REGIONAL INTEGRATION IN WESTERN AFRICA

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Introduction

All the countries conventionally considered part of geographical West Africa are members of ECOWAS (see list of abbreviations and Figure 1), and with Mauritania's withdrawal in 1999, there is no longer overlap with North Africa. Burkina Faso, Côte d'Ivoire, Mali, Niger, and Senegal have been members of UEMOA and its predecessors since independence. Benin and Togo started as observers, but are now members. Mauritania was a member of its predecessors, but did not join UEMOA (it had left the monetary union in 1973). Guinea Bissau, first associated with UEMOA through ECOWAS, joined UEMOA in 1997. UEMOA continues to exist as a more integrated group, but it is entirely included in ECOWAS, so that West African regionalism is now much more orderly than southern or eastern African, where overlapping regions and subregions divided between regions remain. (There is overlap with Central Africa through the CFA Franc zone, but this has always been separately administered.) Interest in regions followed the general international pattern, enthusiasm in the 1960s, decline, and revival in the 1990s. Both ECOWAS and UEMOA have taken steps in recent years to strengthen their own coverage and administration, and their links with each other. The question of whether either or both are effective, and likely to become more integrated for both internal and external purposes, might therefore expect a more optimistic answer than in the past or than for other parts of Africa. The history of these regions, like that of other regions, suggests that the principal determinant is political commitment to integration, not links or congruencies. These can vary, and can be found between most countries, but political links are what make countries willing to bear the costs of integration.

With the signing of the Cotonou Agreement in June 2000 (succeeding the Lomé IV Convention), which sets the framework for ACP-EU relations over the forthcoming years, regional integration initiatives in ACP (and mainly sub-Saharan) countries are attracting increasing attention from the part of European governments. The Cotonou Agreement foresees negotiation between the EU and ACP countries of economic partnerships agreements (EPAs), to start in September 2002 and to be concluded by the end of 2007. One of the principal motives for the Cotonou emphasis on EPAs is to foster regional economic integration initiatives in ACP countries.[1] The European Commission intends to negotiate directly with existing regional groupings, including UEMOA; its policy on ECOWAS is less clear.

In view of the greater emphasis on regional economic integration processes in the international as well as the European context, coupled with the renewed commitments among West African countries to further promote and develop UEMOA and ECOWAS, the question arises as to the substance and possible future of the regional ambitions of West Africa. To what extent are regional integration programmes implemented effectively? What are the concrete actions behind the words? What is the current state of integration? Is the regional process driven by political or private (business) actors? Are regional initiatives a substitute or a complement to national and local policy objectives? What could be the consequences for the development of West African countries of existing and proposed regional integration measures?

The purpose of this report is to provide a brief overview of the various components of the regional

1 Article 35(2) of the Cotonou Agreement states that "Economic and trade cooperation shall build on regional integration initiatives of ACP States, bearing in mind that regional integration is a key instrument for the integration of ACP countries into the world economy".

integration framework in West Africa, focusing on UEMOA and ECOWAS, and to identify some key issues of concern (highlighted in boxes) for the integration process in the region. This report does not aim at providing a systematic evaluation of the effects of regional integration in West Africa, nor to recommend or even suggest courses of action for donor countries.

History and legal organisation

UEMOA countries

Unlike the other African regions, the countries of Francophone West Africa and of Central Africa have been members of regional groups since independence. Therefore, there is no history of completely independent national trade policies, and no point at which a decision to integrate occurred. What is now UEMOA can be traced from the UMOA of 1962, extended in principle to trade as the UDEAO, in 1966; this became the CEAO in 1973, and UEMOA in 1994, at which point it was merged with the monetary union. The UDEAO and CEAO (in spite of being called 'customs union' and 'economic community') were preferential, rather than free trade, zones, and did not have a common external tariff. CEAO introduced free trade for raw materials in 1973. It also added a central fund and compensation mechanism (with the richer members contributing more to financing the implied loss of tariff revenue from internal preferences), and started to develop a strong institutional centre. Led by Côte d'Ivoire, it was transformed into UEMOA in 1994.

UEMOA had targets of free internal trade and a common external tariff, and in the longer term free movement of services, capital, and people, and harmonisation and mutual recognition of technical standards. At least until the trade reforms of the late 1980s, and to some extent up to the present, trade policy has been seen in most of the UEMOA countries as an instrument of national development and more specifically of industrialisation, to be used to encourage or discourage specific sectors, principally industry, but with some gestures towards 'food security'. The tariff structures of the individual countries and the common external tariff have both reflected this.

Given the general strategy of industrialisation and import-substitution, tariffs were major policy variables at the country level. Prior to the 1990s, the countries had varying, but normally high levels of protection, particularly the two largest, with the most important industrial sectors to protect: Côte d'Ivoire and Senegal. They were combined with a variety of specific taxes, and by the 1990s still gave effective protection of about 50% (World Bank 1995). At the regional level, there has been in contrast a preoccupation in much of the debate (in ECOWAS as well as UEMOA) with the effect of regional integration on loss of tariff revenues (reflected in the compensatory mechanisms introduced in both west and central Africa). In fact, however, although tariffs are an important source of government revenue in most of these countries, given the low share of the region in total trade (see below), the expected tariff loss as a proportion of total tariffs was never large (estimates were under 1%, Kufuor 2000; this was recognised by the fact that a 0.5% or 1% addition to non-regional tariffs was believed to be sufficient to compensate for the loss).

The region's trade policy was originally intended simply to avoid interfering with countries' policies; beyond this it might have some economic objective in countering the economic weight of Nigeria in the region, and for the Côte d'Ivoire, in extending its own influence over its neighbours.

While the basic existence and membership of UEMOA were the result of French action, it was not seen on either side as an instrument for trade policy with respect to France or the EU. The trade relationship was one of preferences on the EU side and no special treatment for the EU (or, at least formally, for France) on the African side. Assistance and preferences from the EU were taken for granted, not negotiated.

UEMOA strengthened the financial and institutional elements, relative to the previous organisations, with a structure largely copied from the EU. It is governed by a conference of heads of state, where unanimity is required, but under this the council of ministers can act by majority. There is a Commission which is experienced and strong technically. It has initiating power before the Council of Ministers, and both the Commissioners and their staff are in principle loyal to the region, not to the countries. There is a Court of Justice, to which individuals and companies as well as member governments have access. The regions' decisions are directly effective within the members, without further legislation.

In 1995, UEMOA agreed to end internal tariffs on unprocessed agricultural goods and handicrafts, and reduced tariffs on some industrial products (to be removed within a year). There was only a small reduction for those goods on which agreement was not reached. The tariff loss from the regional preference would be compensated by a 0.5%, later raised to 1%, levy on non-regional imports. The levy and the compensation mechanism have been implemented. (As a developing country region, UEMOA is effectively free of any constraints from WTO rules and not bound by WTO rules not to raise the average level of tariffs to the rest of the world. UEMOA has been notified to the WTO under the Enabling Clause, in 2000, 4 years after signing.) All internal tariffs were to be eliminated by 2000, although countries could retain transitional taxes until 2003. The external tariff regime, also established in 2000, remains complex, with a customs duty, a statistical levy, and the Solidarity levy, reflecting the pre-common external tariff system, under which all the individual countries had several superimposed import taxes. The normal CET rates are 0 for some essential goods, 5% for raw materials, capital goods, and some inputs; 10% for most intermediate goods, and 20% for final consumption goods. UEMOA calculates that the common tariff represented a net reduction in average tariff from 13.2% to 11.6% (Bocco, 2000). As countries still had internal taxes which discriminated against imports (both regional and extra-regional), the actual effect of the region in reducing barriers among countries can be expected to be less than these policy changes suggest.

The emphasis on the financial 'cost' makes sense if the region is seen as principally a political or power tool (to strengthen small countries; to provide a region as a counter to Nigeria and Ghana), not as a way of achieving economic benefits, either through integration within the region or through a common industrialisation and tariff policy externally. The region was primarily a political creation of interest to governments. The private sector had had no role in the formation of the UEMOA region.

ECOWAS

ECOWAS was formed in 1975, with all the CEAO members, plus the major traders, Nigeria and Ghana, as well as several smaller Anglophone countries and Guinea. The date was tied to the introduction of the first Lomé Convention, which gave equal trade access to the EU to the former British and French colonies. Until then, the UEMOA countries had not been willing to join with the rest for fear of losing their better access, indicating that they gave priority to their major market, Europe, over their region.

ECOWAS was an effort by the other countries of the region to unite the region. The economic motives were similar to UEMOA, but on the political side it lacked even the limited ‘external threat’ which Nigeria represented to UEMOA. (One view is that France, acting through the Francophone countries was seen as a threat.) The principal security threats to the West African countries were internal (Kraus in Shaw, Okolo, 1994), and thus did not provide as strong an impulse to regionalism as in southern Africa. The role of ECOMOG gives ECOWAS a security element. (In contrast, pre-reform South Africa inspired the formation of SADCC and bringing new South Africa back into the region is encouraging SADC.)

ECOWAS is also principally political in motivation, and there has been no serious analysis of the economic costs and benefits of regional integration. But in contrast to UEMOA, the private sector was one of the forces behind the region's interest in ECOWAS, and there is formal provision for private sector participation in its organisations. Its declared objectives stress coordination of national policies, on agriculture, natural resources, and industry, as well as macroeconomic and non-economic, giving these priority over integrating markets (ECOWAS Treaty Article 3), and the development strategy behind it was of national (or regional) development, stressing import substitution and ‘food security’. Integration was a tool to achieve this. The clearest indication of the political commitment to a regional approach was the ECOMOG initiative, to intervene to reestablish peace in the region, and the most recent evidence the decision by the non-UEMOA members to aim for monetary union, first with each other, then with UEMOA. This was not based on economic analysis of the advantages of a common currency, but on a commitment to increase ‘deep’ integration, as ECOWAS revived politically with the democratisation of Nigeria.[2] Nigeria now seems politically committed to supporting ECOWAS.

ECOWAS had the objective of internal free trade and a common external tariff within 15 years, to be followed by free movement of capital and labour. In the words of the ECOWAS web site, ‘Generally speaking, the trade liberalisation scheme is not yet operational’. Unlike within UEMOA, the tariffs of its principal members have not yet started to converge. Nigeria still has high tariffs on manufactures and on some competing good products (up to 75%, Soulé, 2001). Like UEMOA, it has provision for a community levy and compensation fund (not yet implemented, so the internal tariff cuts have also been postponed)[3], and projects for customs harmonisation (adopted, but only implemented by Nigeria) and for policy coordination (table 1). It has recently, as mentioned above, added the objective of a common monetary arrangement among the non-UEMOA members, to merge eventually with UEMOA, and with a separate compensation fund.

It has survived to the present, with a reorganisation and strengthening in 1992, but with little progress on internal tariff reduction or on the common policies which are its declared priority additional to that within UEMOA. It has been held back by the long periods of disruption or dictatorship in Nigeria, the major non-UEMOA member. Of the 21 protocols it had adopted by 1989, only 1 had been ratified by then by all its members (Kufuor 1994). Although the record has

2. Mauritania’s decision to leave at this point may reflect a perception of this, and unwillingness to make a political commitment outside the Maghreb, but it was always an unenthusiastic member, 16 years in arrears on contributions by 2000.

3 As intra-trade, and therefore the share of regional import tariffs in total revenue, is lower than for UEMOA the proposed levy of 0.5% is likely to be adequate.

improved since then, some states have still ratified fewer than a third of the protocols (Oyejide et al., 2000). (Anti-dumping and safeguard measures are still permitted among the members, but this is not unusual: only a few customs unions have, like the EU, forbidden them.)

As in UEMOA, the trade objective was purely to manage regional trade, not external policy for example to negotiate access to Europe or to other markets, and it had the same import substituting framework. An important difference was that it included one member, Nigeria, which was sufficiently large not to need the region as an industrial base. There was no coordinated agricultural or industrial planning, in spite of its objectives.

The governing body of ECOWAS is the 'Authority' of Heads of Government, which has in practice exercised all authority, including appointing the Executive Secretary. Under it is the Council of Ministers, formed by ministers for ECOWAS, not by functional ministers, which supervises the Secretariat and the specialised organs. Since 1992, its decisions are directly applicable within ECOWAS, but there remains no clear implementation or enforcement mechanism to support this.

The secretariat, in contrast to that for UEMOA, is weak and less qualified, with a mainly administrative role. (ECOWAS has not been notified to the WTO.) This contrast is not surprising: regions with a dominant member tend to have weak secretariats (or even none as in NAFTA and SACU) because the hegemon will not accept control. The change in executive secretary may, however, bring in a politically stronger person, with strong Nigerian support.

The agreement provides for a Court of Justice, finally set up in 2000 (PANA news agency, 9 August 2001). The 1992-3 reforms also included an economic and social council and provision for a parliament, but these not been fully implemented. There are also specialised technical commissions on Food and Agriculture; Industry, Science and Technology and Energy; Environment and Natural Resources; Transport, Communications and Tourism; Trade, Customs, Taxation, Statistics, Money and Payments; Political, Judicial and Legal Affairs, Regional Security and Immigration.

Relations between UEMOA and ECOWAS

ECOWAS has allowed its UEMOA members to maintain their discriminatory integration, although it has always had the formal objective of becoming the only organisation for the region. (It probably had little practical chance of stopping them, but it has made no effort to do so.) There have been policy differences between UEMOA members and the others on the treatment of goods produced by foreign owned firms, which the non-UEMOA members want to exclude (Adibe in Shaw, Okolo 1994). In the UEMOA countries, foreign ownership was important even in small firms, while in Ghana and Nigeria, local ownership had been achieved even in some of the largest. Excluding foreign-owned firms reduced the potential value of ECOWAS for the UEMOA, and also for the other members of ECOWAS, by denying them access to the manufactures of Côte d'Ivoire and Senegal. That UEMOA pressed this, and even more, that ECOWAS accepted it, suggests that neither side saw ECOWAS as primarily a vehicle to increase efficiency through trade and economic integration (Kufuor, 2000).

One argument against having 'too many' regional institutions, that poor countries cannot afford to support them, does not seem to hold: it is in fact the UEMOA countries which are current in their contributions to ECOWAS as well as to UEMOA, and the others (except for Nigeria, the principal contributor) which are late (table 2), and this pattern has held through ECOWAS's history. Similarly it is UEMOA members Togo, Mali, Senegal, and Niger, plus Nigeria (with Sierra Leone) which have ratified most protocols (figures from Oyejide et al., 2000). Currently, the organisations are working together, and attempting to 'harmonise' their programmes (ECOWAS Annual Report 2000), and ECOWAS has abandoned its claim to be the 'sole' regional integration organisation.

There are many other examples of regions within regions (SACU in SADC, Eastern Caribbean within CARICOM, even, at the origins of the EU, Benelux), so there is no necessary problem in having two levels of region, provided they can cooperate. On trade, faster integration within the sub-group is feasible, and has precedents in other regions. On money, however, the idea of an eventual merger between a non-UEMOA currency and UEMOA has serious practical obstacles, even beyond those of internal convergence: would Nigeria accept the franc? Would France accept the implied increase (of more than 100%) in the size of its fiscal commitment? How would a new ECOWAS Central Bank relate to the existing BCEAO? (Both UEMOA and the rest have convergence criteria: these are different and are weighted differently, ECOWAS Annual Report 2000.)

Up to now, there has been no move by non-Francophone countries to join UEMOA, in order to join in the 'faster track' towards economic union. Ghana did consider the possibility (before the change in Nigerian government), but is both economically dependent on Nigeria and politically tied to it.

Key Issues
UEMOA and ECOWAS both have long histories of economic integration. It has always been deeper in UEMOA, because of the monetary integration, and recently it has made more progress on trade integration. Although ECOWAS has placed emphasis on policy coordination, it is UEMOA which has made more progress on this. But in both the integration has been primarily driven by political motives, and constrained by national economic policies.

Will the changes in national economic policy towards less government intervention make regional policy easier to implement? Do the same political motives (or others) continue to hold the countries together, and what difference does the new regime in Nigeria make? How will the separate monetary regimes evolve, and can they be merged? Will UEMOA remain a more integrated unit within ECOWAS?

Donor attitudes

As most of the countries which are members of ECOWAS are recipients of aid, and of assistance from the international financial institutions, the policy of these with respect to the regions can be significant. Until the 1990s, most donors and the IFIs shared the academic scepticism about developing country regions: they never last, because growth and development alter economic interests; the countries are too small for them to have any effect; and if they do have any economic effect it will be harmful, certainly because of trade diversion and possibly because they encourage or support import substitution. There were also donor initiatives (like the Club du Sahel) which cut across the existing regions, further indicating this lack of interest in regional initiatives.

The EU was an exception, but not in Africa. It has encouraged regions in developing countries outside the ACP since the 1960s. (Its support for Latin America and Asia has been targeted specifically at helping regions both through support for policy initiatives and through building economic infrastructure for regional cooperation, rather than traditional developmental or poverty objectives.) Its policy towards and support for the ACP countries, however, was not on a regional basis until the 1990s. The Lomé Conventions allowed support for regions, but this was a small share of total assistance. In 1989, France started to encourage Africans to form regions (Lavergne, Dadieh, in Lavergne, 1997) (the timing would support the argument of a switch from hegemonic to regional power bases following the end of the Cold War). The EC started to support regions in Africa in the early 1990s. The growing interest in regions in Latin America and Asia, and the conversion of the US (acceptance of NAFTA) contributed to a change in the climate of opinion, but it was the 1997 EC Green Paper and the subsequent decision to support only regional EPAs as the post-Lomé arrangements for the ACP countries which marked the shift to European promotion of regions. With the proposals in that for reciprocal, instead of preferential, trading arrangements, European policy ceased treating the ACP countries differently from other developing countries. In 1998, before the CET was implemented, donors provided two thirds of the UEMOA budget, and the Community Levy, a third (Grimm, 1999). The EU now provides 30% of its financing, and France a further 4% (UEMOA Annual Report 2000), and a Donor Group coordinates assistance to the region (Oyejide et al., 2000). Some of this assistance has been used to finance the compensation scheme.

EU support is not confined to the Francophone regions. With national donors, it has started to support ECOWAS. Over the next three to four years, it is providing about 6 million Euros to support various ECOWAS projects. ECOWAS, like UEMOA, has been largely reliant on donor funds to support regional projects (Oyejide et al., 2000), but it has not used the funds to finance the compensation scheme.

The EC's commitment under the Cotonou initiative to negotiate FTAs with regional groups could encourage aid to support strengthening of the institutional capacity of the regional institutions. UEMOA has announced that it is prepared to negotiate; ECOWAS is uncertain.

In contrast to the limited support for the regions set up by the African countries themselves, with members and institutions, many donors have long taken a view that small countries have problems that can 'only be solved by regional integration' (Club du Sahel, 2000, 12), and insist on programmes that cover a region. The proposals may not always seem practical (the same document suggests a regional rail strategy, which may not reflect 21st century realities, and regional multi-lingual schools). But more important, imposing regional programmes is likely to create purely aid-orientated regions, with no real content. (The classic example is the Andean Group in Latin America which lost the support and interest of its members in the late 1970s, but survived because the costs were entirely donor-financed and the group had become an agreed target for European aid; the Cross Border Initiative in southern Africa was effectively wound up before it had diverted much support.) The US was slow to support regions, and has not supported UEMOA, but it does now support some of the infrastructure activities of ECOWAS, under a West African Regional Programme (not directly tied to ECOWAS itself)[4].

The World Bank and the IMF have strongly supported general trade liberalisation, but this

4 From the material available to us, Netherlands assistance appears to be concentrated on rural development, education and health, with little regional implication. In particular, the 'sector wide' approach emphasises the linkages within a sector, within a country, rather than broader economic impacts or constraints, or coordinated regional plans. The new grant to the UN Economic Commission for Africa to support African economic coordination, announced August 2001, could alter this picture (Global Development Briefing 2001).

strategy does not imply, and sometimes obstructs, regions. Uncoordinated structural adjustment and trade liberalisation policies made internal liberalisation of regions and coordinated moves toward a regional trade policy more difficult. (This was a problem in some non-African regions which tried to coordinate their policies in the 1980s.) The World Bank policy recommendations assume that trade policy should be entirely determined by economic motives ('the private sector should be considered the real beneficiary of regional integration', World Bank 2001, p. iv), not used as part of political strategies. It has not supported south-south regions, but apparently does support the EU's Cotonou initiatives (on the argument that north-south agreements 'lock-in' liberalisation, a surprising virtue to find in agreements designed to be trade diverting).

Its assumption that good trade policy is purely a matter of economic analysis helps to explain why it has not joined effectively in the initiatives by the UK, US, and EU to improve national trade capacity. If determining the correct trade policy for any country is an economic calculation, there is no reason for doing it in the country rather than in the Bank. Thus their support in negotiations has been through their own studies, not through providing the capacity for countries to make their own policies.

As with other non-regionalist donors, its distrust for policy integration does not preclude support for regional integration projects, for example in energy. Nevertheless, although it has now introduced a 'regional integration assistance strategy for West Africa' (following on its Southern Africa strategy), this remains premised on the assumptions 'that national actions, and Bank assistance to them, should dominate, except where regional institutions and multicountry efforts would be more effective' (World Bank 2001, p. iv), a strong preference for the nation-state model, and the assistance may be given to any suitable group of countries, not necessarily a formal region. The programme will offer \$100-\$200 million a year, of which about half is expected to be committed to infrastructure. It has also discussed the possibility of a regional PRSP.

The African economic institutions support regions in principle, but it is ECOWAS in West Africa which has been identified as the appropriate component of the African Economic Union, now African Union, with UEMOA at best a precursor. In contrast to the active efforts by both the Asian and Latin American regional organisations to support regions and encourage the development of regional institutions, however, the African Development Bank's support is confined to studies, financed by donors, and it explicitly rejects any commitment to confine its help only to existing organisations: it will help new ones, and even joined in the World Bank/EU Cross Border Initiative which cut across the SADC and COMESA regions in southern and eastern Africa.

Key issues
Although most aid is granted at local and national levels, ECOWAS and UEMOA are also recipients of aid, and some regional programmes have benefited from financial and technical assistance. Two questions are when donors should include a regional dimension in their assistance strategy to West African countries, and whether they can or should influence the extent of regional integration.

Characteristics: are UEMOA and ECOWAS sufficiently similar or consistent to form the basis for a region?

Natural and economic

Regions must find a stable and acceptable way of making decisions and choosing policies, and differences in the relative size of the members imply different interests and may impose different solutions. Where one country is dominant, in both population and income, it will be difficult to reconcile its inevitable reluctance to be directed by a set of much smaller countries with their reluctance to be satellites. UEMOA has countries with large variations in size, but has a second large country (Senegal) as well as the largest (Côte d'Ivoire) (table 3). Many enduring regions have similar wide variations in size (defining this as a range of at least 5 to 1 from the largest to the smallest) measured in terms of income or population. Nigeria, however, makes ECOWAS much more divergent than normal: it has more than half the income and population, and it accounts for about half ECOWAS's exports. Most successful regions outside Africa have more than one 'large' country (NAFTA is an exception), and often have countries with different leading characteristics. (Brazil is the largest member of MERCOSUR; Argentina the most developed; Germany is the largest member of the EU, but has been constrained by policy considerations.) Where one country is clearly the largest and most powerful by all measures (South Africa in SADC, for example) the region cannot be effective unless that country takes on a leadership role, and the others accept this. Nigeria has done so at times in ECOWAS, in the beginning and at present, but would not have been acceptable in most of the period, so it has been an unreliable centre. Côte d'Ivoire has given some leadership to UEMOA.

The similar economic structures and levels of development of the west African countries are often cited as an obstacle to a successful region: there is little possibility of major gains from economic specialisation, and little political willingness to allow this in the context of import-substituting industrialisation policy. But the same argument could have been used, with possibly greater validity, in some more developed regions. Most geographical regions have substantial common production and characteristics, and an alternative theory suggests that countries should not be too diverse because then their interests with respect to the rest of the world are too different for any common policies to be acceptable. This view would question whether developed-developing country regions can survive. Both similar regions (notably the Europe of the 1950s) and dissimilar regions (Europe with Greece and Portugal or NAFTA) survive, and both similar regions (many of the Latin American of the 1960s) and dissimilar regions (the old imperial groupings) fail.

In fact, there are some important differences among the ECOWAS countries. Although all are still heavily dependent on agriculture, and well below the shares of manufacturing found in more advanced developing countries, Senegal and Côte d'Ivoire are moving towards industrialisation (table 3). What is probably true is that many developing country regions have much higher expectations that the region will promote economic development than those among developed countries (where the political motives for regions are always clearly important). For this reason, lack of an economic effect from the region is a serious disappointment rather than a minor regret. Successfully reconciling the claims of similar sectors in different countries requires a political commitment to the region, not any particular degree of complementarity. There are theoretical arguments for expecting either the poorest countries (where investment may be most profitable) or the richest (where there may be 'poles' of concentrated growth) to do better in a region, and empirical evidence supporting both. The very limited size of regional trade and investment in UEMOA and ECOWAS (discussed below) suggests that either effect would be too small to cause concern.

Costs of trading are a barrier. There is now extensive work on the costs imposed by poor transport or other trading services. These are generally higher in developing countries, because of poor transport infrastructure, weak customs and financial institutions, poor distribution, and diseconomies of small scale trade flows. These are likely to be more significant in trade between two developing countries than between a developing and a developed, first for the obvious reason that both may impose such costs, but also because (as is seen in the trade share figures below) the much larger flows to traditional developed country partners mean that the incentive to improve trading services in that direction has been much greater. Differences in these costs may therefore have the effect of creating a preference for trade with developed countries. The differential is not insignificant. Estimates in East and Southern Africa find figures of the same order of magnitude as tariffs, ranging up to 30% of basic product costs. Although the differences and the explanations vary among commodities, some elements include high shipping costs particularly for landlocked countries, as well as small volumes and restrictions on foreign services: ships and land transport, intensified by restrictions on competition.

There is, in both UEMOA and ECOWAS, a division between the land-locked countries, with a clear interest in ties to their ports, supporting both trade integration and high spending on regional infrastructure, and those on the coast, whose interests are in trade with Europe. (Only African regions have this problem, and it is present in almost all Sub-Saharan regions; in other continents, the land-locked countries are a small minority.) The ECOWAS Treaty explicitly allows special treatment to the land-locked (and islands). It may be relatively less of a problem in UEMOA where long traditions of trade flows have built up links (M'Bet in Oyejide et al, 4, 1999), so that the anti-developing country region bias may be relatively small. As both ECOWAS and UEMOA include improving regional infrastructure in their objectives, any increase in regional trade could be for these reasons instead of or as well as because of changes in trade restrictions.

Administrative

UEMOA countries share a common administrative structure, inherited from their colonial period, but ECOWAS also includes countries with British and Portuguese traditions. The difference in languages is an obvious practical problem, closely related to another difference from other African regions, the absence of extensive common university, research, and other technical exchanges. This makes building regional institutions, and adopting regional manners of working more complex. The other regions within the ACP countries are entirely or predominantly from one tradition. In the regional institutions themselves, capacity is greater in UEMOA (perhaps because of its long, stable, financial position) than in ECOWAS, or indeed than is normal for developing country regions. Combined with its much stronger Commission (with the power of initiative and commissioners with four year terms and a staff of 150), UEMOA appears to be institutionally the most substantial region in Africa. In ECOWAS, there has been a national quota system. Following a recent review of the Secretariat structure, this has been replaced. If properly implemented, this reform could induce better qualification of new staff (although the problem of longstanding staff remains). Rotation of senior staff has led to the replacement of experienced and qualified staff. (The difference is reflected in their websites.)

Policy

Countries with very different approaches to policy (for example on industrialisation or openness) create strains within a region. Most of the countries within the region have moved or are moving from internally based to more open development strategies, but this has been at different paces, creating strains within both regions. The pattern of a push to regions in the 1960s and 1970s when one strategy was dominant, then less interest (or even collapse) in regions in the 1980s, and a revival in the 1990s when all trade access became a priority, is not confined to West Africa, but the transition to open policies is less complete there than in Latin America, so that the revival of regions may be less strongly based.

Whatever the policy base, forming and deepening a region requires countries that are sufficiently confident of their own political and economic strength: to be willing to offer part of their sovereignty to a region, and to be able to give policy attention to a another level of government.

The national security difficulties and changes in government in various countries have held back progress, particularly in ECOWAS, and even now the risk of internal regionalism in Nigeria is a distraction from regional commitment.

Key issues
UEMOA has more common characteristics, economic, natural, and administrative, than ECOWAS. Will this make it more durable, and will the existence of a more uniform alternative make the differences even more of a strain on ECOWAS?

If the costs of intra-UEMOA or intra-ECOWAS trade or other contacts are high, do regional initiatives create a preference for the region, or merely reduce or remove the bias towards links outside the region?

Coverage beyond trade

Services and infrastructure

UEMOA has added liberalising services to goods and it has now freed internal air transport. There was a regional airline (Air Afrique) liquidated in August 2001 and to be replaced by one owned largely by Air France; ECOWAS proposals of a regional airline have not been implemented).

Both regions try to promote common trading and migration documentation. There is a common motor insurance scheme (brown card), which has been implemented. The Protocol on inter-State Road Transit, however, aimed at facilitating the transit of merchandise between countries has only been applied by Benin, Côte d'Ivoire, Mali, Niger and Togo (all UEMOA). Visas are not required for temporary movement, but the ECOWAS 'passport' is not in practice accepted as a substitute for national documents, and unofficial road blocks remain a barrier. ECOWAS is committed to encouraging tourism, and has tried to set common quality standards, as well as the visa and passport initiatives.

Between 1983 and 1992, a telecommunications programme established links among the ECOWAS members. There is not yet a harmonised regulatory framework. Here, and in agriculture, there are proposals for joint standards.

In ECOWAS, there are discussions of a joint stock exchange between Nigeria and Ghana, but up to now countries have continued establishing their own.

Reflecting the importance of industrial development to its origins, regional infrastructure projects in transport, energy, water, and other areas remain important to ECOWAS. It has supported building of roads: about 87% (3894 km out of 4460 km) of the trans-Sahelian highway (linking

Dakar to N'Djamena), and about 83% (3777 km out of 4560 km) of the trans-coastal highway (from Lagos to Nouakchott) have been completed (ECOWAS, 2000, Silver Jubilee).It has projects for rail links and a coastal shipping line. It has ambitious projects for the development of hydro-electric and thermal power, interconnected electricity and the construction of a gas pipeline from Nigeria to Ghana and eventually Côte d'Ivoire. The emphasis appears to be on physical infrastructure to the detriment of service structure.

Monetary and financial

UEMOA has now, in 2000, moved to 'surveillance' of macro-economic policy. Common surveillance is not new, because it was effectively part of the Franc Zone system. What is new is having it by the economic region, without French intervention, and with the explicit objective of convergence, not simply avoiding monetary problems. It is studying possible harmonisation of indirect taxes across the union, developing common accounting standards, statistics, and planning models. It has suggested a common industrial policy.

There has been substantial internal liberalisation in all the ECOWAS countries, allowing freer allocation of foreign exchange. The major divide remains between the Franc Zone and the rest. Transactions in the Franc Zone occur through operations accounts in the French Treasury, giving a strong role for French policy in limiting the fiscal policies of the members, and thus indirectly their other economic policies, including those on trade. The most dramatic illustration of this was the history of first, unwillingness to devalue the CFA Franc as it became uncompetitive in the late 1980s and early 1990s, and then a 50% devaluation in 1994. Although this indicated a limit on the support which France was willing to provide, the system survived.

There was no formal association between the preferences which the Franc Zone countries received on trade and the Franc Zone itself after the consolidation of ex-colonies into the ACP in the 1960s: the preferences were applied by all EU countries and applied to all ACP countries. (This is in contrast to the close association between currency support and special treatment for trade in the sterling area.) The separation of trade and currency has also meant that there has been no assumption that a common currency within Africa must imply trade openness (and the Franc Zone has been divided since the countries became independent). Nevertheless, the common control on countries' monetary and fiscal policies and on their external competitiveness gives them an important set of common interests, additional to any that might be expected in a geographical and historical region, and thus clearly is an additional force in support of regional integration, although clearly not a sufficient condition.

The CFA franc remains supported by French government policy, not by the Central Bank, either of France or of Europe, although with the advent of the Euro, its nominal definition changes. This is therefore a matter of fiscal, not exchange rate support. This is how its anomalous position is legally justified[5]. The small size of circulation in the Franc Zone at present means that French policy on this is unlikely to affect the Euro. It could, however, now be seen as a significant cost for France, especially with the total French fiscal position now constrained by European policy, and any expansion to all ECOWAS would be a very different question.

In ECOWAS, the West African Clearing House (now West African Monetary Agency) has been

5 There are no restraints in general on external circulation or use of the Euro; other countries with no relation to European monetary policy have declared ties to it, most recently Argentina.

prevented from functioning owing to the failure of members to provide the required foreign exchange. It remains to be seen whether the West African Monetary Institute established in 2000 to prepare for an ECOWAS Central Bank will be more effective. There are high costs of conversion and financial transactions in the non-UEMOA states (and between them and the UEMOA). Because the other currencies are non-convertible, a third currency and often a foreign bank must be used, raising costs of trade relative to trade with developed countries (Kufuor, 2000). The lack of an efficient clearing system and proper banking regulation and supervision increases the costs (Soulé, 2001). There is one successful private bank operating in 12 countries to provide bank-to-bank transfers, Ecobank, but not the network of intra-regional banks found in southern Africa. In 2000, the non-UEMOA countries began the process of trying to establish a separate currency zone to be completed by 2003 and merged with UEMOA. This will require a rapid move to convergence, but at present most of the countries are not meeting the indicators. It appears to be based on an assumption that trade integration requires a common currency (reflecting the different experience of the ex-British colonies). The high costs of different, unconvertible, currencies in the ECOWAS countries give more weight to this argument than would be the case in regions with more developed financial systems.

External Policy

During the trade negotiations of the Uruguay Round, there was no attempt to have joint positions by either region, with attention still concentrated on the regions' preferential arrangements. This continued in the preparations for Seattle, with less joint action and co-ordinating than, for example, among the SADC countries. It remains the case for the ECOWAS countries (Aryeetey, 2001). While there is provision in the ECOWAS treaty (Art 32) for coordination of positions in maritime transport negotiations, there is none for trade. It only provides for member states to participate 'where appropriate, in international negotiations within the framework of GATT...and other trade-related negotiating fora' (Art 50). ECOWAS is only authorised to conclude 'cooperation' agreements with third countries (Art 83). It has no authority to negotiate with the EU (or other partners); it is the individual members who would negotiate. It has established workshops on the EPA.

UEMOA has formal competence for external trade relations, and is now using it. Under the Lomé conventions, there was no need to negotiate, as these were based on unilateral preferences. Therefore the question of whether trade relations with the EU should be regional or national did not arise.[6] Its Commission negotiates agreements, which then require approval by two thirds of the members. In multilateral negotiations where it does not have direct participation, the members are expected to follow an agreed (again by two thirds) negotiating position. This is a much stronger commitment to regional negotiation than in any other region except the EU, even stronger than the other customs unions. (SACU negotiates together only on tariffs; MERCOSUR negotiates together in the FTAA, but not the WTO; of African regions: COMESA, now almost a customs union, negotiates separately; SADC, an FTA, coordinates, but this is non-binding; the North African and East African countries act separately.) It has nearly completed negotiations with Tunisia and Morocco on trading arrangements, negotiated an agreement with the US, and in July 2000 the Commission was authorised to begin negotiations with the EU and its members for an Economic Partnership Agreement (EPA), under the Cotonou Agreement. It is notable that while the mandate recognised correctly that competence in Europe on this was shared between the European Commission and its members, it authorised the UEMOA Commission to negotiate,

6 Neither then nor at present does the UEMOA appear to consider the ACP a relevant negotiating group.

on its own, although with an advisory committee from the member countries' ministries. UEMOA was the first of the ACP regions to take this step. It has opened its own delegation in Brussels, no longer relying on either the members' missions or the ACP, and prepared a detailed list of what should be included in such an agreement. This included asymmetric liberalisation, safeguards, and provision for allowing UEMOA countries to use export subsidies. There was also a proposal to extend regional cumulation under the rules of origin, not only to all of ECOWAS, but to other ACP countries (suggesting little commitment to ECOWAS).

UEMOA has also adopted a common position in the agricultural negotiations now started in the WTO. This supports the EU position in some respects: a special position for agriculture and support for the EBA, Everything But Arms, initiative for the Least Developed countries, but not in all: it opposes the Blue Box of permitted agricultural support, designed in the Uruguay Round with the CAP in mind, and supports the elimination of export subsidies, one of the issues which the EU refused to allow in the Seattle talks.

The ECOWAS secretariat (without, of course, any mandate to speak for its members) appears to be supporting a similar position, advocating an alliance with the EU to weaken Article XXIV to allow Cotonou-style agreements (ECOWAS Annual Report 2000). Neither region has set up expert groups to study the advantages and disadvantages of an EPA with the EU, not have they cooperated with those established by other regions and the ACP.

Key issues

Services and infrastructure:

How effective is the integration 'on the ground'? Have there been significant changes in ease of transport or other signs of integration?

What is the significance of ECOWAS infrastructure integration in the context of national programmes?

In what sectors and in which circumstances do they provide significant additional benefits to local populations? What are the implications for donors?

Monetary and financial:

Can the timetable for non-UEMOA countries, to create their own currency by 2003, be achieved?

Is merger with the UEMOA monetary zone feasible,

at the regional level?

in relations with France?

What would the effects of the convergence criteria on development be?

On external policy, will ECOWAS adopt a coherent approach to the WTO and/or to the WTO negotiations? How will this be reconciled with the unified UEMOA approach?

What would be the benefits/costs of an EPA for UEMOA and/or ECOWAS?

Trade linkages

Formal trade

Measuring the degree of integration of a region and, if this is high or increasing, judging whether this is for 'natural' reasons (location, complementarity of production or tastes, economies of scale, etc., similar policies) or because of specifically regional measures (preferential or 0 tariffs; common procedures, forms, eventually standards; coordination of sectoral or macroeconomic or monetary policy) is not straightforward. Any superficial examination of any developing country region finds low shares in intra-regional trade, and specifically lower shares than those in the EU. This is not surprising given that these regions typically have 1% or less of total world trade, and the EU, 40%. This can be corrected for in various ways: by normalising with respect to the share in world trade (trade intensity) or by more sophisticated attempts to model all the influences on a country's trade pattern (for example gravity models), and then to identify the role of regional instruments within this framework. The latter is difficult for developed countries where data and well-established models exist, and structural changes are small; it is virtually impossible for developing. Trade intensity attempts to find whether trade is higher than ‘normal’ by taking the ratio of intra-regional exports [imports] to the region's share in world imports [exports] and then seeing if forming a region increases this. Using intensity, however, has the difficulty that the ratios distort the results for small regions. If all EU trade were with the EU, the maximum intensity could only be 2.5 (100%/40%). For a region with 0.1% of world trade, like UEMOA, maximum potential intensity is 1000, so intensity measures cannot be compared across large differences in size. For this, they must be used with intra-regional trade shares. Whatever measure is chosen, it is difficult to compare one region to another (particularly a small or new one to an old or established) because the other influences promoting or discouraging intra-trade will vary. It is slightly less questionable to make comparisons over time of the same region: has a region's integration, under any measure, increased during the period when barriers came down, and, if there are no other obvious changes in the countries’ or region’s economic circumstances, can we attribute the change to the region?

The pattern for UEMOA (table 4) is of relatively low dependence on industrial countries, especially as markets for its exports, and relatively high trade within the region at a level of about 10-12% (although as some of the countries are landlocked, some of this may be transshipment with the direction mis-recorded). This is similar to SADC or COMESA, so quite high for a region of much smaller economic size. UEMOA’s share in world trade is low so that this implies intensities of 65-80 (table 5). These seem high (Central America is probably the only other region at a similar level). An IMF study found that Francophone African trade was delinking from world trade between 1980 and 1997 (Sabramanian, Tamirisa, 2001), while preserving its trade with the region, and suggested that the high intra-regional trade could be a sign of trade diversion or uncompetitiveness at world level. There is, however, no sign of increasing integration in UEMOA in the 1990s. Within trade with the EU, France remains important for the UEMOA countries, particularly as a source of imports (tables 6 and 7).

There has been an increase in intra-regional trade within ECOWAS: several members of UEMOA have increased their trade with the rest of ECOWAS, and the non-UEMOA members of ECOWAS (table 8) also show an increase in trade within ECOWAS, and a corresponding increase in intensity. Table 6 indicates that for the UEMOA members, the share of their ECOWAS trade which is with non-UEMOA members is generally rising. This cannot be explained by trade policy, as intra-UEMOA restrictions have been lowered during this period (even if not by as much as planned), while there has been little additional contribution from changes in ECOWAS rules. It is possible that the growing contacts within ECOWAS have had an 'anticipatory' effect, suggesting considerable confidence in future progress in ECOWAS. Perhaps more likely is an informational effect: if the past pattern of markets was largely because of artificial colonial influences, there may be considerable scope for increased trade, even with no change in barriers, simply from growing awareness of opportunities. The increase in ECOWAS trade, however, may also be explained by shifts from unrecorded to recorded trade as the large exchange rate misalignments of the early 1990s were corrected (see below on informal trade). A study of ECOWAS comparing 1973 and 1993 also found a strong effect from ECOWAS (Hanink, Owusu, 1998). A study in the 1980s found no effect (Jebuni et al in Oyejide et al 1999). There are a few signs of market seeking outside Africa, but these remain limited and apparently sporadic. Some UEMOA members have diversified to new markets, for example Benin to Brazil (cotton).

These results do not suggest a strong effect from regional integration policy, but they do show an important degree of regional integration in UEMOA and also now in ECOWAS. For both regions, therefore, it is existing integration which may be important in explaining continuing commitment to regional coordination, not formal integration explaining increased trade flows.

Investment

Foreign investment, from outside and within the region, is lower than the average for all countries or even for sub-Saharan Africa in most of the countries of ECOWAS. and in absolute terms, only Nigeria is among the top 15 countries in Africa (Odenthal, 2001). There is some outflow now from Côte d'Ivoire, Ghana, and Nigeria within the region. This means restricted exchange of technology (including management or organisation practices) within the region, as well as the absence of a strong impulse for intra-regional trade.

Informal trade

Although some of the literature on the many cross border links through migration and 'informal' trade in the west African countries, Francophone, Anglophone, and cross-lingual, appears to exaggerate their uniqueness (perhaps as a result of the literal insularity and lack of familiarity with land borders of British economics), it is clear that there are strong traditional trade ties and trade routes, and the natural conditions permit these. What is more difficult to judge is the direction of their impact on regional initiatives: existing links make formal integration easier, but perhaps less necessary, and may even create interests opposed to it.

Informal trade here means all transactions outside official channels. This unrecorded cross-border trade includes both legal and illegal goods. Although drug trafficking and arms dealing have increased significantly over the last 15 years, trade of legal goods remains predominant (Meagher, 1998).

While by its nature no exact valuation of unofficial cross-border flows is available, the general consensus is that informal activities account for a significant share of the economy of the region. 30 to 50 per cent of export crops are exported through unofficial channels (Meagher, in Lavergne, 1997). 50 to 60 per cent of trade flows between Niger and Nigeria are estimated to be informal. 75 to 80 per cent of Benin's exports go to Nigeria via unofficial channels (Meagher, 1998; Soulé, 2001). A recent study even estimates that, in 1998, informal Nigerian exports to West Africa were three to four times larger than trade officially recorded (US$ 1.5 to 1.9 billion compared to the official US$ 508.9 millions) (Club du Sahel, 2001). Assuming that informal trade takes place mainly among ECOWAS countries, not to the rest of the world, actual intra-regional trade (official and informal) could account for around 20-30 per cent of ECOWAS's exports. This would bring ECOWAS intensity to the level of UEMOA's and may be an over-estimate if some of the increase in recorded trade does reflect a shift away from informal in the late 1990s. (Intra-UEMOA trade is unlikely to be as under-recorded: these examples are from non-UEMOA partners, and the reasons do not apply as strongly to UEMOA.)

The roots of informal trade are in historical, social, linguistic, and ethnic ties. But several other factors appear to have stimulated informal trade more recently. The cost and inefficiency of formal trade channels reduce the normal disadvantages of informal trade, while the high tariffs and frequent significant differences in prices because of different agricultural or macroeconomic policies greatly increase their potential advantages. The emergence of a very active private sector following economic liberalisation generated new demands. In the absence of an efficient official financial market and cross-border trading system, these have been met by informal networks. Limited trade liberalisation coupled with regulatory and institutional rigidities has prevented market adjustment from taking place through official channels. Disagreement over commercial policies (within UEMOA or ECOWAS) has often resulted in a *de facto* deadlock of trade liberalisation.[7]

Structural adjustment programmes have been implemented to various degrees at varying speeds and governments have pursued different – sometimes conflicting – policy objectives. This has resulted in wide price, monetary and fiscal disparities among countries, hence creating new opportunities for arbitrage and cross-border trade.[8]

Rent-seeking behaviour also contributed: informal trade generates income for traders and distributors, and indirectly for officials in return for their 'complicity'.

Informal trade has achieved a quasi-legal (at least officially accepted) status in countries specialised in re-export of merchandises, the so-called 'transit' or 'entrepot' economies, principally Benin, The Gambia and Niger, especially for imports heavily taxed or restricted[9] by Nigeria (Soulé, 2001).

The organisation and conduct of informal trade appears to be condoned by official authorities for various reasons:

- incapacity by officials to effectively prevent, regulate or control informal trade;[10]
- complicity of state officials who can thus capture for their own benefits part of gains from informal trade;
- the influence of the state over informal trade which enables officials to reward (political) loyalty by private traders.[11]

7 Examples include disagreements over the desirable provisions on rules of origin and their implementation, tensions between CFA zone – non-CFA countries / linguistic divide (between anglophone and francophone) / UEMOA – ECOWAS rivalry, differences over the sequencing of liberalization, etc.
8 In Mali and Niger, the replacement of state-control marketing boards by state credits to help the purchase of crops by private traders allowed private agents to use these funds to purchase crops across borders. (Meagher, 1998).
9 The main (informal) imports by Nigeria comprise second-hand and retreaded tyres, second-hand clothes, textiles and garments, second-hand vehicles, rice and cigarettes.
10 See Bach (1999) for a discussion.
11 This discretionary complicity of public officials towards informal trade thus corresponds to an implicit distribution of rents (favours) by the state to some private actors.

Insofar as informal trading systems substitute for inefficient and ineffective formal channels, parallel trade can be seen as a 'natural' adaptation by the market, in an informal way, to rigid and restrictive institutional frameworks. This increases trade towards an efficient level.

On the other hand, to the extent that informal trade exploits policy disparities it would lose from trade liberalisation and regional market integration. [12] Informal trading networks therefore defend their interests against liberalisation attempts.[13] Informal trade's negative effects on the regional integration process include:

- rent-seeking and rent-protecting behaviour by informal networks;
- imposition of various forms of informal protectionist measures (export taxes, various levies, road controls, etc.);
- favourable environment for illegal transactions, widespread corruption, tacit agreements, conducive to a criminalisation of the economy;
- disruptive effects on the local production;
- lack of quality and technical standards;
- loss of important potential (tax) revenues for the state;

Weak institutional arrangements in the economy cannot be fully compensated by informal arrangements. For instance, most entrepreneurs engaged in cross-border commercial activities encounter conflicts with their trading partners, which they usually resolve in an informal way.[14]

Informal trade remains the most efficient (or least inefficient) and organised system in West Africa. A sustainable market integration process must develop a credible and well-functioning trading (and financial) market. A pragmatic approach could entail a gradual replacement of informal parallel markets by incorporating them into normal forums. Strengthening official markets would not only facilitate regional integration, but allow the West African economies to benefit fully from market liberalisation opportunities, whether resulting from domestic policies, bilateral or regional trade agreements, or multilateral commitments.

There is already a strong connection between formal and informal activities, which seems to have increased since the early 1980s (Arimah, 2001). The formal sector (mainly large domestic companies, foreign-based companies and government agencies) is an important supplier not only of raw material and equipment and machinery, but also of finance and consumer goods as well. There are many subcontracting agreements between the informal and formal sectors, and the formal sector uses products from the informal sector. The links are stronger when informal sector companies can be officially registered (which confers on them some legal status) suggesting a possible integrating route for the informal sector into the economy.

With the decline in large internal imbalances and significant divergences of prices of the principal

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12 Several observers have warned against the destructuring effects of informal trade on national economies and on the regional integration process (Bach, in Lavergne,1997; Meagher, 1998; Stary, in Bach, 1999)

13 Owing to pressures from local informal networks, the attempts in 1988 and 1992 by the Ivoirian government to remove or reduce the road blocks and other police controls on the main roads between Burkina Faso and Ghana failed (Stary, in Bach, 1999). Similarly, following pressures by the business community (and customs officers), the Nigerian government was forced in 2000 to reverse its policy of carrying out inspection at destination to inspection at origin (Soulé, 2001).

14 A recent survey in Ghana indicates that over 80 per cent of sampled enterprises have experienced conflicts with their trading partners over the previous year (Barr, 2000).

export crops, some of the advantages of informal trade have been reduced. The high tariff barriers and financial costs of trading remaining in the non-UEMOA members, however, still provide strong incentives, and the existence of the networks and contacts through which the trade has operated mean that smaller incentives are needed to continue informal trading than to start it.

Key issues
Is it possible to identify direct influences from UEMOA or ECOWAS policies to explain the trade linkages, or are these happening for other reasons?

Why has UEMOA become increasingly inward-orientated in its trade? Do the estimated data on informal trade among ECOWAS countries correspond to reality, and if so, is ECOWAS also unusually inward orientated?

If the reasons for informal trade lie in the backwardness of official channels in providing appropriate financing and other services, is this being changed by current policies?

How can informal structures be integrated into the formal economy? How will this affect respect for the law, efficient government, effective regulation, prevention of fraud or corruption?
Or are the formal structures at present too weak, so that any attempt to transfer informal trade to formal would damage economic development?

Is there evidence of investment among the countries? And is this increasing with trade linkages?

What measures could be taken and initiatives encouraged to enhance the development of effective financial markets?

Other types of linkage

Institutional links

Both UEMOA and ECOWAS have Economic and Social Councils, modelled on that of the EU, but (as in the EU) there are also more significant links. There are both official organisations and more or less formal networks. A large number (over 40) of sectoral organisations and multi-purpose intergovernmental organisations pursue specific (sometimes overlapping or conflicting) objectives in sub-regional or interest groups, including:

- pooling of resources (educational institutions, research centres, meteorological services, regulatory services, air traffic control, etc.);
- cooperation to solve problems (in agricultural, health, environmental matters);
- business consultation and coordination (in agriculture, livestock, rice, groundnuts, in industry, in services, banking, energy, telecommunications, transport) (Club du Sahel, 2000, 12, World Bank 2001).
- specific sub-regional common problems, for example management of some of the rivers in the region.

Many of these organisations are under-financed and insufficiently staffed and organised to fulfil their mandates. They are further weakened by the lack of capacity by the ECOWAS organisation to provide coordination and political leadership. Some could fit within the ECOWAS framework, in particular with the ECOWAS Specialised Technical Commissions (Bundu, in Lavergne, 1997; Club du Sahel, 2000, 12; 2000 Nov 2000). An interesting example of rationalisation is the decision by ECOWAS member states to merge the UEMOA sponsored Organisation Commune de Lutte Contre les Grandes Endémies and the West African Health Community (WAHC) into one single ECOWAS institution, the West African Health Organisation.

Informal networks

Informal networks have played an important role in the emergence of an active movement in the civil society for West African integration. Informal business activities have flourished, in particular among small and medium sized entrepreneurs (Thiam, 1997; Stary in Bach, 1999; Barr, 2000; Aryeetey, 2001). A recent study by the UNU World Institute for Development Economic Research reveals that (formal and informal) business networks are particularly important for small scale entrepreneurs who are hindered by inefficient capital markets (Barr, 2000). These business networks serve as a vital source of information on market opportunities and on the reliability of trading partners, as well as an instrument for the dissemination of technical knowledge. For larger enterprises, business networks also provide access to information on and means to influence government policy. Besides, they also constitute an helpful basis for sub-contracting arrangements.

There has been donor support for these networks, particularly for the West African Enterprise Network (WAEN).[15] Established in 1993 with a headquarter in Accra (Ghana), WAEN brings together over 350 businesspeople from 13 national networks (ECOWAS member states minus Guinea Bissau, Liberia and Sierra Leone, plus Chad), the most active ones being in Ghana, Mali and Senegal.[16] The two main objectives of WAEN are to contribute to the improvement of the business environment in West Africa and to promote cross-border trade and investment in the region. Its actions include activities to stimulate new opportunities, simplify and facilitate official cross-border transaction, develop informal networks as well as cooperation with official authorities (including ECOWAS and UEMOA) on banking and trade issues. Other private sector organisations, such as the African Business Round Table (ABR), the Federation of West African Chambers of Commerce (FWACC), the Federation of West African Manufacturers Associations (FEWAMA), the Union of West African Road Transporters, the West African Association for the Development of Artisanal Fisheries and the West African Banks' Association, have experienced mixed success.[17]

Trade unions have not formed a similar regional alliance (some are members of the African network). This, however, is similar to many other regions; only the most integrated or those where there is particular pressure to include labour have such links.

15 WEAN web site http://waen.int; Thiam (1997), Scribner and Crosby (1997), Club du Sahel (2000a) and Aryeetey (2001).

16 USAID has developed an active cooperation with national networks in these three countries in formulating its local programmes (Thiam, 1997). More generally, WAEN cooperates with many donor agencies from Canada, the European Union, France, Japan, the UK and the US, as well as the OECD-Club du Sahel and the World Bank.

17 Noting that national chambers of commerce function only in a few member states, the ECOWAS Executive Secretary Report 2000 describes both FWACC and FEWAMA as 'less than active' (ECOWAS, 2000, Annual Report para.398).

The extensive migration has also created informal networks. Data on intra-West African migration are very limited because most border crossing is through informal means. Migration trends are quite diverse among ECOWAS countries (IOM, 2000). Emigration is particularly important from Burkina Faso and Mali, while Côte d'Ivoire has traditionally hosted many labour migrants. Countries like Ghana, Nigeria and Senegal appear to be both origins and hosts for migration. Unstable countries such as Liberia and Sierra Leone have generated many refugees, while relative levels of economic development and political stability are important factors of migration. The political and economic improvements and internal restructuring in Ghana and Mali, by raising rural incomes, have led to increased level of return migration.

As well as economic migration, civil unrest and internal conflicts have generated a large flow of refugees and displaced people in Liberia, Sierra Leone and Côte d'Ivoire, contributing to destabilise the economy of neighbouring countries. In Mali and Niger, Tuareg refugees have been able to come back. Repatriation of refugees to Liberia and Sierra Leone has been complicated by recent fighting in southern Guinea. Guinea, where there are already over 80,000 Liberian refugees, has closed its southern border with Liberia and refuses to allow Liberian asylum seekers to enter its territory. Guinea hosts more than 430,000 refugees (table 9), the second largest refugee population in Africa (after Tanzania). Since January 2001, close to 25,000 refugees had been repatriated under the IOM programme, but the repatriation programme has been brought to an halt in August due to lack of funding[18] and volunteers for repatriation.

Building on the dynamics of the formal and informal business community, national and sub-regional business networks and other organisations, there is a need to develop a more effective partnership between the private sector and the civil society on the one hand, and official institutions at national and regional levels on the other hand, so as to identify key actions for integration and development. Donor agencies could encourage programmes.

Military and security cooperation

The most enduring and successful regional groups have a strong security element, against either external or internal threats. As its origin in 1975, ECOWAS objectives focused mainly on economic cooperation. Over the years, political and security issues have become more prominent on ECOWAS agenda. The Protocol of Non-Aggression (1978) and the Protocol on Mutual Assistance in Defence Matters (1981) have been adopted by ECOWAS member states, but have never been explicitly invoked.

Nonetheless, these protocols aiming at setting a West African security regime were used in 1990 to establish a Standing Mediation Committee and the ECOWAS Cease-fire Monitoring Group (ECOMOG), a peacekeeping organ set up to help mediation and restore peace in Liberia's civil war. ECOMOG forces were composed of troops from Benin, Burkina Faso, The Gambia, Ghana, Guinea, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo (joined by non-ECOWAS troops from Tanzania and Uganda).

The development of an ECOWAS security mechanism emerged during the 1990s mainly as a consequence of *ad h*oc conflict interventions in countries facing domestic turmoil and fighting. The resulting political and military arrangements have been codified in 1998 through the

18 The operation was funded by Denmark, Norway, Sweden, the United Kingdom and the United States.

Mechanism for Conflict Prevention, Management and Resolution, Peacekeeping and Security which also provides for early warning systems for conflict prevention.[19]

In 1997, ECOMOG intervened in Sierra Leone where the civil conflict, initiated in 1991, was having international effects. Troops were mainly composed of Nigerian forces and also included Ghana, Guinea and Mali. ECOMOG troops were replaced by UN, UNAMSIL, in 1999. ECOWAS, along side with the UN, has been active in searching a solution to the conflict.

In Guinea-Bissau, where the civil conflict began in 1998, ECOWAS has also been involved in mediation. Benin, The Gambia, Niger and Togo contributed to ECOMOG troops, whereas Guinea and Senegal participated in bilateral interventions.

In recent years, ECOWAS has been active in mediation efforts between Guinea and Liberia, to prevent attacks by rebels from Sierra Leone in Guinean and Liberian villages, to restore stability and democracy in Côte d'Ivoire after the military coup in 1999, and in efforts to provide security corridors in Guinea for the repatriation of refugees to Liberia and Sierra Leone. But in February 2001, ECOWAS refused to send more troops to the Guinean border. It was deemed impossible to secure the 1600 km border with Liberia and Sierra Leone, member states having neither the capacity, nor the financial means (without the support for donor countries), nor probably the political will to engage in this operation (Guinea Forum, 2001; Leymarie, 2001).

In 1998, ECOWAS member states agreed on a Moratorium on the Importation, Exportation and Manufacture of Light Weapons, renewed in 2001 for a further 3-year period. They also agreed to harmonise national laws and to set up national commissions; only five countries have done this. The ECOWAS Secretariat intends to develop a database to register legitimate stocks of small arms and ammunition. This policy is supported by UNDP, and assistance from other donors is sought.

While ECOWAS has undoubtedly been active in promoting sub-regional peace and stability, the success of its efforts is debatable. Some have argued that ECOWAS forces relied too heavily on Nigerian troops, which can call into question its political independence and the real commitment by ECOWAS member states to an effective regional security mechanism. This is also exemplified by the lack of resources available to conduct peacekeeping interventions. The lack of norms, the failures to implement decisions, the weak degree of commitment by member states, the own degree of political instability and poor governance of several West African countries, and the sometimes partisan approach of ECOMOG forces and ECOWAS operations have also been alleged to explain the incapacity to develop a credible security regime in the region (Bundu, in Lavergne, 1997; Yoroms and Aning, 1997; Aryeetey, 2001). ECOWAS forces have also been accused of human right abuses, in particular by the Nigerian troops in Sierra Leone in 1999.Yet, in spite of these difficulties, ECOWAS seems to have followed a pragmatic approach to peace and security in the region which needs to be further enhanced (Adjovi, 1998?).

19 The Protocol, adopted by ECOWAS members on 10 December 1999, has still to be ratified by all countries (ECOWAS, 2000, Annual Report).

Key issues
Numerous sectoral and multi-purpose organisations coexist in West Africa. In view of the particularly limited resources available, the issue is how to achieve optimal effectiveness of these organisation so as to reach a better adequacy between their (constrained) capacity and (often ambitious) objectives. Can technical assistance, cooperation and support be envisaged? And if so, where and how?

Parallel to these institutionalised organisations exist a multitude of informal networks. What is the role of the civil society and business networks in the regional integration process? How can they be actively associated to the better development of the region?

Crucial to the development of West Africa is the presence of political and economic stability and security. Recurrent conflicts and political turmoil have caused serious humanitarian, social and economic crises which usually have generated cross-border negative effects, destabilising the neighbouring countries. ECOMOG is an attempt by West African governments to prevent conflicts, manage crises, restore and maintain peace. The question is how to improve the effectiveness of such missions? Can a more comprehensive and coherent approach, encompassing political and economic cooperation on immigration (including refugees) and peace and security issues be encouraged and supported by the international community?

Outcomes

Judging the success of UEMOA depends on the measure of success. Almost all regions survive through institutional inertia, even if they cease to be (or were never) effective. A successful region must show some effect on its members, and must be able to adapt to new circumstances and evolve. Growth or development may be rapid (or slow) for reasons which have little connection to the region, or because certain regional characteristics were inappropriate at a particular time (the overvalued franc in the 1980s), but analysis of whether obvious economic changes are at least consistent with the direction of regional policy changes can be some indication of effectiveness. If the purpose of the region was primarily political, however, then any economic yardstick will be insufficient: it can only measure a side benefit or cost. Criteria of political success, when objectives are mixed and changing, are not simple. Even if a region is successful in its own terms, it may be promoting a questionable policy: UEMOA has achieved joint positions in its external relations, which puts it in the forefront of integrated regions, but are these regional objectives consistent with the development objectives of its member countries? A country's view on regional policy or a region's own policy, if it has the political credibility to be a policy-making body, should be the outcome of first, a development policy, then within this an economic development strategy, then within this an assessment of the role of trade, then of the possibilities of trade policy, and finally of which of the negotiations available to a country (or a region) is most likely to achieve the objectives

Second we must look at causation and replicability. Any analysis of regions finds a number of explanations which are significant to determining 'success', however measured, and perhaps none of which is essential. In a comparison of 12 regions (Page 2000), strong political or security motives were often important (e.g. EU, MERCOSUR, ASEAN); lack of political or other strong objectives weaken it; lack of countervailing pressures may nevertheless permit its survival; linkages in addition to trade (industrial or developmental objectives; linkages among private sectors, etc.) contributed to strong regions (EU, NAFTA); sufficiently strong national institutions to provide the structure on which regional institutions depend were important (developed regions compared to developing). Economic or other disparities made success more difficult, but no difference was too large to be observed (EU and NAFTA both have large differences).

A third limit on any conclusions for regions of small countries is that, even if there are effects from the region, they will be small. If the other countries in a region have a small share in world trade, and particularly if trade itself is low in relation to the countries' economies, then even a large change in regional access can have only a small effect. There are also problems of interpretation. If there are gains to growth or the structure of the economy from trade within regions, it must be asked whether these are gains because of regional opening, or because of opening: perhaps these would be even greater if the country had used its negotiating efforts not in the region, but in multilateral negotiations, securing wider, if smaller, changes in access, or if it had simply liberalised to all countries. If a change in trade policy is being examined, it should be compared not to doing nothing, but to what the alternative change in trade policy would be. That would require an individual analysis of each country's options, in the region and outside.

For both ECOWAS and UEMOA, political links may be more important as motives for the region than economic goals. For UEMOA, the goals were explicitly developmental, but also simply of habit: it has always been a region.

UEMOA has made much more progress on reducing barriers, integrating markets, and providing an effective regional institution. ECOWAS has demonstrated political strength through ECOMOG, its security intervention in the region, so that from a political perspective it has been a more substantial region than UEMOA. It has also had a role in building regional infrastructure, and in coordinating other economic development. Both these suggest obvious parallels with the SADC/COMESA relationship. COMESA and UEMOA show greater progress on the textbook elements of a region: internal free trade and a common external tariff, but political and developmental progress seems to occur in SADC and ECOWAS. In both pairs of regions, it is difficult to see how to resolve the implied conflict of loyalties and future policies. A practical step in West Africa would be for ECOWAS to lower its internal tariffs, improve financial integration, and take the other actions which would bring it to the same formal degree of integration as UEMOA. But this is not sufficient because of the role of Nigeria: it would want more of a leading role than the UEMOA members would probably be willing to accept. (It once suggested greater voting rights in ECOWAS.)The political nature of the ECOWAS countries' commitments is confirmed by their willingness to allow UEMOA to move ahead. As it moves further, faster, it effectively disadvantages the other members of ECOWAS, and diverts trade from them, but this has not constrained it from integration or provoked opposition from the other members. Instead of ECOWAS taking on the attributes of UEMOA, could UEMOA be transformed from its technocratic past, and acquire the developmental, security, or policy-forming roles of ECOWAS? Its taking a position in the WTO agriculture negotiations and its macroeconomic and industrial initiatives may be signs of change.

For those who need to define their relations with the region, these internal difficulties are not in most cases a problem: ECOWAS has clear responsibilities in areas like infrastructure of interest to donors. It is not competent (or interested) to act as a negotiator in trade or financial relations. UEMOA fills this role for its members; relations with the others must be bilateral. The only difficulty is the one created by the EU for itself, its determination to negotiate FTAs with regions even where no regions exist. Implementing this by an agreement with ECOWAS is not legally possible, and there is no common economic interest (on either side). Implementing this by an agreement with UEMOA, the only organisation available to negotiate in West Africa, could significantly damage the potential integration of ECOWAS by requiring the continuation of barriers and rules of origin. (It is clear, however, from the EU's previous negotiations of agreements with parts of regions: Mexico and South Africa, that it will not be deterred by the effects on ECOWAS.)

The EC has declared its intention to negotiate with either a customs union, or an FTA, where one is included in the other, but only if the FTA has at least a 'legally binding interim agreement…effectively implemented in accordance with their schedule', but that ECOWAS 'has been very delayed and has not been in accordance with the agreed schedule' (EC, 2001, pp.9, 7). This suggests that it has decided to negotiate with UEMOA although it says 'care needs to be taken not to jeopardise the wider economic integration'. A combination of the practical difficulties, the lack of interest in EPAs outside UEMOA and CEMAC, and a successful resumption of WTO negotiations could remove this problem. It is possible that a more thorough appraisal of UEMOA's interests would suggest that a broader approach taking account of the other ECOWAS countries and the new non-African markets, not merely seeking an EPA with the EU, would have more potential benefits. This could lead to a judgement that the WTO offered a better negotiating forum than bilateral negotiations under Cotonou.

Key issues

UEMOA has been more effective in both internal integration and external representation than ECOWAS, and has stronger technical capacity, but ECOWAS has a strong political role, a security mandate, and developmental objectives: can the two organisations' strengths be combined or can they coexist if they are not?

How can the large relative size of Nigeria be managed in any region? Would any region with Nigeria be too vulnerable to changes in Nigerian policy to be stable?

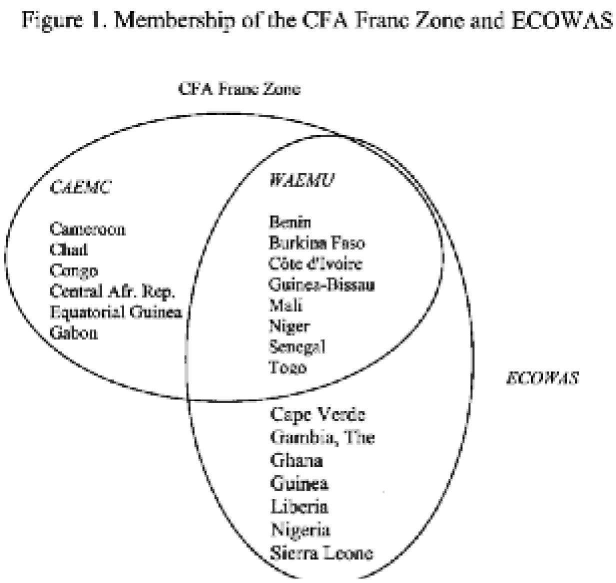
Can donors deal with ECOWAS on its areas of responsibility, without inconsistencies with the trade initiatives of Cotonou? Would negotiating on trade with UEMOA weaken ECOWAS by damaging its now growing economic integration? How should donors avoid intervening in the political decisions of other countries on their regional integration?

List of abbreviations

ACP	Africa-Caribbean-Pacific states associated with the EU
AMU	Arab Maghreb Union (UMA)
ASEAN	Association of South East Asian Nations
BOAD	West African Development Bank/Banque Ouest Africaine de Développement
BCEAO	Central Bank of West African States/Banque Centrale des Etats de l'Afrique de l'Ouest
CAMU	Central African Monetary Union (UMAC)
CEAC	Communauté Économique d'Afrique Centrale (Central African Economic Community)
CEAO	Communauté Économique d'Afrique de l'Ouest (Economic Community of West Africa)
CEMAC	Communauté Économique et Monétaire de l'Afrique Centrale
COMESA	Common Market for Eastern and Southern Africa
ECOMOG	ECOWAS Monitoring Group (Military and Security Cooperation for West African States)
ECOWAS	Economic Community of West African States (in French: CEDFAO)
EU	European Union
FTAA	Free Trade Area of the Americas
MERCOSUR	Mercado Común del Sur, Argentina, Brazil, Paraguay, Uruguay
NAFTA	North American Free Trade Area
NBA	Niger Basin Authority
SADC	Southern African Development Community
UDE	Union Douanière Equatoriale (Equatorial Customs Union)
UDEAC	Union Douanière et Economique de l'Afrique Centrale (Central African Customs and Economic Union)
UDEAO	Union Douanière de l'Afrique de l'Ouest (West African Customs Union)
UEMOA	Union Economique et Monétaire Ouest Africaine (West African Economic and Monetary Union, WAEMU)
UMOA	Union Monétaire Ouest Africaine

WAEN	West African Enterprise Network
WAMI	West African Monetary Institute (started operation in January 2001)
WAMZ	West African Monetary Zone (agreement signed in Accra, Ghana, 20 April 2000 = second monetary zone by January 2003)
WTO	World Trade Organization

Figure 1. Membership of the CFA Franc Zone and ECOWAS



Source: IMF Occasional Paper 204 (2001).

Table 1: Implementation of ECOWAS priority programmes

	Free movement of persons	Free movement of goods	Monetary cooperation programme	Harmonisation of economic and fiscal policies	Protocol on Community levy
Bénin	The visa and entry permit requirement has been abolished for ECOWAS nationals. Benin has set up a committee to monitor programme s relating to free movement of persons and vehicles and has introduced the ECOWAS Brown Card monitor vehicle insurance scheme. However, the ECOWAS travel certificate and the harmonised immigration and emigration forms have not been put into circulation.	Benin has printed and introduced harmonised customs documents such as the certificates of origin, the customs nomenclature (HS), the declaration form and the transit certificates (ISRT). All barriers to trade in unprocessed goods and industrial products have been eliminated, in line with the terms of the trade liberalisation scheme (TLS). Benin is the only country to accord preferential tariffs to ECOWAS industrial products.	All non-tariff barriers of a monetary nature have been eliminated and Benin is fully paid up in its contributions to the WACH.	ECOWAS is currently carrying out an evaluation of the extent to which the set macro-economic convergence criteria have been met.	Benin has not ratified the protocol. However, it has been incorporated into its appropriation bill.
Burkina Faso	The visa and entry permit requirement has been abolished for ECOWAS nationals. Burkina Faso has introduced the ECOWAS travel certificate set up a committee to monitor programmes on free movement of persons and vehicles and introduced the ECOWAS Brown Card monitor vehicle insurance scheme. However, Burkina Faso has not yet introduced harmonised immigration and emigration forms.	Burkina Faso has printed and introduced harmonised customs documents, namely, the certificates of origin, customs nomenclature (HS), declaration form. However, Burkina Faso has not lifted trade barriers, nor has the country exported any industrial products under the trade liberalisation scheme.	All non-tariff barriers of a monetary nature have been eliminated and Burkina Faso is paid up to the WACH.	ECOWAS has embarked on an evaluation of the extent of compliance with the macro-economic convergence criteria.	Burkina Faso has ratified the protocol and has incorporated into its 2000 Appropriation Bill.
Cape Verde	The visa and entry permit requirement has been abolished for ECOWAS nationals. However, Cape Verde has not introduced the ECOWAS travel certificate, the harmonised immigration and emigration forms or set up a committee to monitor programmes on free movement of persons and vehicles. As an island nation, Cape Verde is not concerned by the Brown Card motor vehicle insurance scheme.	Cape Verde has printed and introduced harmonised customs documents such as customs nomenclature (HS) and declaration form. However, it is to yet to lift the tariff barriers to trade in unprocessed goods and industrial products.	Cape Verde has lifted all non-tariff barriers of a monetary nature but is not a member of the WACH.	An evaluation of Cape Verde's compliance with the convergence criteria is currently being undertaken in the country.	Cape Verde has not ratified the Community levy nor incorporated into its Appropriation Bill.
Côte d'Ivoire		Côte d'Ivoire has not printed or introduced harmonised customs documents: the certificate	Côte d'Ivoire has removed all non-tariff	An assessment of the country's position vis-	Côte d'Ivoire has ratified the protocol

		of origin, the customs nomenclature (HS) and declaration form. Barriers to trade in unprocessed goods and industrial products are still in existence, and Côte d'Ivoire does not participate in the trade liberalisation scheme for industrial products.	barriers of a monetary nature but is not a member and is fully paid up to the WACH.	à-vis the new ECOWAS macro-economic convergence criteria is in progress.	and has incorporated the Community levy into its appropriation Bill.
The Gambia	The visa and entry permit requirement has been abolished for ECOWAS nationals, and The Gambia has introduced the travel certificate and the Brown Card motor vehicle insurance scheme. However, it is yet to introduce the harmonised immigration and emigration form and has not yet set up a committee to monitor programmes on free movement of persons and vehicles.	The Gambia has printed and introduced harmonised customs documents: the certificate of origin, the customs nomenclature (HS) and declaration form. The transit certificate (ISRT) has not yet been introduced, but have guarantors been designated for transit operations. Tariff barriers to trade in unprocessed goods and industrial products have been eliminated in the Gambia. The country does not participated in the TLS for industrial products.	All non-tariff barriers of a monetary nature have been eliminated and The Gambia is paid up with regard to its contribution to the WACH.	An assessment of the country position is in progress.	The protocol on the Community levy has been ratified and has been incorporated into the Gambian national appropriation bill.
Ghana	Ghana has abolished entry visas and permits for ECOWAS nationals, adopted the ECOWAS travel certificate and put into use the ECOWAS Brown Card scheme. On the other hand, it has not yet adopted the harmonised immigration and emigration form or set up the committee to monitor programmes on free movement of persons and vehicles. In addition, all vehicles entering Ghana must pay a transit tax in foreign exchange.	With regard to the printing and putting into use of the harmonised customs documents, the certificate of origin, the customs nomenclature (HS) and the customs declaration have all been put into use. The country has ratified the protocol on the Community levy and has designated a national guarantor for transit operations. Ghana has lifted tariff barriers under the TLS for unprocessed goods but not for industrial productions. Furthermore, it owes UA 1,250,200 to Benin as arrears of contributions to the estimated compensation budget.	Ghana has removed barriers of a monetary nature, such as the requirement to pay hotel bills and port and airport taxes in foreign currency. However, vehicle transit charges are payable in foreign currency. Ghana is fully paid up to the WACH.	An evaluation of the country's position vis-à-vis the new macro-economic convergence criteria is being conducted.	Ghana has ratified the protocol on the Community levy and incorporated into its 2000 Appropriation bill.
Guinea	The visa and entry permits requirement has been abolished for ECOWAS nationals, and Guinea has introduced the ECOWAS travel certificate and Brown Card motor vehicle insurance scheme, and has established the committee to monitor implementation of programmes relating to free movement of persons and vehicles. However, the harmonised immigration and emigration	Guinea has printed and introduced the certificate of origin. However, other harmonised customs documents, the customs nomenclature (HS) and the customs declaration form and the transit certificate (ISRT) do not exist. A national guarantor for transit operation has however been designed. Tariff barriers to trade in unprocessed good have removed. Barriers to trade in industrial	Guinea has eliminated all non-tariff barriers of a monetary nature such as the requirement to pay hotel bills and port and airport taxes in foreign currency. It is fully paid up to the WACH.	An evaluation of the extent of the country's compliance with the new convergence its 2000 national appropriation bill . However, the total amount realised which could have been used to	Guinea has ratified the protocol on the community levy and incorporated it into its 2000 national appropriation bill. However, the total amount realised with could have been used

	from have not been introduced.	products are still in existence, and Guinea has submitted no industrial products for approval to benefit from the trade liberalisation scheme.		offset Guinea's arrears of contribution was not paid into the account opened by ECOWAS.	to offset Guinea's arrears of contribution was not paid into the account opened by ECOWAS.
Guinea Bissau	The visa and entry permits requirement has been abolished for ECOWAS nationals and Guinea Bissau has not set up a monitoring committee for the programmes on free movement of persons and vehicles, and has also instituted the Brown Card motor vehicle scheme. However, Guinea Bissau is yet to introduce the ECOWAS travel certificate, the harmonised immigration and emigration from.	Guinea Bissau has printed and introduced the certificate of origin customs nomenclature (HS) and the customs declaration form. However, the transit certificate (ISRT) is not circulation and no national guarantor has been designated for transit operations. Tariff barriers to trade in unprocessed goods and industrial products are still in existence, and Guinea Bissau has not submitted any industrial products for approval under the trade liberalisation scheme.	All non-tariff barriers of a monetary nature have been eliminated. The regulation requiring hotel bills and port and airport taxes to be paid in foreign currency is no longer applicable. Guinea Bissau is owing the sum of UA 7,600,000 as arrears of contribution to the WACH.	ECOWAS is currently compliance with the macro-economic convergence criteria.	The protocol on the Community levy has not been ratified or incorporated into the national appropriation bill.
Liberia	Liberia has abolished entry visas and permits for ECOWAS national. However, it has not adopted the ECOWAS travel certificate and harmonised immigration and emigration form or set up the requisite committee to monitor the programmes of free movement of the persons and vehicles. In addition, the Brown Card Scheme does not exist in the country.	Customs documents such as the certificate of origin, customs nomenclature (HS), the customs declaration and the transit certificate (ISRT) log-book have not been printed and put into use . With regard to the removal of tariff barriers under the TLS, Liberia has not lifted barriers to unprocessed goods and industrial products.	All non-tariff barriers of a monetary nature have not been removed. The country, however, owes U.A 5,7million in arrears of contributions to WACH.	Evaluation of the level of macro-economic convergence criteria is in progress.	Liberia has not yet ratified the protocol on the Community level or incorporated it into its national budget.
Mali	The visas and permits entry requirement has been abolished for ECOWAS national. Mali has set up a committee to monitor the programmes of free movement of the persons and vehicles and introduced the ECOWAS Brown Card motor vehicle insurance scheme. However, the ECOWAS travel certificate and the harmonised immigration and emigration forms are yet to be introduced.	Mali has printed and introduced harmonised customs documents: the certificates of origin, customs nomenclature (HS) and declaration for, and the transit certificate (ISRT). A national guarantor has also been designated for transit operations. Tariff barriers have been lifted to trade in unprocessed goods but not on industrial products.	Non tariff barriers of a monetary nature such as the requirement that hotel bills port and airport taxes be paid in foreign currency have been eliminated in Mali. Mali is fully paid up in its contributions to the WACH.	The evaluation is in progress.	Mali has ratified the protocol and incorporated the levy into its national appropriation bill.
Niger	The visas and permits entry requirement has	Harmonised customs documents such as the	All non- tariff barriers	The evaluation is in	Niger has ratified the

	been abolished for ECOWAS national. Niger has set up a committee to monitor programmes of free movement of the persons and vehicles and introduced the ECOWAS Brown Card motor vehicle insurance. However, Niger is yet to introduce the ECOWAS harmonised immigration and emigration forms.	certificate of origin, the customs nomenclature (HS) and declaration form and the transit certificate (ISRT) has been printed and introduced. National guarantors for transit operations have also been designated. Tariff barriers to trade in unprocessed goods have been lifted, but the same remains to be done for industrial products.	of a monetary nature have been eliminated, and hotel bills, port and airport taxes are payable in local currency for ECOWAS nationals. Being a member of the BCEAO? Niger owes no arrears to the WACH. Mali is fully paid up in its contributions to the WACH.	progress.	protocol and incorporated it into its 2000 national budget.
Nigeria	The visas and permits entry requirement has been abolished in Nigeria for ECOWAS national. Nigeria has introduced the ECOWAS travel certificate, established a national committee to monitor programmes of free movement of persons and vehicles and introduced the ECOWAS Brown Card motor vehicle insurance. However, Nigeria is yet to introduce the harmonised immigration and emigration forms.	With regard to the printing and use of harmonised customs documents, only the certificate of origin is presently in use in Nigeria. Other customs documents such as the customs nomenclature (HS) and declaration form and the transit certificate (ISRT) has been introduced. Nigeria has removed tariff barriers to trade in unprocessed goods in implementation of the trade liberalisation scheme but not on industrial products. Tariff barriers to trade in unprocessed goods have been lifted, but the same remains to be done for industrial products.	All barriers of a monetary nature have been eliminated in Nigeria: payment of hotel bills, port and airport charges. Nigeria is up to date in its contributions to the WACH.	ECOWAS is currently reviewing the situation in the light of the new ECOWAS maco-economic convergence criteria.	Nigeria has ratified the protocol on the Community levy and incorporated it into its appropriation bill for 2000.
Senegal	The visas and permits entry requirement has been abolished in Senegal for ECOWAS national. Senegal has set up a committee to monitor programmes of free movement of the persons and vehicles and introduced the ECOWAS Brown Card motor vehicle insurance. However, the ECOWAS Travel Certificate is not yet in use and the immigration and emigration forms has not been introduced.	Senegal has printed and introduced harmonised customs documents such as the certificate of origin, the customs nomenclature (HS) and declaration forms. However, the transit certificate (ISRT) has not been introduced although guarantors for transit operations have also been designated. Tariff barriers to trade in unprocessed goods have been lifted, but the same remains to be done for industrial products.	All non- tariff barriers of a monetary nature have been eliminated, and hotel bills, port and airport taxes are payable in local currency for ECOWAS nationals. Being a member of the BCEAO? Niger owes no arrears to the WACH.	The situation is being reviewed in the light of the new ECOWAS macro-economic convergence criteria.	Senegal has ratified the protocol and incorporated the levy into its appropriate bill.
Sierra Leone	The visas and entry permit requirement has been abolished for ECOWAS nationals and	Sierra Leone has printed and introduced harmonised customs documents such as the	Non-tariff barriers of a monetary nature have	An evaluation study is being conducted in the	Sierra Leone is yet to ratify the protocol on

	Sierra Leone has introduced the ECOWAS Brown Card motor vehicle insurance scheme. It has introduced the travel certificate. However, it is to launch the harmonised immigration and emigration form and set up a committee to monitor programmes of free movement of persons and vehicles.	certificate of origin, the customs nomenclature (HS) and declaration forms. However, even though the transit certificate (ISRT) has not yet been introduced, it has appointed national guarantors for transit operations. Moreover, Sierra Leone has eliminated tariff barriers in accordance with the trade liberalisation scheme in unprocessed goods and industrial products. It owes the sum of UA 75,140 in respect of its contribution to the estimated compensation budget.	been eliminated and ECOWAS national still pay hotel bills and airport tax in foreign currency. Sierra Leone is full paid up with regard to its contribution to the WACH.	light of the new macro-economic convergence criteria.	the Community levy incorporate it into its nation budget.
Togo	The visas and entry permit requirement has been abolished for ECOWAS nationals, and Togo has introduced the Brown Card motor vehicle insurance scheme. A committee to monitor programmes of free movement of persons and vehicles has been set up. However, Togo is yet to introduce the harmonised immigration and emigration form and the ECOWAS travel certificate.	Togo has printed and introduced harmonised customs documents such as the certificate of origin, the customs nomenclature (HS) and declaration forms and the transit certificate (ISRT). It has also designated a national guarantor for transit operation. Tariff barriers to trade in unprocessed goods have been eliminated in Togo in implementation of the trade liberalisation scheme. Trade barriers on industrial products are yet to be lifted. There has been no contribution form Togo to the estimated compensation budget.	Non-tariff barriers of a monetary nature such as the requirement to pay hotel bills and port and airport taxes in foreign currency no longer apply to ECOWAS nationals. Togo is fully paid up in its contributions to the WACH.	A study is in progress in the light of the new macro-economic convergence indicators recently adopted by ECOWAS.	The protocol has been ratified and incorporated into the Togolese national budget. However, the country did not say the full amount collected into the ECOWAS account; It could thus not serve to offset its arrears.

Source: ECOWAS (2000) Annual Report; ECOWAS Executive Secretariat, http://www.ecowas.int/sitecedeao/pays/web/

Table 2: Countries' arrears of statutory contributions to the ECOWAS Executive Secretariat budget (as at 30 September 2000)

	years of arrears	*Amount (million US$)*	*Payment of contributions*
Bénin	current		Benin is fully paid up in its contributions to the Executive Secretariat and the Fund, and its debt repayment is on schedule.
Burkina Faso	current		Burkina Faso owes no arrears contributions to the budget of the Executive Secretariat and is fully paid up to the ECOWAS Fund.
Cape Verde	10	2.5	Cape Verde owes arrears of: **i.UA1,029,112 to the budget of the Executive Secretariat;** ii. UA 99,043 as payment of the second tranche of the Fund's capital; iii. UA 57, 498 for construction of headquarters.
Côte d'Ivoire	current		Côte d'Ivoire is fully paid up in its contribution to the Executive Secretariat. However, it owes UA 1,316,720 in contributions to the second tranche of the Fund's capital.
The Gambia	11	2.9	The Gambia owes the following in arrears of contributions: i. UA 1,514,300 to the Executive Secretariat budget; ii. UA 654,139 as the second tranche of contributions to the capital of the Fund. Iii. UA 204,719 for the construction of headquarters.
Ghana	2	1.97	Ghana's arrears of contributions are follows: **i. UA 1,133,055 for the Executive Secretariat budget;** ii. UA 1,971,551 for the second tranche of the capital of the Fund. Iii. UA 1,232,656 for the construction of headquarters.
Guinea	5	2.06	Guinea has arrears of UA 1,514,300 outstanding in its contributions to the budget of Executive Secretariat.
Guinea Bissau	10	2.8	Guinea Bissau owes substantial amounts in respect of contributions to the budgets of the Community institutions: i. UA. 1,280,156 to the budget of the Executive Secretariat; ii.UA. 588,614 as the second tranche of contributions to the capital of the Fund; iii. UA. 1,412,366 as loan arrears to the Fund; iv. UA. 151,897 for construction of headquarters. Guinea Bissau owes UA 1,039,022 as arrears on a loan from the ECOWAS Fund.
Liberia	20	11.5	Liberia owes huge arrears of contributions to the budgets of the Community institutions: i. UA. 6,968,826 to the budget of the Executive Secretariat; ii. UA. 580,689 for the first tranche of the ECOWAS Fund's capital ; iii. UA. 2,629,142 for the second tranche of the ECOWAS Fund's capital ; and iv. UA. 703,045 U.A for construction of headquarters. v. UA. 2,001,830 on loan repayments
Mali	0		Mali is current in its contributions to the budgets of the Executive Secretariat and has no arrears to ECOWAS Fund.

Niger	6	2.1	Niger owes large amounts in respect of contributions to the budgets of the ECOWAS institutions: i. U.A 1n424n307 to the budget of the Executive Secretariat; ii. U.A 819,555 as the second tranche of contributions to the capital of the Fund; iii. U.A 939,546 as arrears on loan repayments to the Fund; iv. UA 152,072 foe the construction of headquarters.
Nigeria	current		Nigeria is set up to date in its contributions to the Executive Secretariat and the Fund. The sum of UA 791,025 is outstanding as arrears of payment for a loan from the ECOWAS Fund.
Senegal	3	1.29	Senegal is owing large amounts in respect of contributions to the ECOWAS institutions: i. U.A 1,285,066 to the budget of the Executive Secretariat; ii. U.A 2,119,010as the second tranche of contributions to the capital of the Fund; iii. U.A 189,365 for the construction of headquarters.
Sierra Leone	11	3.7	Sierra Leone owes large amounts in respect of contributions to the budgets of ECOWAS institutions, as follows: **i. U.A 2,339,610 to the budget of the Executive Secretariat;** ii. U.A 1,562,310 as the second tranche of contributions to the capital of the Fund; iii. U.A 534,963 for the construction of headquarters.
Togo	0		Togo is owing UA 1,376,859 in contributions to the budget of Executive Secretariat and UA 103,637 as arrears in repayment of a loan from the ECOWAS Fund. large amounts in respect of contributions to the budgets of ECOWAS institutions, as follows: i. U.A 2,339,610 to the budget of the Executive Secretariat; ii. U.A 1,562,310 as the second tranche of contributions to the capital of the Fund; iii. U.A 534,963 for the construction of headquarters.
Total		35.2	

Source: ECOWAS (2000) Annual Report; ECOWAS Executive Secretariat, http://www.ecowas.int/sitecedeao/pays/web/

Table 3: ECOWAS countries: Main Economic Indicators (1999)

Economy 1999	*Benin*	*Burkina Faso*	*Cape Verde*	*Cote d'Ivoire*	*Gambia*	*Ghana*	*Guinea*	*Guinea Bissau*	*Liberia*	*Mali*	*Niger*	*Nigeria*	*Senegal*	*Sierra Leone*	*Togo*
Population, total (million)	6.1	11	0.4278	15.5	1.3	18.8	7.3	1.2	3	10.6	10.5	123.9	9.3	4.9	4.6
GNI, Atlas method (million current US$)	2.3	2.6	0.5695	10.4	0.4145	7.5	3.6	0.1944	..	2.6	2	31.6	4.7	0.6527	1.4
GNI per capita, Atlas method (current US$)	380	240	1,330.0	670	330	400	490	160	..	240	190	260	500	130	310
GDP growth (annual %)	5	5.8	8	2.8	6.4	4.4	3.3	7.8	..	5.5	-0.6	1	5.1	-8.1	2.1
Agriculture, value added (% of GDP)	37.9	31.3	12	26	31.4	35.6	23.9	62.3	..	46.5	40.7	39*	18	42.6	41.3
Industry, value added (% of GDP)	13.8	28.3	16.4	26.4	13	25.3	37.4	11.8	..	16.7	17.2	33.3*	25.5	26.7	21
Manufacturing (1997)	4.6	13.6	7.1	14.0	5.8	9.8	4.7	1.2	12.5	8.8	3.9	3.9	19.6	5.7	6.8
Services, etc., value added (% of GDP)	48.3	40.4	71.6	47.6	55.7	39.1	38.7	26	..	36.8	42.1	27.6*	56.4	30.7	37.7
Exports of goods and services (% of GDP)	16.7	11.3	23.2	44.3	50.5	33.5	21.4	25.6	..	24.9	16	36.5	32.7	13.9	30.3
Imports of goods and services (% of GDP)	28	29.4	50.3	37.5	66.6	50.5	23.5	44	..	36	22.4	42.3	39.1	20.2	40.1
Gross capital formation (% of GDP)	17.6	27.8	37.6	16.3	17.8	23.2	17.5	16.3	..	21.2	10.2	24.2	19	0.3	13.4
Required growth to reduce poverty headcount at 4% p.a.	6.60	6.76	5.90	6.87	8.64	6.76	7.30	6.65	..	7.74	9.75	853	6.30	6.58	8.16

Note: *1998, **1995.

Source: World Development Indicators database, April 2001, ECA Annual Report, 1999.

Table 4: Market Shares by Region (% share by region and major trading partner)

UEMOA

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	61	60	49	60	57	50
US	5	4	6	4	5	3
Japan	2	1	1	3	4	2
EU	52	53	40	51	47	43
France	15	18	13	28	26	23
Italy	8	8	6	4	3	4
Spain	4	4	4	3	3	3
Developing Countries	35	39	48	36	41	48
Africa	26	22	27	22	22	25
Asia	8	11	11	12	14	16
UEMOA	12	10	12	10	6	10

ECOWAS

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	83	73	60	66	63	55
US	27	25	23	6	6	6
Japan	1	1	2	9	11	6
EU	47	43	32	49	44	41
France	8	9	8	15	14	13
Italy	5	4	4	4	5	4
Spain	7	7	6	3	2	3
Developing Countries	16	26	38	32	36	44
Africa	9	13	16	10	12	15
Asia	3	8	13	15	18	21
ECOWAS	7	10	12	9	9	12

Source: IMF, *Direction of Trade Statistics*

Table 5: Intensities

Share of region in world's	Exports			Imports		
	1990	1995	1999	1990	1995	1999
UEMOA	0.14	0.11	0.12	0.19	0.15	0.16
ECOWAS	0.66	0.41	0.38	0.58	0.45	0.43

Export Intensities	1990	1995	1999
UEMOA	64.46	64.95	75.90
ECOWAS	12.04	21.65	28.01

Import Intensities	1990	1995	1999
UEMOA	68.56	58.77	84.09
ECOWAS	13.95	22.81	30.99

Calculated from IMF, *Direction of Trade Statistics*

Table 6: Comparisons of Market (%)

Ratios	*Exports*			*Imports*		
UEMOA/ECOWAS						
Benin	51	45	100	81	67	84
Burkina Faso	92	91	50	100	73	90
Cote d'Ivoire	64	58	60	8	6	10
Guinea Bissau	85	100	100	98	100	100
Mali	99	67	71	92	100	99
Niger	38	28	11	86	48	68
Senegal	80	68	70	53	29	30
Togo	85	19	56	79	23	22
France/EU						
Benin	3	20	10	47	62	49
Burkina Faso	55	54	26	64	57	62
Cape Verde	5	0	0	6	8	5
Cote d'Ivoire	14	32	31	55	54	54
Gambia	6	38	0	20	16	14
Ghana	6	15	9	8	8	20
Guinea	17	14	13	49	46	44
Guinea Bissau	3	0	14	10	9	9
Liberia	8	4	6	24	22	7
Mali	22	1	7	54	57	58
Niger	89	91	92	57	67	65
Nigeria	17	18	26	16	16	18
Senegal	59	47	39	59	59	55
Sierra Leone	3	0	0	11	11	3
Togo	26	28	22	47	40	45

Source: IMF, *Direction of Trade Statistics*

Table 7: UEMOA Direction of Trade (% share by regions and major partners)

Benin

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	59	34	21	51	60	54
US	17	1	4	5	6	5
Japan	0	0	0	2	4	3
EU	42	32	14	44	50	45
France	1	6	1	20	31	22
Italy	8	4	4	3	2	4
Netherlands	3	1	0	8	5	5
Spain	8	2	3	1	3	4
UK	2	1	1	2	3	4
Developing Countries	40	61	79	45	39	46
Africa	19	17	8	9	19	25
Asia	11	23	44	35	17	14
UEMOA	7	3	5	6	6	19
ECOWAS	13	6	5	7	10	22
Cote d'Ivoire	4	1	1	3	3	10
Brazil	0	19	20	0	0	1
India	1	6	15	2	1	2
China, PR	0	2	1	2	3	5

Burkina Faso

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	57	48	43	57	58	39
US	1	0	2	3	5	2
Japan	5	3	4	4	7	2
EU	51	28	36	50	45	36
France	28	15	9	32	26	22
Italy	7	9	11	5	3	2
UK	1	0	1	2	2	2
Developing Countries	41	52	57	42	42	59
Africa	22	34	14	32	30	29
Asia	19	18	18	8	8	5
UEMOA	10	26	5	31	18	26
ECOWAS	11	28	9	31	25	29
Cote d'Ivoire	1	21	0	26	16	24
Venezuela	0	0	16	0	1	20

Cote d'Ivoire

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	61	67	53	59	68	58
US	6	4	8	5	5	4
Japan	2	1	0	2	4	2
EU	53	62	43	50	56	49
France	7	20	13	28	31	26
Germany	7	6	7	4	5	4
Italy	9	8	5	3	4	5
Netherlands	15	14	7	4	3	2
UK	3	4	3	2	2	3
Developing Countries	37	32	44	38	32	41
Africa	32	23	29	30	17	14
Asia	3	4	4	5	8	18
UEMOA	16	11	14	2	1	1
ECOWAS	25	18	23	27	14	13
China PR	0	0	0	0	2	7
Burkina Faso	4	3	4	0	0	0
Ghana	3	2	6	0	0	0
Mali	4	4	5	1	0	0
Nigeria	2	2	1	23	12	10

Senegal

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	61	35	46	71	63	64
US	1	0	0	4	6	4
Japan	2	1	3	3	4	3
EU	57	33	42	63	52	55
France	33	16	17	37	31	30
Italy	9	10	12	6	3	6
UK	1	1	1	2	2	2
Developing Countries	32	57	46	25	37	36
Africa	17	26	27	14	14	14
Asia	14	28	18	8	14	16
UEMOA	9	14	10	5	3	3
ECOWAS	11	20	15	9	9	10
India	11	22	16	0	4	3
Nigeria	0	3	0	4	6	7

Togo

	Exports			Imports		
	1990	1995	1999	1990	1995	1999

Industrialised Countries	53	43	23	54	35	31
US	1	8	1	4	2	2
Japan	0	0	0	3	2	2
EU	37	22	15	45	31	26
France	10	6	3	21	12	12
UK	2	1	0	3	2	3
Developing Countries	38	54	73	45	65	68
Africa	15	17	30	16	28	37
Asia	14	28	29	27	36	30
UEMOA	9	2	14	11	6	8
ECOWAS	10	12	25	14	25	35
China, PR	1	0	0	4	13	7
HK	0	1	0	6	6	5
Thailand	0	3	0	5	5	5
Benin	3	0	10	0	0	0
Ghana	1	3	4	2	17	25

Mali

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	40	39	43	53	40	35
US	1	2	3	2	3	3
Japan	1	1	0	2	2	1
EU	32	33	30	48	34	31
France	7	0	2	26	19	18
Italy	3	7	12	3	1	1
UK	1	0	2	3	4	2
Developing Countries	48	60	55	42	56	60
Africa	25	8	9	32	46	51
Asia	23	41	39	6	8	7
UEMOA	6	2	2	29	22	24
ECOWAS	6	3	3	31	22	24
Cote d'Ivoire	4	1	1	23	17	20
Korea	3	0	9	0	0	0
Thailand	2	19	10	0	1	0

Guinea Bissau

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	30	56	10	71	56	46
US	0	0	0	1	1	1
Japan	1	0	0	11	7	1
EU	29	54	9	59	48	41

France	1	0	1	6	4	4
Italy	4	10	5	5	1	1
Spain	0	38	1	1	4	1
Developing Countries	70	44	89	22	41	43
Africa	6	2	4	15	4	16
Asia	61	41	65	8	36	24
UEMOA	5	1	2	11	4	16
ECOWAS	6	1	2	11	4	16

Niger

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	90	80	67	57	50	44
US	15	0	0	3	6	3
Japan	0	22	18	4	6	6
EU	74	58	49	49	37	35
France	66	52	45	28	25	23
Italy	1	0	0	4	1	2
Spain	5	5	4	1	1	1
Developing Countries	10	20	33	20	36	51
Africa	9	20	33	14	27	32
Asia	1	0	0	4	7	15
UEMOA	3	5	3	11	12	21
ECOWAS	8	19	32	13	25	30

Source: IMF, *Direction of Trade Statistics*

Table 8: Non-UEMOA members of ECOWAS Direction of Trade (% share by regions and major partners)

Ghana

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	84	70	61	66	58	53
US	13	11	9	10	7	8
Japan	5	4	3	5	4	3
EU	63	52	46	46	44	39
France	4	8	4	3	4	8
Germany	32	12	5	9	8	6
Italy	2	4	9	4	4	4
Netherlands	5	3	7	5	5	4
UK	14	14	12	20	16	10
Developing Countries	10	25	33	34	41	46
Africa	2	16	19	20	23	29
Asia	4	6	8	7	11	14
ECOWAS	2	15	18	19	20	25
Cote d'Ivoire	0	0	0	7	4	9
Nigeria	0	3	3	12	15	15
Togo	2	10	13	0	0	0

Guinea

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	84	78	69	76	57	65
US	20	22	18	8	7	8
Japan	1	0	0	4	8	3
EU	57	50	49	62	41	51
France	10	7	6	31	19	23
Belgium	11	0	15	7	8	9
Ireland	11	12	10	0	0	0
Spain	9	12	9	4	3	3
UK	3	3	1	4	1	4
Developing Countries	16	17	31	24	38	35
Africa	10	5	7	14	14	12
Asia	3	0	7	7	16	21
ECOWAS	3	0	3	12	12	10
Cote d'Ivoire	0	0	1	11	10	7
Cameroon	7	4	4	0	0	0

Liberia

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	86	81	81	68	66	51
US	2	1	5	1	1	1
Japan	0	0	0	28	33	25
EU	42	80	66	33	31	24
France	3	3	4	8	7	2
Belgium	17	72	48	0	5	0
Germany	6	0	1	7	8	14
UK	1	0	0	0	0	1
Developing Countries	14	19	19	32	34	49
Africa	0	3	2	0	1	5
Asia	12	7	13	25	29	36
ECOWAS	0	1	1	0	0	1
Korea	11	0	4	14	21	28
Singapore	1	4	3	8	6	7

Nigeria

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	90	78	65	70	69	62
US	40	39	36	9	12	9
Japan	0	1	2	5	3	4
EU	43	34	23	56	51	47
France	7	6	6	9	8	8
Germany	9	5	2	12	11	10
Spain	10	9	8	2	2	2
UK	4	2	2	15	13	11
Developing Countries	10	22	35	27	31	38
Africa	5	9	11	2	5	5
Asia	0	7	15	15	18	26
ECOWAS	5	7	8	1	4	3
Cote d'Ivoire	3	3	2	1	2	1
Ghana	1	3	4	0	1	1
China PR (excl HK)	0	0	1	1	3	6
India	0	5	9	1	3	3
Brazil	1	2	6	3	5	3

Cape Verde

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	64	69	95	83	85	85
US	0	0	0	4	3	3

Japan	0	0	0	0	0	0
EU	63	69	90	79	81	82
France	3	0	0	5	7	4
Italy	2	8	0	5	3	4
Spain	31	8	5	7	2	3
Developing Countries	33	15	5	9	10	8
Africa	33	15	5	3	4	4
Asia	0	0	0	1	1	2
ECOWAS	2	0	5	2	2	1

Gambia

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	90	61	75	54	57	57
US	0	4	0	0	5	5
Japan	35	0	0	4	4	3
EU	53	57	63	49	48	48
France	3	21	0	10	8	7
Italy	1	0	0	3	2	2
Spain	1	4	13	0	3	2
Developing Countries	10	36	25	39	44	43
Africa	6	25	13	9	19	9
Asia	2	11	0	29	20	20
ECOWAS	5	21	13	9	16	7

Sierra Leone

	Exports			Imports		
	1990	1995	1999	1990	1995	1999
Industrialised Countries	93	51	67	57	60	44
US	25	5	33	8	8	5
Japan	0	0	0	5	1	1
EU	67	46	33	43	49	36
France	2	0	0	5	5	1
Italy	8	0	0	4	3	1
Spain	0	0	0	1	2	1
Developing Countries	1	39	33	41	38	53
Africa	1	24	33	34	16	9
Asia	0	0	0	6	17	7
ECOWAS	0	0	0	33	14	6

Source: IMF, *Direction of Trade Statistics*

Table 9: Refugees and others of concern to UNHCR[a] in West Africa, end-2000

Country/territory[1]	Refugees[2]	Asylum-seekers[3]	Returned refugees[4]	Others of concern: Internally Displaced[5]	Others of concern: Returned IDPs[6]	Others of concern: Various[7]	Total population of concern
Benin	4,296	66	8	-	-	-	4,370
Burkina Faso	696	314	3	-	-	-	1,013
Côte d'Ivoire	120,691	2,242	-	-	-	-	122,933
Gambia	12,311	117	-	-	-	-	12,428
Ghana	12,720	443	1	-	-	-	13,164
Guinea	433,139	-	-	-	-	-	433,139
Guinea-Bissau	7,587	46	541	-	-	-	8,174
Liberia	69,315	-	42,363	110,686	13,361	-	235,725
Mali	8,412	710	5	-	-	-	9,127
Niger	553	-	1	-	-	-	554
Nigeria	7,270	329	1	-	-	-	7,600
Senegal	20,766	1,950	23	-	-	-	22,739
Sierra Leone	6,546	459	40,900	300,000	200,000	-	547,905
Togo	12,223	77	2	-	-	-	12,302
West Africa	**716,525**	**6,753**	**83,848**	**410,686**	**213,361**	**-**	**1,431,173**
Africa	**3,611,155**	**89,761**	**279,371**	**1,112,028**	**213,361**	**30,242**	**5,335,918**
World Total	**12,148,017**	**896,557**	**793,104**	**5,265,335**	**369,055**	**1,653,892**	**21,125,960**

Notes:

[a] The returned refugees and returned IDPs concern only those who returned during 2000. This is different from the 1999 population of concern to UNHCR which counted returned refugees and returned IDPs for two years (Refugees and Others of Concern to UNHCR, 1999 Statistical Overview).

[1] Country or territory of asylum or residence.

[2] Refugees: persons recognized as refugees under the 1951 Convention, the 1969 OAU Convention, in accordance with the UNHCR Statute, persons granted a humanitarian status and those granted temporary protection.

[3] Asylum-seekers: persons whose application for refugee status is pending in the asylum procedure or who are otherwise registered as asylum-seekers.

[4] Returned refugees: refugees who have returned to their place of origin during the year.

[5] Internally displaced persons (IDPs): persons who are displaced within their country and to whom UNHCR extends protection and/or assistance pursuant to a special request by a competent organ of the United Nations.

[6] Returned IDPs: IDPs of concern to UNHCR who have returned to their place of origin during the year.

[7] Others of concern to UNHCR.

Source: UNHCR, http://www.unhcr.ch/statist/2000provisional/main.htm

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