following recommendations can be made.

Trade, Customs and Free Movement:

Free movement of persons

ECOWAS:

- institute a Community driving license;
- promote the fusion of the ECOWAS Brown Card and the CIMA Card.

Member States:

- eliminate harassment on the roads and on the corridors;
- provide training systematically to the security staff stationed at the borders on the rights contained in the Protocol on free movement.
- effectively punish cases of racketeering and abnormal practices by staff stationed at the borders;
- adopt the Community passport and comply with the colours selected for the passport;
- ensure enforcement by national agents of the control plans established at land borders;
- putting an effective end to the forms required at the borders;
- set up a one-stop-shop for dealing with requests for Residence Cards by Community citizens;
- speed up the adoption of new ECOWAS reform measures on the free movement of persons (strengthening systems for recording civil status information, the biometric identity card, abolition of the residence card, free establishment granted to Community citizens).

Free movement of goods

ECOWAS:

- speed up the full and effective implementation of the ECOWAS CET and Customs Union;
- harmonize the composition and functioning of national approval committees;
- reducing the rate of 60% required for rules of origin, for example by reducing it to a maximum of 40%;
- ease the approvals application procedures;
- harmonize approvals issued by ECOWAS and by IGOs in the Region (like WAEMU and Mano River Union), in order to develop a mutual recognition system, by initiating joint collaboration between the various organizations;
- accelerate the interconnection of customs systems of ECOWAS member countries;
- accelerate the development of Community standards, in order to facilitate intra-Community trade;
- urge the States to punish abnormal practices by their employees stationed at borders;
- actively pursue the policy on promotion of side-by-side border posts and of border control units;
- accelerate the introduction of ECOVISA (Schengen-type visa);
- enhance the involvement of member country departments in charge of trade matters in the implementation of the trade liberalization scheme;
- agree on a reference model for liberalizing trade with third partner countries, drawing inspiration notably from EPAs concluded with the European Union, and accelerate negotiations with other countries (Morocco and Tunisia which have already shown in ECOWAS and/or UEMOA) and in the other RECs on the continent;
- ensure that all ECOWAS countries become members of the Borderless Alliance; which will, by the same token, expand the control space of the Abnormal Practices Observatory (APO);
- actively support the actions of the Borderless Alliance;
- set up the Arbitration Tribunal provided for in the revised ECOWAS Treaty (Article 16)
- set up an information system on business opportunities and possibilities for trading product within ECOWAS.

Member states:

- remove tariff and non-tariff barriers on industrial products of ECOWAS member countries;
- effectively implement of the ISRT and the Supplementary Convention;
- be proactive by identifying in advance companies with export potential and explaining to them the advantage of have an ECOWAS export license;

Transport and telecommunications infrastructure

ECOWAS, in conjunction with the Member States:

- accelerate the completion of transport infrastructure of regional interest identified in the CDP (such as, the Lagos-Abidjan Highway, the Ecomarine project, railway connections, the aircraft leasing company, etc.);

Member States:

- promote the development of Internet access;
- rehabilitate and develop roads and railways to the countries of the Community.

Energy and Mines:

ECOWAS, in conjunction with the Member States:

- accelerate the adoption and implementation of the Regional Mining Code
- promote the development of reference high capacity solar power plants (500MW to 1000 MW) that can serve several countries in the sub-region.

Agriculture, Environment, Water Resources:

ECOWAS

- enhance the level of involvement of member country agricultural stakeholders in designing, developing and implementing support programmes to regional agriculture.

Industry and Private Sector Promotion:

ECOWAS :

- accelerate the adoption of the Investment Policy (ECOWIP), the ECOWAS Investment Code (ECOWIC) and Regional Policy on Public Private Partnerships (PPP);
- accelerate the harmonization of the OHADA Business Law in non-Member ECOWAS States;
- boost the financial resources allocated to programmes to promote industry and the private sector;
- establish an ECOWAS Investment and Intra-regional Trade Promotion Centre;
- increase EBID's own resources, by means including resources from the Community levy;
- enhance the involvement of the regional private sector (and not solely the umbrella organizations) in sub-regional integration initiatives, to make it an engine for community building;
- develop a specific strategy for promoting the integration of the Community production sector, by initially targeting some pilot sectors whose products are in high demand on the Community, African or global markets;
- actively pursue the integration of stock exchanges in the sub-region as well as of cross-border payment systems.

Member States:

- accelerate reforms to improve the global business environment;
- closely involve the national private sector in all integration projects.

Education, Science, Culture, Youth Affairs:

ECOWAS :

- promote the development of technical and vocational education in the sub-region, through the preparation and adoption of resolutions by Heads of State and Government on this subject;
- set indicative targets for Member States, in the distribution of student enrolment in grammar school and technical/vocational education cycles;
- organize exchange seminars for education stakeholders in the sub-region, on the issue of the development of technical and vocational education;
- set up a mobility programme for students in universities of the Community, by providing merit scholarships.

Social Affairs and Gender Issues:

ECOWAS:

- establish a regional health architecture devoted to the prevention and management of epidemics, drawing inspiration from the model developed for security matters (with ECOMOG).

This health architecture would thus include:

- (i) an early warning system, managed at WAHO and linked to WHO, based on an information system integrated with the Member States;
- (ii) a rapid response force comprising doctors, health workers and security forces made available by the States (the lists would be established in advance, with a small task force permanently stationed at an operating centre at WAHO) ;
- (iii) materials and logistics purchased beforehand,
- (iv) establish a volunteering system for recently graduated young physicians in a bid to offset the human resource shortage, especially in rural areas
- (v)

Peace and security:

ECOWAS:

- develop a rapid response capacity to crises, especially when the State concerned is faced with external aggression

Governance

ECOWAS :

- establish a peer review mechanism inspired by that of the African Union, but which is made more efficient through effective monitoring of the findings and recommendations, including the use of sanctions;
- more actively support the work of civil society in its watchdog role in matters of good governance;

- take clear positions and which are made public against acts of bad governance recorded in the Member States.

Macroeconomic convergence and single currency

ECOWAS:

- require that the various institutions work together to make their actions more effective. They should harmonize their methodology, their convergence criteria - and also their statistical computing systems (calculation of half-yearly GDP, for example). The new 2014-2018 statistics harmonization programme should be followed with special attention so that the results will be achieved, as planned, in late 2018. It will help the ECOWAS Commission to have a reliable and robust statistical basis;
- review the ECOWAS convergence criteria using stylized facts - marked by inadequate real convergence of member countries' economies, due, among other things, to the severity of external and internal shocks suffered by member countries;
- consider how to establish a strong incentive mechanism - involving both sanctions and rewards - to urge the States to be more honest. Indeed, such a mechanism should help to discipline States and make them to abide by the rules of the game;
- extend the envisaged public finance reforms to WAEMU countries - six directives on accounting and of budgetary financing transparency - to the other ECOWAS countries. The effective implementation of these directives would help countries to more readily comply with the "revised" convergence criteria;
- adopt an approach and a realistic timetable for the monetary union, which all parties will commit to.

Member States:

- ensure compliance with the convergence criteria.

Resource mobilization:

ECOWAS:

- mobilize more resources, using innovative financing mechanisms (for example, issuing Community bonds on the financial markets of ECOWAS and other countries or zones) to finance the various projects of the CDP;
- ensure better allocation of the Community budget by assigning, in the end: (i) 90% of the budget to ECOWAS programmes, improving on their selection, by avoiding the diversion of resources and targeting real impacts over time; (ii) 10% of the budget to cover operating expenses of Community institutions.

Operation of the global mechanism for integration:

ECOWAS:

- set up the ECOWAS Economic and Social Council;

- improve the consideration of draft instrument (at expert level) before they are forwarded to the Council of Ministers;
- conduct annual reviews at the State level to assess the domestication ECOWAS acts (as currently obtains in WAEMU). For that purpose, seven to eight States could be reviewed each year, thus all countries will be covered in two years;
- organize an official visit by the President of the Commission to each member country, once every two years;
- appoint ECOWAS representatives in all Member States;
- ensure greater involvement of member countries in the work of the ECOWAS Commission, drawing inspiration from the PRC (Permanent Representatives Committee of the African Union), as also envisaged by ECOWAS;
- introduce the use of Portuguese at the expert meetings of ECOWAS;
- encourage and support the establishment by the Community Civil Society of an ECOWAS Observatory (which will publish an annual report and conduct various surveys) ;
- support research activities of the West Africa Institute based in Praia, Cabo Verde;
- strengthen coordination between ECOWAS and IGOs in the Region, and consider a gradual streamlining of IGOs;
- open ECOWAS liaison offices in major IGOs (WAEMU, Mano River Union, Council of Entente). Conversely, persuade these IGOs to have focal points in ECOWAS.

Member States:

- demonstrate stronger political will to promote the acceleration of the sub-regional integration process. Member States should, notably: (i) ensure the ratification of Community instruments and their implementation within the time frames fixed by ECOWAS; (ii) pay in full, and on time, the Community levy; (iii) pay the arrears accumulated to date; (iv) continue to participate, at the highest level, in ECOWAS conferences and meetings.
- systematically set up National Committees for Monitoring ECOWAS Affairs, including all ministries under the coordination of the ECOWAS National Unit, and with private sector and civil society involvement.

Strengthening the community spirit:

ECOWAS:

- strengthen national integration units (by granting them direct subsidies, regardless of payments made by the countries);
- provide support to community radios that carry out sensitization on ECOWAS;
- systematize the organization of national integration Weeks and the implementation of popularization actions on ECOWAS in each member country;
- adopt a Directive on the simultaneous use of both ECOWAS and national flags by Member States;
- to print stamps and coins with the ECOWAS symbol, within the scope of the celebration of the fortieth anniversary;

- extend the ECOWAS Volunteer Programme to all member countries and provide it with adequate resources;
- develop programme for scholarships and student exchanges;
- improve the website of the ECOWAS Commission and enrich its content with a large amount of information on instruments, community budgets, policies and initiatives taken by ECOWAS.

Member States:

- Organize a national awareness-raising and information campaign on ECOWAS for citizens and enterprises;
- Develop a mechanism for holding consultations with political forces, the private sector and civil society, in advance of Ministerial Meetings and Conferences of Heads of State of ECOWAS (as in Cabo Verde);
- use every opportunity to promote the community spirit (sporting or cultural events, programmes on radio and television, etc.) ;
- ensure that National Units effectively organize ECOWAS popularization activities on the field (parades, caravans, sensitization at borders, distribution of flyers, publishing a newspaper on integration like in Ghana, radio and TV broadcasts, holding Integration Week events, to which other ECOWAS countries are invited, etc.);
- assess the opinions and expectations of the peoples in the Community space vis-à-vis the regional integration process.

ECOWAS relations with other African RECs and the African Union:

ECOWAS:

- Accelerating the negotiation and signing of agreements with the various RECs on the African continent;
- Align, where possible, ECOWAS Vision and programmes with those of the African Union;
- Strengthen the working relations between the organs of ECOWAS and those of the African Union.

ANNEXES:

Annex I: Bibliography

Annex II: List of persons met

Annex III: Summary of Missions to member countries of ECOWAS

Annex IV: Convergence in the ECOWAS zone: Recent Empirical Studies and Analyses

Annex IV: Methodology Adopted by the ECA for Designing a Regional Integration Index in Africa

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Annex II: List of officials met

MALI	
Cheick Keita	Delegate General for Integration
Mr Seydou Moussa TRAORE	DG INSTAT
Fatou Dia	CNPE (National Economic Policy Committee)
Mr. Baba Kida	Directorate General of Customs
Mr Idrissa Traoré	Head of Division, Directorate of Industry
Mr Modibo KEITA	Director of Trade and Competition
BENIN	
Mr Nassif BADIROU	Director of Regional Integration
Mr Nassif ZANTAN	Director of African Integration, Ministry of Foreign Affairs
Mr Gaspard Madji	National Economic Policy Committee (CNPE)
TOGO	
Mr KPADJA	Staff member, ECOWAS-WAEMU Unit
Mr LAGNIE	Staff member, ECOWAS-WAEMU Unit
Mrs AWESSO	<i>Chargée d'Etudes</i> (Research Officer), Ministry of the Economy and Finance
Mr GOANUE	Director, Department of Research and Strategic Planning, EBID
GUINEA	
Mr SY Djiguiba SAVANE	Director General for International Cooperation
	Director of Trade
Mr Joachim Lama	Director General, Forecasting and Economic Studies
GHANA	
Dr KODZO K. ALABO	Director of Regional Integration, Ministry Foreign Affairs
Abdoulaye NOMAO	Bordeless Alliance
Directeurs	WAMI
SIERRA LEONE	
Dr Ben Oumar Ndiaye	Director General WAMA
Kupu Jonas COOPER	Head of ECOWAS Unit, Liaison Officer, Ministry of Economic Planning
Mc Donald Christian JOSS	Ministry of Finance
CABO VERDE	
Mc Francisco MENDES	Head of Ecowas Unit, Ministry of External Relations
Carlos SEMEDO	Director General, Global Affairs
Pedro Gomes Estevas	Directorate General of Industry and Trade
Djénéba TRAORE	Director, West African Institute
Amilcar Aristides Monteiro	Secretary General, <i>Camara Comercio Industria Servicos</i>
GAMBIA	
Mr. Abdou Kolley	Minister of Trade, Industry and Employment
Ndey Naffie Ceesay	Directorate of Industry
Mrs Baturu Camara	Trade Ministry
Bai Ibrahim JOBE	Director of the Integrated Framework
BURKINA FASO/ WAEMU	
Mr. Hadjibou Soumaré	President of the Commission
Mr. Iba Mar Oularé	Director of Cabinet
Laurent OGOWA AGOSSA	Head, Monetary Policy and Domestic Economic Relations Monitoring Division
Bakary Sako	Director, Statistics Centre
NIGERIA/ECOWAS	
Dr Ibrahim Bocar Ba	Commissioner for Macro-economic Policy

Dr Adrienne Diop	Commissionner for Social Affairs
Ousmane Barry	Executive Assistant to the Commissioner for Macroeconomic Policy
Mr. Sanoh N'Fally	Director Free Movement And Tourism
Dr Nelson Magbagbeola	Directorate of Multilateral Surveillance
Salifou Tiemtore	Acting Director of Customs
Mr Mansar Lawson Mechelli	Director of Industry
Mr Ibrahim Gueye	Director of Finance
Mr. Felix Fofana N'Zué	Director, EPAU
Mahamadou Yahaya	Director of Statistics and Research
Mr. Essien Abel Essien	Director, Strategic Plan Unit
Mr. Anthony A. Benin,	Head of Monitoring and Evaluation Unit
Mr Zono Adboulah	CDP
Mr Peter Koffi Dadzie	Multilateral Surveillance
Mr. Kola Sofola	Trade Directorate
Dr Yacouba Sanom	Regional Expert RAIP/NAIP
Tony Elumelu	Principal Programme Officer
William Baidoe-Ansah Baidoe	Principal Programme Officer Mines
Mr Sunny Ugoh	Principal Programme Officer (Information)
Haaba Baldeh	Programme Officer Air Transport (Economic Regulations and Policy)
Mr. Ashoke Maliki	Road Infrastructure & Safety Expert, Infrastructure Department
Dada Omotayo Marius	Head, Travel Unit
Mr. Bamanga Tukur	Chairman, African Business Roundtable (ABR)
GUINEA BISSAU	
Cristina Silva Pedreira	Director General, Regional Integration, Ministry of the Economy and Regional Integration
Andre Sanchez Vaz	Directorate General, Regional Integration, Ministry of the Economy and Regional Integration
Dambo Antonio Yala	Macroeconomist at CNPE
Luis N'Ghabo	Deputy Permanent Secretary, CNPE
LIBERIA	
Mrs Luopu Konah Cooper	Head of Ecowas Unit, Ministry of Planning and Economic Development
Mr.McDolald Christian Joss	Directorate of Customs, Ministry of Finance
SENEGAL	
Jean Antoine Diouf	Head of ECOWAS Unit, Ministry of Foreign Affairs
Babacar Ba	Deputy Head, ECOWAS Unit
Abdou Khadre Diéyelani Niang	National Unit for Integration Monitoring, Ministry of the Economy and Finance
Mme Oumy Ndiaye Sarr	National Unit for Integration Monitoring, Ministry of the Economy and Finance
COTE D'IVOIRE	
Diaby Lanciné	Director General of the Plan
NIGER	
Mrs Takoubakoye Aminata Boureima	Permanent Secretary at the Executive Secretariat of the Economic and Social Development Plan
Md Moussa née Siddo Mariama	Director of Integration

Annex III: Summary of missions to member countries of ECOWAS

Introduction:

For a better presentation of the information gathered from the officials met during our various missions to member countries of ECOWAS, this annex will be divided into four sections. The first will deal with free movement of people, the second with the trade liberalization scheme and promotion of intra-regional trade, while the third section will focus on the functioning of national units and promotion of the community spirit, and the fourth and last section will be devoted to the situation of infrastructure and energy within the community space.

I. FREE MOVEMENT OF PEOPLE:

Mali

ECOWAS is built around flagship programmes like the free movement of people. However, at the level of WAEMU, the movement of people is much easier (same language, same currency). People can travel on presentation of their identity card.

Mali has already done much in the context of integration with other ECOWAS countries. It is in this context that it has adopted the use of the ECOWAS passport. However, there are some issues concerning the use of the travel document which has never been applied, but with the revision of the protocol on free movement, the identity card will suffice. The use of vaccination certificates is no longer topical; it is envisaged that this requirement will be lifted.

The right of establishment is not working well. *The principle is there, but its application by people is a problem* ("high-level authorities should look into the details"). It should be noted that the right of establishment is more easily applied in the WAEMU, whereas the rules are the same for ECOWAS. It should be noted that at the level of ECOWAS, the issue on the right of establishment has been entrusted to the President of Burkina Faso.

BENIN

Generally, the Police Force fails to respect the rules, in contrast with the Gendarmerie. To overcome these obstacles, Spain has financed a project for setting up a post for observation and reception of user complaints at the Nigeria-Togo border. There are two posts side-by-side on the Benin-Togo border to speed up border formalities and avoid harassments. The same side-by-side posts have been set up at the Togo-Ghana, Ghana-Côte-d'Ivoire borders. Control post plans have already been adopted by the countries. At the moment, *the main problem remains the non-implementation by ECOWAS countries of texts to advance sub-regional integration.*

TOGO

There are still major obstacles to the free movement of people. Harassment persists at the border between Ghana and Togo. On the Ghanaian side, the police require, in addition to the passport, money, as one travels in and out of the country. Insufficient political will demonstrated by the Member States of ECOWAS seems to account for this situation. A firm political decision and a strong involvement of the populations should adequately provide a permanent solution to the problem.

GUINEA

Concerning the free movement of persons and goods, Guinea has ratified all the protocols and is implementing them. Thus: (i) ECOWAS Passport is in use since 2006; (ii) the identity card is in use; (iii) there is a decrease in the number of roadblocks; (iv) a ***one-stop-shop for handling application for the residence permit*** has been set up.

To remove the constraints, awareness raising activities have been going on at the border. For example, at first, Liberia granted only 15 days of stay, and when Guinea raised the issue it was solved.

GHANA

Protocols relating to free movement are key instruments of ECOWAS. All countries have accepted the principle of free movement, without the need for visas. However, ***there are still issues concerning the type of document required at the borders***. Among French-speaking member countries, the (national) identity card suffices, while the English-speaking countries require any such document which can be stamped.

CABO VERDE

Cabo Verde is a small country of 500,000 inhabitants. Foreigners number about 20,000, of which 15,000 originate from ECOWAS countries.

The principle applied is this: after 90 days, citizens of ECOWAS countries must register and show that they have employment and sufficient income to live in Cabo Verde.

Since 1986, there has been a strong influx of immigrants, with the explosion of construction work in the tourism sector. In response, the Government published Guidelines and set up an Observatory.

The financial and economic crisis in Europe caused investment and employment problems. It was necessary, therefore, to address the situation of immigrants who were already in the country before receiving other immigrants.

When an ECOWAS citizen reaches the border, the Police verify whether the citizen has money, and if they know someone there who can host them. Many foreigners actually transit through Cabo Verde as they seek ways of reaching Brazil. Sometimes, drug trafficking explains the movements observed.

II. TRADE LIBERALIZATION SCHEME AND PROMOTION OF INTRA-REGIONAL TRADE:

MALI

Regarding the trade liberalization scheme, the results are fairly satisfactory. Its instruments have been harmonized with those of WAEMU since 2002-2003: rules of origin, certificate of origin, prerogative granted to Member States for approving products and sending the list to ECOWAS (with a copy of the approval) for verification prior to forwarding same to States. There is a deadline issue: companies only come to ask for approval when they place orders. Meanwhile, the 90-day deadline raises problems.

The level of intra-community trade is still low, but this is not attributable solely to the mechanisms. And most of the difficulties that arise in this area are solved at the level of WAEMU.

Within ECOWAS, many internal measures in the States slow down inter-regional trade as well as both tariff and non-tariff barriers should be lifted. Many countries have established reference values and phytosanitary standards. To import, there must be the intention to import (and it is possible to block trade at this stage). It all depends on the good faith of the employees and sometimes it seems that there are more barriers between us than with the rest of the world. The fact that economies are not complementary but competing exacerbates tensions at the borders.

The CET and rules of origin are not recognized within ECOWAS and WAEMU as trade mechanisms, but are rather used to protect the incomes of already established companies. This is a mistake which arises because trade directorates of the member States have not been involved in this initiative.

The trade tool must be piloted driven by trade officials and those of industry and customs should join in as technicians. It is therefore, necessary to change the mechanism at the level of the CET and approvals, by giving leadership to the trade directorates and not to those in charge of industry. This will help to further boost intra-community trade.

It is also necessary to address domestic issues: cost of factors, internal organization of companies, etc.

There can be no EPA without the CET. To date, 21 meetings have been held on the CET, which is composed of three parts: (i) statistical nomenclature (Version SM 2012, MDGs, there is no problem at this level); (ii) a tax regime (the issue is to reach agreement on a 5th tariff band of 35%) (consumer goods that should be heavily taxed); and (iii) a trade protection measure: anti-dumping, countervailing duties, safeguard measures, infant industries).

For the Community levy, WAEMU should apply 1.5% and ECOWAS should rise from 0.5% to 1.5%. What is left is to reach agreement on the allocation of resources between WAEMU and ECOWAS. The start of CET was finally deferred to 1 January 2015; the status quo is maintained for a period of 5 years, while waiting for a solution to be found.

One issue remains: at the moment, *there is yet no interconnection of customs systems within ECOWAS.*

On the ground, there are several obstacles posed by some countries. There are equally divisions with English-speaking countries. For example, Nigeria blocks many products from Côte d'Ivoire and Mali. Certificates of origin are requested on respect of agricultural products. In fact, Nigeria always fails to appreciate the size of the ECOWAS market (as Nigeria alone has nearly 175 million inhabitants). So that country is not playing the game of free movement in a fair manner. The case is the same with respect to the community solidarity levy.

The private sector forwards information on barriers to ECOWAS focal points in the various Member States. Complaints are discussed at the annual meeting of national approval committees.

Another problem is the ***small number of products approved by ECOWAS*** for Mali, compared to those approved by WAEMU. Thus, Mali boasts 300 approved products in the WAEMU zone, but only a dozen are exported to other ECOWAS countries (including plastic products and fertilizers).

The idea is that ***the Ministry of Industry (the chair of the National Approval Committee which meets when a request is submitted) should be proactive and encourage companies whose products are approved by WAEMU to apply for similar approval to ECOWAS.*** There should arrangements such that ***products approved by WAEMU are automatically considered as approved by ECOWAS***, and vice-versa; a situation which does not exist today. It is also necessary to organize training sessions for company staff and forwarding agents (action plan).

BENIN

There is a mechanism for the liberalization of trade which is based on approval procedures: private operators wishing to export their products to other ECOWAS countries must obtain a license from the importing country. However, ***economic operators complain of obstacles to the free movement of goods.*** Indeed, some States do not “play the game”. Beninese Exporters should apply for special authorization from Abuja, because Nigeria doubts the origin of imports from Benin. Thus, since 2011, Nigeria has routinely blocked Beninese products once there is a risk of competition by raising the issue of standards. A shipment of reinforcing rods was blocked whereas this involves an approved product. Similarly, Beninese water is not accepted to enter into Nigeria. In contrast, Nigerian products enter Benin more easily. It has also been observed that administrative bottlenecks and extortion of funds - harassment on the highway - and the abuse of control plans (see Report of the Observatory of Abnormal Practices). ***The President of Benin appointed a committee to resolve these problems, in collaboration with Nigeria.***

In fact, Nigeria has specific standards, but the ***ideal situation would be for all ECOWAS countries to agree on common standards.*** The Commission or some other agencies could handle this matter.

The absence of an appropriate court of law further complicates the resolution of disputes. The Court of Justice is empowered to handle matters concerning blocked products, but unlike in the WAEMU zone, ECOWAS is yet to set up a court of arbitration. ECOWAS claims to prefer a policy of negotiation to seeking justice in court.

TOGO

Like other countries, Togo has an Approval Committee for the trade liberalization scheme. Despite the existence of this Committee, *Togolese exporters often struggle to sell their products in some ECOWAS countries*. Two examples will be cited:

- ✓ Coffee, as a local product, is exempt from the certificate of origin for exportation. Yet a Togolese coffee exporter has encountered enormous difficulties in exporting coffee to Ghana.
- ✓ A Togolese exporter of mattresses – *Mouss Confort* – to Ghana faced the same difficulties.

In both cases, Ghana's refusal was only temporary, as the authorities finally accepted these products to enter their territory.

Observing the recurrence of these obstacles, *a focal point, comprising officials of the Committee in charge of the Trade Liberalization Scheme, has been put in place to handle the problems faced by economic operators*.

GUINEA

The Approval Committee is chaired by the General Directorate of Integration (ECOWAS Office). Representatives of sector ministries are members. Local products include: cola, fruits, rice, and palm oil.

Few companies are licensed (14 in total, 5 of which effectively exploit the licence: notably beverage and plastics companies. There are also few new applications for licenses (sometimes only one application in a year). *The ideal situation is to have a proactive approach, to map out companies with exportable goods, identify in advance potential candidates for approval and contact them*.

Another problem is linked to administrative barriers. In English-speaking countries, documents are not translated so they interpret texts in their own way. These difficulties are especially with Nigeria and Liberia, concerning fish.

Furthermore, groundnut produced in Senegal, is not accepted in Guinea, and bananas coming from Guinea are not allowed into Senegal. It should also be noted that the joint commission meetings no longer hold, and thus need to be revived.

Moreover, intra-community trade is not very developed, because the nature of the products is minor. It is the same products that exist, for example in Mali, that are also found in Guinea. So, trade is conducted informally. Therefore, ECOWAS has initiated a regional programme to support informal trade, in fact, between populations in the ECOWAS space;

Political will is not enough; it must be reflected by officials who enforce the instruments.

It is worth noting that Guinea is not a member of the Borderless Alliance, so it must also find a way to facilitate its entry into the Alliance. In general, *countries of the Mano River, including Guinea, have the impression that they are not part of the Trade Liberalization Scheme*.

GHANA

Regarding trade, efforts still need to be made concerning dissemination of *information on trade opportunities* and to encourage intra-regional trade.

THE BORDERLESS ALLIANCE

The Borderless Alliance is composed of the following countries: Nigeria, Niger, Benin, Togo, Ghana, Ivory Coast, Burkina Faso, Mali, and Senegal and seeks to cover all ECOWAS countries. The approach now used focuses on the following corridors:

- Lagos - Abidjan - Tema - Ouagadougou
- Ouagadougou - Bamako (2 lanes)
- Dakar - Bamako
- Cotonou - Niamey
- Abidjan - Ouagadougou
- Abidjan - Bamako
- Lome - Ouaga

WAEMU has established an Abnormal Practices Observatory (APO), member countries of which include all WAEMU countries, except Guinea Bissau and Ghana. The Alliance was born out of a campaign conducted in June 2010 (Borderless campaign). A study conducted on the trade liberalization scheme highlighted discrepancies in implementation practice.

Through the USAID Trade Hub Project, an awareness campaign for the private sector and the States on free movement as a factor of prosperity and regional integration was conducted.

The Alliance belongs to the private sector and 60 companies are members of the process.

The first line of action is advocacy for the implementation by the States of protocols they have adopted. The primary targets actors at the borders.

Border posts were thus set up by the Alliance, with retired customs officers, to assist all stakeholders and train actors at the borders (customs officers, forwarding agents). Information is gathered forwarded weekly to help in the preparation of quarterly reports and an annual report that is presented at the General Assembly of the Alliance.

These posts also take actions with immediate effects, like giving practical advice to address obstacles to trade which arise on the field.

Plans are underway to develop a *West African drivers' handbook*.

In 2010, a survey of a sample of 240 trucks was conducted to assess spent for border clearance. The idea is to conduct a survey every 6 months, to assess the impact of the Alliance's actions and bring stakeholders together to evaluate the recommendations addressed to the various stakeholders. With regard to barriers within countries (checkpoints), the Alliance supports the initiatives that the Observatory on Abnormal Practices has been carrying out in this domain, by providing technical assistance to reporting on checkpoints, delays and illicit charges. The CILSS is also involved in monitoring the movement of agricultural products.

APO and the Alliance are complementary. WAEMU has focal points in countries to gather information for the APO, its own project. The Alliance, on its part, conducts verification missions.

In terms of organisation terms, the Alliance is run by a staff of 10 officers. Financial resources are derived from member contributions, USAID and ECOWAS (as part of joint activities).

LIBERIA

Regarding the trade liberalization scheme, the other countries benefit more from it than this country, in economic terms. However, this encourages industries to compete in the sub-region.

The National Approval Committee is chaired by the ECOWAS Unit. Few products have been approved. Often, enterprises prefer to use the Mano River protocol.

Trade barriers are present at the level of infrastructure: bad roads, no railway, and no ships. Ghana has many products which Liberia needs, but there is no way to transport them here.

CABO VERDE

Given its geographic location, Cabo Verde is a special country. Economic ties with ECOWAS are not yet very strong as there is an enormous lack of sea and air links. Often one needs to go through Europe or Morocco, thus raising costs. Policy measures are underway to address this issue. ECOWAS should contribute, notably by supporting the implementation of the ECOMARINE Project.

Discussions are underway with Senegal and Côte d'Ivoire on the issue of transport, to establish a link between Praia and their respective capitals. The establishment of a maritime line on the Praia/Dakar route is envisaged. Cabo Verde exports seafood, basalt and mineral salts.

Regarding the trade liberalization scheme, the required local content (60%) is considered very high for the small economies. AGOA requires only 30%.

In addition, administrative bottlenecks are observed at customs frontiers. However, language is not really a barrier to intra-regional trade.

GUINEA BISSAU

The Government has decided that trade should be conducted solely by sea, which hinders exports to ECOWAS.

AFRICAN BUSINESS ROUNDTABLE:

ECOWAS protocols are available. What is needed is just the political will to implement them.

Informal trade is booming. It is necessary to recognise and formalize it.

The key to increasing intra-community trade is to develop infrastructure (road, rail). In particular, there is need to build a fast railway line on the Dakar-Abuja corridor (similar to Chinese magnetic train travelling at 900 km/h) to transport goods. Standards in the sub-region should also be harmonized.

In terms of priorities, ECOWAS should target trade in agricultural and food products.

The challenge of the sub-regional private sector is financing infrastructure. Within the framework of NEPAD, many concessional facilities were developed at the African Development Bank. However, the real private sector is hardly involved; only umbrella organizations are invited to those meetings.

The creation of a new Department in charge of the private sector at the ECOWAS Commission is a step in the right direction.

III. FUNCTIONING OF NATIONAL UNITS AND PROMOTION OF THE COMMUNITY SPIRIT:

BENIN

The ECOWAS Unit has encouraged the establishment of a National Committee for monitoring integration. Regular meetings are held to monitor sectoral programmes. There is a focal point in each ministry concerned with sub-regional integration matters. The Unit gives opinions and makes observations.

Members of the Unit do not always receive feedback from technical meetings, despite their being informed of the holding of such meetings. The Unit monitors the application of the tax bases at customs frontiers and initiates control missions. It assesses the amounts in loss of revenue suffered by Benin as a result of the institution of preferential regimes.

The problem is that people are totally uninformed. The real impact of integration is not visible.

To address this issue, every year, Benin organises an *Integration Week*, to which other countries are invited, with Benin paying the airfare for their representatives.

TOGO

The ECOWAS-WAEMU Unit is an active interface between the two sub-regional organisations and the Government of Togo. In this context, the Unit prepares an annual programme of activities which it submits to Togolese authorities for approval. After validation, the programme of activities is implemented. Some examples of concrete achievements can be cited:

- ✓ Capacity building for institutions that serve as focal points. In this context, the number of computers was increased in 2011 to support the implementation of the BMD programme in Togolese universities. This programme was funded by ECOWAS;
- ✓ The construction of bus stations in each of the five borders of Togo in 2010;
- ✓ The project to provide more computers to Regional Vocational Training Centres in Togo.

Staff members of the ECOWAS-WAEMU Unit believe that *ECOWAS is not well known by the populations in the member countries*, in particular by the Togolese people. They suggest that an awareness raising and public information campaign should be organized for ECOWAS citizens. This campaign should help citizens of the Community to learn about the role and administrative activities of ECOWAS, and above all, the main elements of Vision 2020.

The Regional Development Committees are responsible for implementing programmes financed by ECOWAS. Togo has received funding for 6 projects out of 24, in respect of the first generation programmes, and for 11 out of 38 projects, in respect of the second generation programmes.

GUINEA

In collaboration with other sectoral ministries (energy, mines, etc.) the Directorate for Integration ensures monitoring, in conjunction with ECOWAS and other Regional Economic Communities. In this context, several trips are made to other parts of the country to popularize the organization, using caravans and with other actors and stakeholders like the State, civil society and the private sector.

The Unit conducts outreach activities which include sending letters to authorities and organizing meetings and distributing fliers.

The objective is to:

- directly implement ECOWAS programmes by sector;
- implement the action plan whose development takes into account emergency situations, notably by focusing on trade liberalization;
- put into use the procedures manual approved by the ECOWAS Commission.

Earlier, the Special Representative of ECOWAS dealt only with issues relating to peace-keeping, but his concerns include the activities of the ECOWAS Unit. The allocations for National units made by ECOWAS are insufficient, as they represent only 4.5% of the levy, and often arrive very late. This, therefore, causes delays in executing some of the activities. Very often, the State makes a contribution to complement allocation, which is sometimes very low.

LIBERIA

The ECOWAS Unit coordinates, in conjunction with other ministries, through a *National Coordination Committee* which was set up. It conducts *popularization activities on ECOWAS*, especially at the borders, by organizing *national tours* twice a year during which the Customs and Immigration Services explain to people (students, private sector, and the elderly) the principles of free movement of goods and persons. Food is provided without charge to all participants.

The Unit also organizes *parades*, by distributing T-shirts and brochures related to ECOWAS. Discussions are also held on ECOWAS at the Radio and Television stations.

In addition, *awareness campaigns are conducted in schools*, during which students are quizzed about ECOWAS. Furthermore, the Unit keeps *track of some ECOWAS projects (Peace Huts*, built in villages, as part of the peace consolidation process in Liberia). It also contributes to the *ECOWAS Volunteers programme* whose pilot phase deployed some volunteers to Liberia.

SIERRA LEONE

The ECOWAS flag flies in front the Ministry of Foreign Affairs, along side that of the country. This should be a general practice in all countries of the Community.

CABO VERDE

The ECOWAS national unit is attached to the Directorate of Global Affairs at the Ministry of Foreign Affairs, which comprises three sections: Regional Integration, including ECOWAS; Trade and Investment; and Crosscutting Matters like climate change. Issues relating to the African Union are monitored by another directorate: the Directorate of Political Affairs.

There is a National Commission for ECOWAS with the following membership: Foreign Affairs, Trade, Finance, Customs, the Chamber of Commerce, as well as resource persons. It meets twice in a quarter. It only addresses economic issues.

The following activities are carried out:

- Prior to each ECOWAS meeting, the Government consults with the Opposition parties on the issues to be examined;
- Seminars on the Trade Liberalization Scheme are held regularly;
- An Integration Week will henceforth held each year in May;
- An agreement has been reached with the Football Association for a person wearing an ECOWAS T-shirt or cap to take the kick-off;
- The ECOWAS Gender Development Centre offers scholarships to girls; this is important in popularizing ECOWAS;
- Stamps and coins with the symbol of ECOWAS will be produced as part of the fortieth anniversary of ECOWAS (ECOWAS should support this activity).

Earlier, from the awareness point of view, civil society did not see any benefits from ECOWAS because good communication between the government and civil society on the issue was lacking. Today, information on many programmes has been disseminated and the country is working on the commemoration of the ECOWAS anniversary (there will be an awareness raising campaign over a month period).

All of these activities have helped to change the perception of people about ECOWAS. Now, universities and the press are very interested in ECOWAS.

For ECOWAS to be strong, States must contribute. Cabo Verde has organized many meetings on ECOWAS in Praia to that effect.

The issue of language remains fundamental. For ministerial meetings, there is no problem; translation is provided in all languages. However, in expert meetings, only French and English are used. ECOWAS should make efforts to also have Portuguese. In this context, Cabo Verde salutes the efforts of the Communications Department of ECOWAS to produce documents of ECOWAS programmes in Portuguese.

GUINEA BISSAU

The ECOWAS Unit carries out ECOWAS popularization actions as follows: information and awareness raising on the free movement of goods and persons on border area community radios, discussions on radio and television on ECOWAS CET, held one conference on ECOWAS' evolution and prospects at the university, held an information seminar with civil society and the private sector (in the regions).

In each Ministry, there is an ECOWAS focal point.

SENEGAL

The ECOWAS Commission should *publish State-level annual reviews* which assess the level of domestication of ECOWAS instruments (as WAEMU plans to do). Eight (8) States could be assessed annually; which should cover all Member States within two years.

There should also be ***improvement in the review of the ECOWAS draft texts*** (at the experts level), before they are forwarded to the Council of Ministers (and thus avoid the impression of putting pressure on the experts). The experience of WAEMU could be useful for this purpose.

Country representation to ECOWAS should be harmonized, to clarify the issue of the Ministry which should preside in the name of each country.

GHANA

Ghana regularly publishes a ***special journal on integration*** within the ECOWAS space.

FINANCING THE REGIONAL ECONOMY

Financial resources for EBID come from ECOWAS member countries for up to 70% and the remaining 30% is derived from the contribution of financial partners. The main obstacle remains *insufficient financial resources* compared to the huge needs for financing relevant projects. There is an EBID window which finances public projects through concessional grants.

IV. INFRASTRUCTURE AND ENERGY:

BENIN

Concerning energy, there is a notorious supply shortage in most countries, such as Benin. The supply of quality energy at a good price remains problematic. For Benin, energy is a major concern and the government is associating with foreign partners, like China and Turkey, to address the energy problem. The interconnection of energy networks project, via a management centre for the system of sharing among the various ECOWAS countries should be implemented as soon as possible. There is political will to develop renewable energies, but there is still an attitude problem and the issue of the application of standards.

Regional integration projects are not making progress; a lot of time is spent in analysing the studies. Thus, integration through the market is yet to function properly: electric power is expensive. One solution could be to build a nuclear power plant and supply energy to other States.

GUINEA

Concerning energy, ECOWAS has provided US\$ 30 million to Guinea. There is also an interconnection project (WAPP) between the Mano River countries, including Guinea which is a member (the forest zone and Guinea mid belt are project targets), with a budget of € 320 million already available and activities are planned to start in 2016.

TOGO

There is a lack of infrastructure, notably railway lines. The Abidjan-Lagos corridor should provide several highway construction projects at first, and then railway lines and later, optical fibre.

Annex IV: Convergence in ECOWAS zone: recent empirical studies and analyses**1. Review of the Empirical Literature on the convergence policy in West Africa:**

The relatively good economic performance achieved in the last decade by ECOWAS Member States failed to overcome the difficulties they face in compliance with the convergence criteria. Indeed, many authors - N.L. Bamba and K. Diomande (1998, 2001), A. Tanimoune and P. Plane (2005), P.L. Diop (2005), Nkodia and Sarr (2007) and M.B.O. Ndiaye (2007) J. Lama (2011), K. Nubukpo (2012), M. Jalloh (2012), R.D. Korsu and M.B.O. Ndiaye (2013), A. Traoré (2013), A. Soumare (2013) and C.T. Seck (2013) - have already highlighted the lack or weakness of the nominal and/or structural convergence within ECOWAS.

A. Combey and C. Mally (2010), using the beta-convergence method to appreciate the real convergence of the WAEMU countries, have concluded a conditional convergence of countries over the period 1997-2008. This result is attributable, according to them, to the positive effect of the Convergence, Stability, Growth and Solidarity Pact (CSGSP) on the overall real per capita income and on the living standards of the Union's populations. However, serious objections – a relatively short time horizon and the failure to take into account income poverty - limit the scope of their results.

After having defined and discussed the relevance of each criterion, J. Lama (2011), by also using the beta convergence approach, has observed in the 2000-2009 period that performance in achieving the criteria of WAEMU, WAMZ and ECOWAS convergence programmes are disparate and unstable in time and space. Overall, standards of living and productive structures of ECOWAS economies do not converge. In short, it shows that the results obtained since the beginning of the convergence programmes are mixed and insufficient to qualify for a unified economic space.

P.L. Diop (2002), in using the methods of sigma and beta convergence over the period 1975-2001, has found a trend towards the convergence of inflation rates in WAEMU member countries, except Guinea Bissau, towards the threshold of 3% defined by the Convergence, Stability, Growth and Solidarity Pact (CSGSP). His study also reveals a process of real convergence of the economies of WAEMU, unlike the ECOWAS countries which are characterized by differences in GDP per capita. The explanation of these results lie in the difference of the initial conditions of countries - some exporting oil, others do not. Thus an energy shock has different impacts on the wealth of these two categories of countries.

Another study made by M. Ndiaye (2006), from the method of beta convergence, supports this trend towards the convergence of the economies of WAEMU. In general, he noticed a slow pace of economic convergence process over the 1980-2000 period. However, he has assessed the absolute convergence of the GDP per capita at 0.73% for the sub-period 1980-1993 and to 1.5% for the sub-period 1994-2000. The result of the second sub-period – increase of the GDP per capita - is probably due to the positive effects of the devaluation of the CFA franc and its accompanying measures.

However, N.L. Bamba and K. Diomande (1998), have indicated that, based on the Kalman filter to estimate the sigma and beta parameters, the nominal convergence of WAEMU countries has not led to their structural convergence. These authors also identified three groups of countries with different processes of convergence: the first group - Benin and Burkina Faso - tends to converge towards the largest economy of the Union (Côte d'Ivoire), the second group - Senegal and Mali - tends to converge towards the Union's average and the third group - Niger and Togo - tends to diverge or converge towards these two references.

In assessing the conditional convergence in the WAEMU area, M. Ndiaye (2006) also notes the presence of structural features in the convergence process. His study also reveals the existence of two convergence clubs in

the WAEMU space. Côte d'Ivoire and Senegal form the first club and they have a level of convergence above the average. Benin, Burkina Faso, Mali and Niger make up the second club; they have a level of convergence below average.

The ECOWAS countries have different economic situations. In this respect, a relevant economic and monetary union requires some degree of homogeneity of the economies of member countries. In this context, countries should harmonize their legal, accounting, tax, regulatory and statistical frameworks, as well as their banking and financial regulations. The empirical work of Dramani (2013) on the interaction between fiscal and monetary policies is consistent with the assertions listed above.

Indeed, by using a multi-country model in the WAEMU and CEMAC zones, Dramani (2013) was able to demonstrate the sensitivity of the two areas to macroeconomic shocks. Thus, these results are in line with the implementation of fiscal federalism in the two areas to counteract asymmetric shocks from the difference between the countries in each zone.

In using the models of convergence, L. Dramani (2007) shows that nominal convergence has led to real convergence in the franc zone, although sometimes conditionally. He has concluded that the convergence criteria and the institutions established in this area have been efficient. Like other authors, he also highlights the existence of convergence clubs and says that the integration process is much more advanced in WAEMU than in CEMAC. For him, the process of real convergence also implies some degree of heterogeneity according to areas. In addition, his results demonstrate the impossibility of having a common convergence path in the franc zone. He considers that the official development assistance, the stock of human capital, inflation and investment rates are the driving variables for the promotion of convergence in the franc zone.

In analysing income convergence in ECOWAS countries, M. Jalloh (2012) used the two most common approaches - sigma and beta convergence. His results on the sigma convergence show a lack of convergence of per capita income in the ECOWAS countries over the 1990-2009 period. However, the results of the beta convergence approach reveal a convergence rate of income of ECOWAS countries at about 17% per year over the same study period. However, any cyclical shock causing an imbalance may require a long time before reaching the level of regular balance. M. Jalloh (2012) shows that WAMZ countries are more efficient, with 3.9% of average annual growth rate than the WAEMU countries 3.2%, over the period 1990-2009. For him, the ECOWAS countries have a long way to go to be able to meet the convergence criteria.

R.D. Korsu and M.B.O. Ndiaye (2013) conducted unit root and cointegration tests (Johansen method) to study the nominal convergence – on quarterly data from 2000 to 2010 - and the real convergence – on annual data from 1975 to 2010. The authors reveal the existence of nominal convergence for currency reserves among WAMZ countries (with or without Cabo Verde) and ECOWAS. However, there is no nominal convergence for the other variables included in the study, namely the interest rate, the exchange rate, the fiscal deficit and inflation. The results also show that real convergence is *de rigueur* in the WAMZ countries (with or without Cabo Verde) and in the ECOWAS. However, no WAMZ country is converging - nominal or real - with WAEMU, except Cabo Verde which is nominal convergence with WAEMU, but only in terms of exchange rate.

2. Relevance of the Macroeconomic Convergence Objective:

The process leading to the creation of a regional monetary union in the ECOWAS zone is in progress, along with the deep-rootedness of trade or real sectoral integration, the first aimed at strengthening the second, while the second helps in return to justify and amplify the benefits of the first, following the principle of optimum currency area. The process therefore requires another intense form of institutional and intra-regional cooperation in the economic and financial sectors. This justifies the adoption of macroeconomic convergence programmes.

Macroeconomic convergence appears to be inevitable in the preparation of a broader regional and monetary integration. It is relevant in a number of reasons:

- inflationary pressures caused by unsustainable fiscal deficits and by monetary expansion can make current account deficits unbearable, which in turn may ultimately compromise trade liberalization and hamper the stability of regional exchange rate;
- macroeconomic instability, which results in an unhealthy financial sector and difficulties in foreign debt, undermines the capacity to face up to structural challenges and to promote growth;
- the very high current account deficit of a country requires a greater effort from the other member countries to restore balance – because of the principle of solidarity – in order to maintain stable regional macroeconomic aggregates, including the exchange rate. This may lead to disagreement against the country (or countries) which has/have an imbalance, and thereby cause political disagreements.

Compliance with the convergence criteria is not an objective in itself. The convergence is primarily intended for the ECOWAS Commission to create the conditions for balanced, sustainable and job-creating growth. The criteria actually encourage member countries to adopt a culture of stability. In that sense, further convergence is a credibility factor on the policy of the national authorities; it is the affirmation of their preferences for policy integration. It lays the foundations of the transition to monetary union, which itself is considered as a growth factor.

In the design currently used by ECOWAS, macroeconomic convergence is considered a prerequisite for the feasibility, stability and viability of the monetary zone proposed in 2020. This option, referred to as "exogenous", for an optimum currency area, should thus lead Member States to seek to converge from now and continue to do so, rather than to converge only when they effectively enter into a monetary union.

In addition, a growth-oriented economic growth policy requires improved public finances. Excessive and permanent public deficits increase the risk factors and the interest rate, thereby reducing private investment. The consequence of excessive public debt is twofold; on the one hand, the gap between public needs and the limited amount of available savings pushes interest rates up; on the other hand, households anticipate an increase in taxes to finance this debt, and this lowers consumption and investment. These crowding-out effects of domestic demand are especially important as the public deficit is inflated by debt service and the financing of current spending which, by definition, are not forward-looking.

By contrast, if the public financial balance is maintained, monetary policy can be relaxed without threatening monetary stability. This ease will result in an immediate decline in interest rates in the short term, very generally followed by the decline in long-term interest rates:

- The decline in interest rates has a positive effect on growth and jobs;
- The investment payback period is reduced, the cost of storage decreases and volume increases;
- The cost of financing the work-force decreases;
- Households' consumption and investment in real estate increase.

3. Criticism of the Convergence Criteria:

In contrast to the so-called "monetarist" view of the monetary integration process, the proponents of the "economist" vision argue that monetary integration leads to the convergence of economies and that it is not justified to make the latter a precondition. The example of the WAEMU countries is edifying in this regard. In fact, this Union was originally created as a monetary union, well before the taking into account of concerns about macroeconomic convergence. Nowadays, WAEMU is recognized as one of the most economically stable regions.

Moreover, the relevance of compliance with the criteria is challenged on many levels. The standard of public deficit is particularly discussed. An absolute limit, namely a positive basic fiscal balance for WAEMU, cannot, by definition, reflect cyclical fluctuations which specifically affect the budget balance through automatic stabilizers. Strict adherence to this criterion leads, in times of recession, the national authorities to implement restrictive fiscal policies, and this reinforces the cycle. For example, the limitation of the deficit would not have allowed Member States to address the food, financial and economic crises during the second half of the year 2000. It is therefore appropriate to consider the consistency of the deficit ceiling with the structural realities of economies. ECOWAS, by choosing a less restrictive budget deficit ceiling (3% including grants, instead of a positive base balance) has partially integrated this issue. In addition, the structure of the deficit is to be taken into account: is the deficit caused by an increase in operating expenditures or in capital spending?

Moreover, the dichotomy between growth and inflation has long been debated in economic literature. The principle that strong and sustainable growth cannot be achieved without a relatively high level of inflation seems to be widespread, particularly among neo-Keynesians. Thus, fixing the maximum level of inflation (3% for the WAEMU countries) could limit the growth performance of member countries. In some countries like Ghana, Liberia and Sierra Leone, the good growth trends observed during the last decade may be discontinued by the strict respect of the inflation constraint. This is the reason why the ECOWAS adopted, concerning the inflation target, 10% at the end of the period of adjustment for the countries of the Second Monetary Zone, and 5% for ECOWAS as a whole, when the two areas will be merged.

These results corroborate those obtained in the past by the countries of the franc zone. Indeed, by assessing the convergence situation in the franc zone, the Report of the Franc Zone (2006) described the results as mixed. This Report affirmed the existence of a strong dispersion of the achievements as well as the instability of the convergence process, despite the review of the criteria in 2002. The Report also mentioned a lack of reliable instruments for assessing convergence.

For the specific case of WAEMU countries, this situation indicates the extent of the constraints with respect to internal and external factors that limit the acceleration of the convergence process. There are several real problems including the inadequate fiscal and social harmonization and the regulation of asymmetric shocks.

Under a flexible exchange regime, the reduction in wages, in social protection (which benefit only workers from the formal sector), in local taxation, in social security contributions... is not very attractive since exchange rate fluctuations may cancel the effect of these measures. However, in a situation of a single currency, things are different. On the one hand, changes in the cost of labour or in regulations can have permanent effects on competitiveness; on the other hand, with the removal of the exchange rate risks, the mobility of capital and skilled labour becomes stronger. This makes it quite tempting for countries to take more or less aggressive measures to attract business, since these measures are much more effective than those taken in the case of flexible exchange rates.

WAEMU is characterized by the coexistence of a common monetary policy and eight independent fiscal policies. This raises the question of the regulation of economic activity. Indeed, in the framework of the WAEMU, the interventions of the monetary policy (changes in interest rates or exchange rates) affect all the eight countries of the area without exception. The monetary policy can then play an economic role in the case of symmetric (or common) shocks, that is to say, experienced simultaneously and in equal proportions by all the WAEMU area countries. The regulation of asymmetric shocks - affecting some countries or all countries in different proportions - must therefore explore other avenues. The current configuration of the WAEMU will very likely become the configuration of the future union of the ECOWAS zone. The alternative avenues are those presented by R. Mundell (1961): the flexibility of the labour market and the fiscal adjustment.

The first solution is currently inoperative because the mobility of workers within the West African sub-region is relatively small, although the freedom of movement of persons is ensured. The importance of unemployment in the countries of the region further complicates the situation.

The second solution – the fiscal adjustment - is favoured by the WAEMU member countries. The regulation of economic activity, including the fight against asymmetric shocks, must necessarily include fiscal policies (monetary and exchange rate policies are managed by the BCEAO). But the constraints set by the CSGSP leave only a very small leeway to States.

10.1.7. Challenges posed by the different convergence criteria between the ECOWAS, the WAMZ and the WAEMU:

The compliance with the ECOWAS convergence criteria is a bit rash to member countries because of the differences in the level agreed upon by the various institutions (ECOWAS, WAEMU and WAMZ) .

J. Lama (2011) points out that: (i) the indicators selected as convergence criteria are not always the same for the three systems of convergence; (ii) certain indicators selected in common in the three systems as convergence criteria are classified differently as primary or secondary criteria, and do not always have the same values, and that their convergence horizons are different.

Thus, the WAMZ has chosen a target of 10% maximum inflation, compared to 5% for ECOWAS and 3% for WAEMU. Since the initial objective was to establish the WAMZ before the single currency of ECOWAS, member countries tend to focus more on the 10% target than the 5%. Therefore, almost all of them do not abide by the 5% target set by ECOWAS, in contrast to WAEMU member countries.

In fact, Tarawalie A., Sissoho M., Conte M. and Ahortor C.R. (2012) empirically estimated the threshold levels of inflation in the WAMZ, using the conditional least squares method. Their study also identified the determinants of growth in the WAMZ. The empirical analysis is based on annual data from 1970-2010 for Ghana, Nigeria and Sierra Leone, and from 1980-2010 for the Gambia and Guinea. The results have shown that there is a long-term negative statistically significant relationship between inflation and economic growth for countries of the WAMZ. Moreover, the empirical results strongly suggest the existence of an inflation threshold for the WAMZ countries, beyond which inflation has a negative effect on growth. The results revealed an inflation rate of 9% as optimal inflation rate for the WAMZ countries. They also showed that the threshold inflation rate respects the WAMZ convergence criterion to maintain an inflation rate not exceeding 10 per cent. They recommend maintaining the inflation rate at least at the threshold level in member countries, as it can help maintain sustainable growth.

The opposite situation is observed with regard to the tax burden, with a target of at least 20% for the ECOWAS and the WAMZ and only 17% for the WAEMU. However, only Cabo Verde, Liberia, Senegal and Nigeria are able to meet the target 20% of ECOWAS, which indicates structural difficulties for most countries, regardless of their membership to the WAMZ or the WAEMU.

The difficulty of making the WAEMU and the WAMZ to converge has its roots in the fact that WAEMU is already a monetary union, while the WAMZ is still seeking to be one, as well as the difference in preferences of the two areas. The Central Bank of West Africa, which covers the countries of the WAEMU, has the sole objective of ensuring price stability, while its counterparts in the member countries of the WAMZ attach great importance to growth and employment in the hierarchy of objectives. This difference makes it difficult to reconcile their positions on the optimal level of inflation. It is possible to reduce the gap between the two areas (WAEMU accept a higher rate of inflation, while WAMZ will target a lower rate of inflation). In the near future, harmonization would therefore be possible only on these terms, without going to the extent of standardizing inflation thresholds. The current reflection underway within the WAEMU on its convergence criteria offers the opportunity to initiate such a move to reduce the disparities in inflation targets between the two zones.

Moreover, on account of the absence of harmonization in respect of policies and the various institutional, accounting and statistical frameworks, comparison of compliance with the convergence criteria presents limited results.

Although, at WAEMU, the convergence framework was accompanied by measures to harmonize the legal, accounting and public finance statistics framework, including taxation, this is not yet the case in the WAMZ countries. Efforts to harmonize national accounts should also be made by ECOWAS to ensure a higher level of comparability of macroeconomic aggregates as is the case in WAEMU countries. That is the whole purpose of the projects on the roadmap to the single currency.

Annex V: Methodology Adopted by the ECA for Designing a Regional Integration Index in Africa

➤ Objectives of the regional integration index in Africa:

The index of regional integration in Africa is to determine the extent to which each country in Africa fits into the rest of the continent. It assesses the level of achievement of the objectives stipulated in agreements on integration, such as the Minimum Integration Programme of the African Union and the Abuja Treaty to establish the African Economic Community. The Index is a joint project of the United Nations Economic Commission for Africa (ECA), the African Development Bank (AfDB) and the African Union Commission (AUC).

An index of African regional integration can become an indispensable reference for African Governments, enabling them to see how much progress they are making towards realizing the agreed vision of an integrated Africa, and in which areas of the integration agenda they might be lagging behind. It will summarize information from the many areas that regional integration covers into a single number. This will make it easier for Governments and the general public to gain an overview of the performance of their RECs; it will also help Governments to assess their overall progress compared with other countries in Africa. In addition, the index will be constructed in such a way that Governments will be able to identify specific areas of integration in which they are performing less strongly. This will encourage and help Governments to take corrective action in areas where their progress is slow in comparison to other African countries.

➤ Calculation methods:

The index consists of 76 core indicators classified under seven dimensions and 20 sub-dimensions and which cover the Africa's main objectives for regional economic and trade integration. These indicators were selected based on the following criteria: relevance to the priorities of African integration, measurability, and data availability. The indicators are grouped under the following seven dimensions or categories:

- Regional Migration and the labour market (5 indicators)
- Trade integration (16 indicators)
- Political economy (9 indicators)
- Productive Integration (4 indicators)
- Financial integration and macroeconomic policy convergence (12 indicators)
- Regional infrastructure and interconnections (26 indicators)
- Social and cultural integration (4 indicators)

Given their cross-cutting nature and the attribution issues, indicators of regional macroeconomic impact are not attached to any specific dimension.

It should be noted that regional economic communities continue to update their integration objectives at regional level, and therefore, it may be necessary, in the future, to add new indicators, which could complicate progress tracking over time.

➡ **Computing scores for countries, RECs and the continent:**

The African Regional Integration Index will compute an overall score and ranking for each country in Africa, as well as aggregate scores of each of the RECs and for the continent as a whole. The reason for inclusion of scores for individual countries is to enable Governments and citizens to judge their performance relative to other countries and to use this to assess whether or not they are adequately fulfilling their commitments regarding the integration process. Scoring individual countries also allow judgements about their relative performance in the different areas of integration included in the index; this means that Governments will know whether they could be doing better in a particular aspects of integration, and it is hoped this will spur further progress and a redoubling of efforts or rethinking of approach in that area. Scores for the RECs will be computed by taking the mean average of the scores of for the countries in the REC. For some indicators, it will only be possible to give a score for the REC as a whole, rather than for individual countries (for example, on whether a REC has adopted a protocol in a given area); this could be the case for both continental and REC-level indexes. Where this is the case, each country in the REC will be allocated the same score. Similarly, in the continent-level index, if there are indicators that apply to the whole of Africa rather than to individual countries, all countries will be given the same the same score (that is the score for the continent as a whole) for these indicators. For each indicator the related score will be obtained using the following formula:

$$Score = \frac{(Grossvalue - Lowestsamplevalue)}{(Highestsamplevalue - Lowestsamplevalue)}$$

The overall score is a simple average of the related scores of the indicators, however, the next expert consultations will help to show whether some indicators should be weighted more.

➡ **Computing scores for the various dimensions of integration**

In order to enable citizens and policymakers to see how their countries are performing the various dimensions of integration (Infrastructure; Trade; Investment; Regional value chains; Macroeconomic policy convergence; Regional Migrations and Labour Market; social and cultural), AUC and ECA will aggregate all of the indicators within a dimension to produce an overall score for each dimension. AUC and ECA will use the same method of scaling, weighting and aggregating the indicators as for the overall index.