Chapter 5

Case study of the Economic Community of West African States

Regionally-focused aid for trade has emerged as a means by which developing countries can overcome productive capacity and infrastructural constraints, promote regional integration, and increase both regional and global trade. This chapter provides the ECOWAS perspective on regional aid for trade (AFT). Stakeholder consultations reveal the importance of regional AFT projects for enhancing regional integration and expanding trade. However, regional AFT projects are difficult to mainstream into national plans due to issues related to implementation, ownership and aligning national, regional and donor goals. Lessons learnt are that AFT is not a sectoral issue but rather is cross-cutting. Mainstreaming is important; it is a process and not an event. National budgetary processes must continually capture multi-country and regional AFT projects. There is the need for a regional body to co-ordinate regional AFT and co-ordinate donors so as to maximise the benefits from regional AFT.

Introduction

The role of trade in development is well documented and the need to provide concessions to developing countries, particularly low-income countries (LICs), to enable them integrate fully into the international trading system on the same terms and conditions as their developed counterparts has long been recognised. Therefore, various concessions (for example, enhanced market access through trade preferences) were introduced to help LICs benefit from the international trading system. However, owing to constraints in productive capacity arising largely from human, institutional, infrastructural and other bottlenecks, some developing countries have achieved little success despite the numerous market access opportunities present in the global trading system. Intra-regional trade among developing countries in some regions has not fared any better. In the case of sub-Saharan Africa (SSA) the problem is even more acute. Market access is thus a necessary but insufficient condition for harnessing the opportunities that trade presents for development to LICs. To access global export markets and then survive in them, firms and traders in LICs must be able to offer competitive products. For example, appropriate and adequate infrastructure must be in place. There must also be state capacity to develop sound trade policies and to competitively negotiate in international trade agreements. Aid for trade (AFT) – a concept that has assumed increasing importance in the disbursement of development assistance – is considered a potential instrument for addressing these challenges faced by developing countries.[1]

One of the major developments in international economic relations over the past decades has been the rise of various regional trading blocs. The economic literature supports the view that regional co-operation can offer large benefits to developing countries, including expanded markets and input sources, better allocation of resources across the region and acceleration of economic growth (Asian Development Bank, 2013).[2] However, certain preconditions of economic integration must be in place, including efficient economic infrastructure and a trade-enabling environment. The extent to which developing countries can benefit from regional integration will depend on whether they can effectively overcome these constraints. Aid for trade (AFT), which essentially is development assistance to bolster trade capacity and reduce trade costs in developing economies, can have high returns in terms of greater growth and poverty reduction by improving their capacity to benefit from both regional and global trade.

To better understand the constraints to getting the most out of regionally-focused AFT projects, careful analysis at the regional and sub-regional level is required. This chapter provides the ECOWAS perspective on regional AFT. The objectives are to: 1) review relevant regional co-operation and integration initiatives in Africa in general and ECOWAS in particular; 2) provide a status quo analysis of multi-country and regional AFT projects in ECOWAS; 3) analyse the challenges present in creating a higher profile for regional AFT in ECOWAS, including challenges to mainstreaming regional AFT projects in ECOWAS countries, the degree to which multi-country and regional projects are "owned" by regional organisations and by national authorities, and difficulties encountered in aligning goals of stakeholders, including dialogue partners; and 4) discuss lessons learnt and provide a summary of "good practices" in mainstreaming regional AFT in Africa.

The approach involved reviewing existing relevant literature on AFT particularly in the context of ECOWAS. In addition, stakeholder consultations were held in Ghana and at the ECOWAS Secretariat in Abuja, Nigeria. In Ghana, discussions on AFT were held at two key government institutions[3], namely: i) the Ministry of Foreign Affairs and

Regional Integration; and ii) the National Development Planning Commission (NDPC). At the ECOWAS Secretariat, discussions were held at the Trade Directorate.

The rest of the report is structured as follows: the next section discusses regional co-operation and integration initiatives in Africa with a particular emphasis on ECOWAS; this is followed by a section discussing completed, ongoing and in-the-pipeline multi-country and regional AFT projects in ECOWAS; challenges to regional AFT in the context of ECOWAS are discussed in the subsequent section, with emphasis on the issues of mainstreaming, ownership and implementation, and alignment of national, regional and donor goals; the penultimate discusses lessons learnt, while the last section concludes.

Regional co-operation and integration initiatives in Africa

One of the major developments in the international economic arena over the past decades has been the rise of various regional trading blocs. The continent of Africa is an active participant in this trend. Over the years, many regional and sub-regional treaties were signed, establishing various regional trading blocs in order to attain self-reliant development of member countries on the continent. These include, among others, the Organisation of African Unity (OAU) founded in 1963 (now the African Union); the Customs and Economic Union of Central Africa (CEUCA) founded in 1964 (now known as Central African Economic and Monetary Community, or CEMAC); the East African Community (EAC), which existed from 1967 to 1977; the Southern Africa Customs Union (SACU), established in 1969; the Southern African Development Coordinating Conference (SADCC), founded in 1980, which later became the Southern African Development Community (SADC); and the Common Market for Eastern and Southern Africa (COMESA), established in 1995. In the West African sub-region, there is the Economic Community of West African States (ECOWAS) founded in 1975; and the West African Economic and Monetary Union (UEMOA), which was established in 1994. While some of these institutions are now defunct, the overriding goal of these treaties and regional institutions has been to maximise the economic gains of the region through co-operation and integration. The following sections discuss co-operation and integration initiatives pertinent to West Africa at the African regional level (The African Union) and at the West Africa sub-regional level. The West Africa-European Union co-operation relationship is also discussed.

The African Union

A major need identified by African leaders soon after attaining political independence in the 1950s and 1960s was co-operation among and integration of the economies of the continent as a means of promoting structural transformation and harnessing the continent's economic strength internationally. The OAU was therefore established in 1963 to serve as a vehicle through which the economic development of the continent could be achieved. In 1980 and 1991, the commitment of member states to the creation of an African Economic Community was renewed in the *Lagos Plan of Action* and in the *Abuja Treaty*, respectively.

The 37th Summit of the OAU held in July 2001 was the last for the 38-year-old continental body, making way for the birth of the African Union (AU) on 8 July 2002 in Durban, South Africa. The main objectives of the AU are to: 1) achieve greater unity and solidarity between African countries and the peoples of the continent; 2) accelerate the political and socio-economic integration of the continent; 3) promote democratic principles and institutions, popular participation and good governance; 4) promote peace, security, and stability on the continent; and 5) co-ordinate and harmonise the policies between existing and future Regional Economic Communities (RECs) for the gradual attainment of the overall goals of the continent and its people. Thus, economic co-operation and integration remains a core objective of the AU.

One major problem that has confronted the AU over the years has been insurgency and armed conflicts across the continent (e.g. Sudan, Somalia, Kenya, Liberia, Sierra Leone, Cote d'Ivoire, etc.). The AU has therefore been involved in the peaceful resolution of conflicts among member states rather than paying greater attention to economic co-operation and integration. Future aspirations of the AU include, among others, the creation of a pan-African free trade area (FTA), customs union, single market, African central bank, and a common currency. The establishment of an African Economic Community with a single currency is slated for the year 2023. But by and large, the AU has been very active and more successful in dealing with political issues than the economic challenges confronting the continent.

One significant effort in the last decade to hasten the process of co-operation and integration among African countries is the New Partnership for Africa's Development (NEPAD) initiative. The NEPAD was created out of two parallel initiatives, namely: 1) the Millennium Africa Recovery Plan (MAP), championed by the then South African President Thabo Mbeki and unveiled at the World Economic Forum in Davos in January 2001; and 2) the Omega Plan, crafted by Abdoulaye Wade (a former President of Senegal) and presented to the Summit of Francophone African leaders in Cameroon in January 2001. The MAP and the Omega Plan were combined into a third initiative – the New African Initiative (NAI) – which then led to the creation of NEPAD in 2001. The NEPAD was adopted by African Heads of State and Government of the OAU in 2001 and was ratified by the AU in 2002 to address developmental challenges of Africa within a new framework. The primary objectives of NEPAD are to: i) eradicate poverty; ii) place African countries, both individually and collectively, on a path of sustainable growth and development; iii) halt the marginalisation of Africa in the globalisation process; iv) accelerate the empowerment of women; and v) fully integrate Africa into the global economy. The NEPAD is thus widely seen as a mechanism to further promote economic co-operation among and integration of the economies of the countries of Africa.

Regional co-operation and integration initiatives in West Africa

The Economic Community of West African States

The Economic Community of West African States was founded on 28 May, 1975. It initially comprised all the 16 independent nations of West Africa, namely, Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea–Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, and Togo. Mauritania, however, withdrew from the union in 2000.[4] ECOWAS is thus currently a 15 member union. The aims and objectives of ECOWAS are to: (1) promote free trade by eliminating trade barriers such as tariffs among member states; (2) promote free movement of people among member states by eliminating all forms of immigration impediments; (3) establish a common tariff for member states; (4) establish funds for co-operation, compensation and development; and (5) harmonise policies and promote common projects in the areas of agriculture, transport, energy, etc. Clearly, trade objectives are critical to the aspirations of ECOWAS.

In 1993, the ECOWAS Treaty was revised in an attempt to hasten the process of integration and establish an economic and monetary union to stimulate economic growth and development in West Africa with the objectives of: *i)* removing customs duties on intra-ECOWAS trade; *ii)* establishing a common external tariff (CET); *iii)* harmonising economic and financial policies; and *iv)* creating a single monetary zone. The institutional design of ECOWAS is loosely fashioned after that of the European Union (EU). The institutions operating under ECOWAS include: the Executive Secretariat; the Authority of Heads of State and Government; a Council of Ministers; a Fund for Co-operation, Compensation and Development. Institutions include: a Parliament; an Economic and Social Council; and a Court of Justice.

The population of ECOWAS was in 2012 estimated at about 300 million. The dominant economy in the ECOWAS region is Nigeria, accounting for more than half of the population and about half of the regional aggregate Gross Domestic Project (GDP). Eight ECOWAS member states also belong to the West African Economic and Monetary Union (UEMOA), a customs and monetary union within the sub-region. The exports of member countries are mainly comprised of a limited range of primary (largely agricultural) commodities. This reliance on internationally traded commodities leaves member countries vulnerable to international commodity market price fluctuations. Manufactured exports have not seen any significant increase over the years. Intra-regional trade as a share of total trade is less than 10%, reflecting the lack of complementarities of regional economies.

An essential step towards the creation of the ECOWAS FTA was the introduction of the ECOWAS Trade Liberalisation Scheme (ETLS) aimed at enhancing the free movement of transport, goods and persons within ECOWAS, including the removal of all tariff and non-tariff barriers to trade. While the ETLS has generally succeeded in promoting intra-regional exchange, particularly with regard to persons, it has been less successful in implementing protocols on free movement of goods and transport. When moving goods across borders in the region, traders still encounter tariff and non-tariff barriers that increase the cost of doing business, while transporters also face various types of constraints. For instance, different vehicle standards, inspection requirements, and axle weight limits – all of which were to be harmonised under the ETLS – exist in member states. In a bid to become a customs union, ECOWAS has set itself datelines for the introduction of a CET but this has been missed several times. The new date set for the CET is January 2015. Similarly, the convergence criteria for the creation of a second monetary union within ECOWAS have been missed several times.

In its nearly four decades of existence, ECOWAS has generally underperformed. Intra-regional trade has not improved significantly. Although the share of intra-ECOWAS exports in total exports in the mid-1970s tripled to 9% by 2004 from just 3% prior to the establishment of the ECOWAS (Nielsen and Zouhon-Bi, 2007), intra-ECOWAS trade has largely remained stagnant at about 10% over the past two decades (see Table 5.1). There has been a lack of political will to enforce integration protocols; there are divided amalgamation interests due to multiple and overlapping union membership; multiple objectives are being pursued with a lack of harmonisation of sector policies; and there have been inadequate negotiations of distributive and equity issues (Oyejide at al., 2010). As a result, progress towards the achievement of the objectives of ECOWAS has been slow.

Table 5.1 **Exports of ECOWAS to the ECOWAS sub-region and the rest of the world**

USD billions, 1996-2008

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total intra-ECOWAS trade	3.7	3.9	3.2	2.6	2.8	2.3	3.1	3.3	4.2	5.3	9.9	6.6	7.0
Total extra ECOWAS trade	42.4	40.6	28.1	22.4	33.2	24.0	24.5	32.0	46.9	58.0	67.1	61.3	64.4
Intra-ECOWAS trade share (%)	7.9	8.7	10.1	10.3	7.9	8.8	11.4	9.3	8.2	8.4	12.9	9.8	9.8

Source: Based on data from ECOWAS External Trade Statistics (2009).

The West Africa Economic and Monetary Union

The UEMOA was officially established in January 1994 based on the pre-existing West Africa Monetary Union of the CFA franc zone and comprises of eight francophone West African countries, namely, Benin, Burkina Faso, Côte d'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo. The Union is operationally fashioned after the EU with an UEMOA Commission that is funded by a 1% levy on all imports into the UEMOA zone. The main tasks of the Commission are to establish a customs union; harmonise investment incentives, public financial management procedures and taxation; and monitor key macroeconomic convergence criteria including fiscal deficits, inflation, public sector wages, and government arrears. Other institutions created within the union include: a common central bank; a regional banking commission; a regional stock exchange; and a security exchange commission. Yet others include a court of justice, a general accounting office, regional chamber of commerce, and a parliament.

The establishment of the customs union in the zone brought about an increase in intra-UEMOA trade as a share of total trade from about 10% in 1994 to about 16% in 2000. The dominant economies in the UEMOA zone are Côte d'Ivoire and Senegal, accounting for more than 50% of GDP. Côte d'Ivoire alone accounts for about 50% of total intra-UEMOA trade, highlighting the importance of this country for the region (Egoume and Nayo, 2011). The zone has been largely successful at significantly reducing fiscal and external deficits. The average annual GDP and export growth of the zone are usually higher than those of the SSA region. The economic and financial situation in UEMOA countries improved significantly over the years, especially following the devaluation of the CFA franc in 1994, although the Ivorian conflict has since greatly affected the zone's performance.

West Africa – European Union Economic Partnership Agreement

The EU and the African, Caribbean and Pacific (ACP) relationship has existed since 1975 when the first Lôme Agreement was signed. It is a relationship between the EU and its former colonies in Africa, the Caribbean and Pacific regions. The reason for this relationship was the desire of some members of the European Economic Community (EEC) at that time to maintain some influence in their former colonies. It was also to maintain economic ties that gave them access to raw materials and provide a market for their finished goods. For their part, the former colonies hoped to get aid to develop their economies and to enhance their exports by gaining duty-free access to the EEC market. Four Lôme Agreements were subsequently signed followed by a fifth – the Cotonou Agreement. The Cotonou Agreement originally envisioned negotiation between the EU and ACP countries regarding economic partnership agreements (EPAs), to start in September 2002 and to be concluded by the end of 2007 (Busse et al., 2004).

There are several fundamental components to the EU-ACP agreements. The trade part ensured the removal of tariff barriers to the entry of ACP exports to the EU market. The agreement was non-reciprocal in the sense that ACP countries could impose restrictions on EU goods entering their markets. Another component of the agreement was development aid, which over the years resulted in quite substantial inflows to ACP countries. By the time the Cotonou Agreement was signed there was general agreement that ACP countries, for various reasons, had not been able to take advantage of opportunities offered by the duty-free access to the EU markets. Some of the reasons included lack of adequate information to prospective exporters, complicated rules of origin provisions, and inadequate trade infrastructure. At the same time some provisions of the Agreement violated WTO principles such as non-reciprocity. Thus at the WTO ministerial conference in Doha, Qatar in 2001, it was agreed that these unilateral preferences were to be replaced by reciprocal EPAs between the EU and individual ACP countries or groups of countries by 2007.

The West Africa-European Union (WA-EU) EPA negotiations were the result of the mandate of the 21st session of the Authority of Heads of State and Government of ECOWAS given to the ECOWAS and UEMOA Commissions to negotiate, on behalf of the States of the region, an economic partnership agreement with the EU. The specific objectives of the mandate that have formed the basis of the WA-EU EPA negotiations are to: (1) gradually establish, in line with WTO rules, an FTA between ECOWAS and the EU with effect from January 2008; (2) accord priority to development and poverty reduction; (3) co-operate on trade-related issues; (4) deepen the integration process in West Africa; (5) improve competitiveness; (6) build capacity and upgrade enterprises; and (7) enhance market access for West Africa's exports. The EPA negotiations were planned to be concluded in December 2007 and the agreement was to come into force in January 2008. This date was missed but Cote d'Ivoire and Ghana signed interim EPAs with the EU, leading to the declaration of the Authority of Heads of State and Government of ECOWAS, at its 33rd Summit held in January 2008 the member states' desire to conclude the EPA as a single custom territory within the West African sub-region. ECOWAS is yet to sign the EPA with the EU as a single entity.

Regional aid-for-trade in ECOWAS

Thus, West Africa has embraced a strong regional-integration agenda. In pursuance of its objective of promoting regional integration and intra-regional trade, ECOWAS has embarked on a number of multi-country programmes and projects. This section discusses some of these multi-country and regional AFT projects in ECOWAS. The projects are discussed under the OECD Creditor Reporting System (CRS) aid for trade classification namely, Economic Infrastructure, Building Productive Capacity, and Trade Policy and Regulations. A brief discussion of AFT flows to ECOWAS, however, precedes this.

Aid for trade flows to ECOWAS

A recently published report, *Assessing Regional Integration in Africa*, a joint undertaking by the AU, the United Nations Economic Commission for Africa (UNECA), and the African Development Bank (AfDB), highlights the prominence of regional trade for development and poverty reduction in Africa. At the same time, AFT projects are increasingly supporting regional integration through technical support for regional institutions, cross-border transport corridors, and other trade facilitation measures. Table 5.2 presents AFT disbursements to RECs in Africa from 2006 to 2011. Aid for trade disbursements to the various RECs has been rising in spite of the challenges posed by the global economic and financial crisis of 2008-09. Between 2009 and 2011, ECOWAS accounted for about a quarter of the AFT disbursements to Africa, averaging about USD 2.8 billion per annum, with disbursements averaging nearly USD 4.0 billion per year. Ghana, Mali and Nigeria represent the main regional players in relation to AFT and account for nearly half of the flows disbursed to the ECOWAS region.

Table 5.2. **Sub-regional aid for trade disbursements**

USD million, constant 2011

	2006	2007	2008	2009	2010	2011	Share of Africa total 2009-11
CEN-SAD	3 028.4	3 739.1	4 726.0	4 921.7	6 105.7	6 068.6	48%
COMESA	2 541.4	2 976.2	3 579.2	4 230.4	4 031.3	3 956.3	34%
EAC	1 041.3	1 516.2	1 526.6	1 719.3	1 993.6	2 032.8	16%
ECCAS	587.4	617.5	685.4	946.5	842.6	932.1	8%
ECOWAS	1 523.7	2 009.0	2 352.9	2 345.1	2 985.3	3 138.5	24%
IGAD	1 079.0	1 485.6	1 639.2	2 257.3	1 847.0	1 925.3	17%
SADC	1 535.5	1 571.7	1 837.8	2 121.6	2 236.1	2 237.8	18%
UMA	770.0	936.9	1 070.9	1 262.2	1 509.8	1 454.7	12%

Notes: CEN-SAD: Community of Sahel-Saharan States; COMESA: Common Market for Eastern and Southern Africa; EAC: East African Community; ECCAS: Economic Community of Central African States; ECOWAS: Economic Community of West African States; IGAD: Intergovernmental Authority on Development; SADC: Southern African Development Community; UMA: Union du Maghreb Arabe (UMA).

Source: (UNECA, 2013), Building Trade Capacities for Africa's Transformation-A critical Review of AFT; www.wto.org/english/tratop_e/devel_e/a4t_e (accessed 30 December 2013).

Aid for trade disbursement-to-commitment ratio is quite high in ECOWAS on average. However, there are substantial variations across countries. Virtually all (98%) of AFT disbursements to ECOWAS between 2006 and 2011 went into building productive capacity and the development of economic infrastructure (Table 5.3). This underscores the importance of these sectors in promoting integration and enhancing intra-regional and extra-regional trade.

Economic infrastructure

The infrastructure deficit remains a major constraint to competitiveness in the economies of the ECOWAS sub-region with studies showing that half of the production costs stem from inadequate infrastructure (ECOWAS/UEMOA Commissions, 2006). This emphasises the major impact infrastructure development can have on the sub-region's competitiveness. In this regard, AFT targeted at developing the economic infrastructure of ECOWAS can act as a stimulus to help member countries improve their supply capacities and reduce the cost of infrastructural services, thereby boosting their competitiveness. Integrating the infrastructure services market (transport, energy, telecommunication, etc.) and facilitating co-operation between the state and the private sector for the implementation of major multi-country investment projects (electrical interconnections, gas pipelines, etc.) will help promote the regional integration agenda and make the sub-region more competitive and conducive to foreign direct investment.

Table 5.3. **Aid for trade flows to ECOWAS sub-region, 2006-11**

	Disbursements-to-commitments ratio			Sectoral disbursements (2006-11)		
	Average 2006-08	Average 2009-11	Coefficient of variation 2006-11	Building productive capacities	Economic infrastructure	Trade policy, regulation and adjustment
Benin	82%	107%	47%	38%	61%	1%
Burkina Faso	129%	60%	51%	54%	45%	1%
Cape Verde	109%	161%	50%	17%	83%	0%
Cote d'Ivoire	83%	71%	17%	65%	22%	13%
Gambia	137%	81%	40%	50%	49%	1%
Ghana	65%	82%	40%	52%	47%	1%
Guinea	188%	259%	99%	40%	59%	1%
Guinea Bissau	313%	157%	71%	43%	56%	1%
Liberia	53%	49%	54%	31%	68%	1%
Mali	72%	109%	60%	61%	38%	1%
Niger	120%	112%	58%	61%	39%	0%
Nigeria	98%	76%	58%	58%	41%	2%
Senegal	104%	71%	47%	48%	50%	2%
Sierra Leone	104%	165%	71%	32%	64%	4%
Togo	145%	45%	88%	68%	30%	2%
ECOWAS	73%	75%	23%	50%	48%	1%

Source: (UNECA, 2013) Building Trade Capacities for Africa's Transformation-A critical Review of AFT; www.wto.org/english/tratop_e/devel_e/a4t_e (accessed 30 December 2013).

There are a number of ongoing and planned multi-country and regional AFT infrastructural projects in ECOWAS. These projects are concentrated on the development of the transport networks as well as facilitating movement of persons, goods and transport across countries of the sub-region. This is not surprising given that poor transport linking member states and obstacles to free movement of vehicles and persons have been identified as major inhibiting factors to intra-regional trade and integration. While there might be other completed or ongoing multi-country and regional AFT infrastructure projects, the projects discussed below are those for which adequate information was available.

Road projects

Lagos-Nouakchott "trans-coastal" and Dakar-N'Djamena "trans-Sahelian" roads

Among the infrastructure services, road transport has been noted as the area in which the sub-region will gain most in terms of competition and growth effects (ECOWAS/UEMOA Commissions, 2006). Accordingly, both ECOWAS and UEMOA have given special attention to integration of road transport in the sub-region. In 1980, ECOWAS adopted a priority road transport programme (PRTP) whose objectives are to facilitate trade and accelerate the integration of the regional economic space. The PRTP is to be implemented in two phases. Phase I entails the facilitation of cross-border road transport, and the construction of a trans-west African road network that includes the Lagos-Nouakchott "trans-coastal" and the Dakar-N'Djamena "trans-Sahelian" roads. Phase II targets vertical interconnection of road segments (North-South) to link landlocked countries to coastal countries.

Although yet to be completed, the West African road network is considered as one of the most important achievements of the ECOWAS integration programme. Assessments as of 2006 indicate that more than 80% (3 777 km out of the 4 560 km) of the Lagos-Nouakchott "trans-coastal" road had been completed. Similarly, 3 894 km of the Dakar-Ndjamena trans-Sahelian road (representing 87% of the total length of 4 460 km) had been completed.[5]

Trans-ECOWAS coastal highway

In 2012, ECOWAS and the People's Republic of China signed an agreement for economic co-operation. Part of the agreement covers the construction of a 2000 km long trans-West African coastal highway between Dakar (Senegal) and Lagos (Nigeria) to link 11 ECOWAS countries. The project will pass through Banjul (Gambia), Bissau (Guinea Bissau), Conakry (Guinea), Freetown (Sierra Leone), Monrovia (Liberia), Abidjan (Côte d'Ivoire), Accra (Ghana), Lome (Togo) and Cotonou (Benin) and will create a continuous link to facilitate the distribution of goods, thereby promoting intra-regional trade. Individual country segments of the highway are currently being implemented.

Transport facilitation projects

Inter-state road transport and transit facilitation projects

Regional road construction projects have contributed to improving the road transport infrastructure in West Africa. However the volume of transport flows within ECOWAS continues to remain low along interstate corridors due to the existence of numerous checkpoints and non-tariff barriers arising from uncoordinated procedures for goods and passenger traffic. In 1982, ECOWAS adopted an Interstate Road Transport (ISRT) Convention to facilitate road transport from the major ports of the sub-region to landlocked countries in particular. The aim of the convention is to define the rules governing how transport by road shall be carried out between member states. It deals with the transportation of persons and goods by road vehicles or by containers mounted on such vehicles operating along clearly defined interstate roads.

More recently and in conformity with the NEPAD action plan, ECOWAS and UEMOA developed a regional Interstate Road Transport and Transit Facilitation Programme for West Africa (ISRTTFP-WA). The ISRTTFP-WA is to consolidate the ISRT and other preceding programmes. It has as its objective reducing transport costs, improving member state competitiveness and contributing to poverty reduction. The programme is supported by donors under the SSA Transport Programme (SSATP). The components of the ISRTTFP-WA involve, *inter alia*, the following activities: i) simplification and harmonisation of road transport regulations, procedures and documents; ii) establishment of joint border posts along interstate corridors; and iii) establishment of observatories to identify and analyse abnormal practices which impede traffic fluidity on road corridors. The EU has committed EUR 63.8 million to this project from the 9th European Development Fund (EDF) to finance technical assistance.

While some successes have been achieved, the implementation of the transport facilitation programmes by member states has encountered many difficulties. An analysis of the extent of implementation of ETLS by the ECOWAS Commission and United States Agency for International Development (USAID) West Africa Trade Hub highlights a number factors stalling effective implementation, including low level of promulgation of ETLS protocols into national laws, and insufficient publication of rules and procedures to the public. Economic operators are thus not adequately sensitised to the conventions of the ISRT. Hence the existence of numerous checkpoints and non-tariff barriers due to uncoordinated procedures for goods and passengers continue to persist.

Abidjan-Lagos trade transportation facilitation project

Another project aimed at facilitating inter-state transport is the Abidjan-Lagos trade transportation facilitation project (ALTTFP) which involves five countries; namely, Côte d'Ivoire, Ghana, Togo, Benin and Nigeria. It is an initiative by ECOWAS and is being financed by the World Bank. It forms part of the ECOWAS and UEMOA transport and road transit facilitation regional programme, and aims at facilitating trade by reducing barriers to trade and transport in ports and on the roads along the Abidjan-Lagos corridor. The project became operational in 2010. It is a six year project subdivided into two phases. Phase 1 involves Ghana, Togo and Benin, whiles Phase 2 covers Côte d'Ivoire and Nigeria. Essential features of the project are trade facilitation, improvement of the corridor's road infrastructure, co-ordination and corridor performance monitoring and evaluation.

Eight indicators have been developed to measure the performance of the project. Interim assessment indicates that the project is proceeding gradually. However, it is confronted with implementation problems, particularly, country ownership of the project and problems relating to the data collection that would enable a better evaluation of performance.

ECOWAS railway project

The sub-region's railway system is characterised by low density, heterogeneous track gauges and dilapidated tracks (ECOWAS and UEMOA Commissions, 2006). A loan agreement between ECOWAS and the AfDB for a feasibility study on a sub-regional railway master plan was signed in 2002. The 1178 km long rail line estimated to cost USD 58.9 billion, which is to link Nigeria to Benin, Togo, Ghana and Cote d'Ivoire, has witnessed very slow progress. There are high expectations regarding the prospects of the project, which is considered as being capable of transforming the region's transport system through the introduction of new high-speed goods and passenger rail services. The project when implemented has potential for greatly enhancing the movement of goods and passengers, generating employment, increasing efficiency, reducing international trade costs, and ultimately boosting intra-regional trade. While the project has been backed by strong political will from the member countries of ECOWAS, it is less clear which donor agencies have committed to funding the project.

Building productive capacity

Exports promotion and enterprise competitiveness for trade initiative

The Exports Promotion and Enterprise Competitiveness for Trade (ExPECT) initiative was launched in 2010. Funded by CIDA, it is the framework and co-ordinated implementation support mechanism established by ECOWAS to consolidate and sustain the impact of the Programme for building African Capacity for Trade (PACT II).[6] ECOWAS Council of Ministers has provided a seed fund of USD 2.8 million over a five-year period (2011-15) as core funding for ECOWAS Commission to fund priority activities. This is to be complemented by other donor funds. ExPECT aims at creating and strengthening the technical, managerial and institutional structure and capacities needed to carry forward the region's trade development and promotion agenda in support of the ECOWAS growth and regional integration objectives. The objective of ExPECT is to engage value chain actors and other stakeholders to develop the competitiveness of value chains of lead products with high export potential such as mango, cashew, shea and palm oil, and to empower small and medium-sized enterprises (SMEs) operating in those value chains with the appropriate capacities and skills to perform on regional and global markets. ExPECT focuses its intervention into building essential pillars in three main areas, namely: i) the Trade and Enterprise Experts Network (TEN), which is its operational platform for service delivery; ii) the Export Actors Platform (EAP), its policy advice and strategic orientation mechanism; and iii) the Export Actors Forum (EAF), which is its flagship promotion and advocacy forum.

Since 2011, ExPECT has been making efforts targeted at solidifying its strategic partnerships and building firm structures. Activities it has pursued since 2012 include: 1) building institutional capacity; 2) building technical capacity; 3) building SME competitiveness in value chains; 4) mobilising resources and partnerships for export competitiveness; and 5) raising awareness and advocacy for ExPECT priority value chains. While no thorough impact assessment of the ExPECT has been carried out so far, it is expected that the initiative would enhance the capacities of firms and producers to be competitive in global markets.

ECOWAP regional agricultural investment programme

In 2005, ECOWAS adopted the ECOWAS Agricultural Policy (ECOWAP) as the instrument for co-ordinating the Comprehensive Africa Agricultural Development Project (CAADP), the agricultural component of NEPAD within the ECOWAS region. Implementation of ECOWAP is based on the Regional Agricultural Investment Programme (RAIP), a multi-donor support programme with funding from institutions and agencies such the USAID, CIDA, DFID, the EDF, and the World Bank. The vision of ECOWAP is to promote modern and sustainable agriculture by ensuring the effectiveness and efficiency of family farms, enhance the productivity and competitiveness of the agricultural sector in intra-regional and international markets, as well as improve food security and incomes of agricultural workers. ECOWAP is being implemented at both regional and national levels. ECOWAP has several sub-project components that are currently being implemented. They include: 1) West African Agriculture Productivity Programme (WAAP), which has both regional and national components. It is a USD 83 million project being funded by the World Bank, USAID and ECOWAS; 2) Regional Food Reserve Initiative (estimated at USD 150 million and funded by Group of Twenty (major countries) (G20), EU, and ECOWAS); 3) Regional Project for Food Security in West Africa (worth EUR 11.5 million and funded by Agence Francaise de Developpement (AFD) and ECOWAS); 4) West African Seed Programme (estimated at USD 9 million and being funded by USAID and ECOWAS); and 5) Action Plan to Fight Fruit Flies in West Africa (worth EUR 15 million and funded from the 10th EDF and by ECOWAS).

West African Common Industrial Policy (WACIP)

The West African Common Industrial Policy (WACIP) was established in 2010 with the vision of maintaining a solid industrial structure which is globally competitive, environmentally-friendly and capable of significantly improving the living standards of the people of West Africa by 2030. Its objectives are to: i) diversify and broaden the region's industrial production base by progressively raising the local raw material processing rate from 15-20% to an average of 30% by 2030, through the support to the creation of new industrial production capacities and the development and upgrading of the existing ones; ii) progressively increase the manufacturing industry's contribution to the regional GDP, currently at an average of 6-7% to an average of over 20% in 2030; iii) progressively increase intra-regional trade in West Africa from less than 12% to 40% by 2030, with a 50% share of the region's trade in manufactured goods, particularly in the area of energy; and iv) progressively increase the volume of exports of goods manufactured in the region to the global market from the current 0.1% to 1% by 2030 through the enhancement and development of skills, industrial competitiveness and quality infrastructure, particularly in the areas of information, communication and transport.

The WACIP has ten programme components. They are: i) development of microenterprises, SMEs and major industries; ii) Industrial Research and Development programme (IR&D); iii) development of regional intellectual property rights (IPRs); iv) development of regional financing; v) Business Opportunity Information Management System (ECO-BIZ); vi) creation of the regional industrial partnership network; vii) infrastructural development; viii) Standardisation, Quality Assurance, Accreditation and Metrology Programme (SQAM); ix) managerial capacity and skills development programme; and x) industry restructuring and upgrading programme.

To date the activities of the WACIP have included: (1) a policy meeting held in 2011 in order to prioritise and organise programmes with vision 2030 in mind; (2) "sensitisation workshops" in member countries in 2011; (3) hosting of the policy guideline on the ECOWAS website as part of communication steps; (4) conducting new assessments of SMEs and microenterprises in the region to discover areas for support; and (5) carrying out capacity building and skills development exercises. While there is no mention in the policy document of development assistance agencies that have pledged technical and financial support for programme, ECOWAS is working towards getting regional banks and other development institutions to finance the project.

Trade policy and regulations

African Trade Policy Centre

The African Trade Policy Centre (ATPC) was established in May 2003 with technical and financial support from the Canadian International Development Agency (CIDA). It was formed to enhance UNECA's support to building Africa's trade capacities. The core objective of ATPC is to strengthen the human, institutional and policy capacity of African governments to formulate and implement sound trade policies and participate more effectively in international trade negotiations. Based at the UNECA, the ATPC operates under the guidance of an advisory board composed of representatives from CIDA, three RECs – the EAC, ECOWAS and SADC – and the AU, AfDB, United Nations (UN) agencies and other development partners.

An important component of regional integration is trade facilitation, an area where AFT is expected to play an important role, particularly given the recent "Bali package" negotiated in Indonesia at the 9th WTO Ministerial Meeting. For instance, there is need to harmonise customs procedures so as to minimise delays at African borders. The removal of many roadblocks along major transport corridors, most of which connect landlocked countries to the sea, is also needed so as to improve trade flows. Hence, ATPC's work in promoting the reduction of obstacles to trade amongst others is crucial to enhancing intra-regional trade. One important achievement of the ATPC relates to its spearheading the creation of the African Alliance for Electronic Commerce (AAEC). The AAEC is a framework for exchange and sharing on trade facilitation. With the objective of facilitating trade, the AAEC aims to promote the concept of national and regional single window. A number of ECOWAS countries are members of this alliance. Through the ATPC, AAEC organises workshops to raise awareness of the single window concept. Through its research and presentations at high-level meetings, ATPC has influenced the debate on AFT and played a leading role in shaping Africa's position in international trade negotiations.

While the ATPC has proved its relevance, efficiency and ability to respond in a timely manner in assisting African countries to build capacity in trade-related issues, it is also constrained by its limited human and financial resources. Attention needs to be paid to the project's reliance on CIDA as the only development partner.

EPA development programme

The EPA Development Programme (EPADP) is an initiative of ECOWAS, with financial support from the EU. It constitutes a framework to identify evolving development support needs in order for the sub-region to reap the benefits of the EPA and to mitigate any negative effects. It also provides a common platform for the EU, its member countries and development partners alike to co-ordinate their assistance to the West African region within the EPA framework. The EPADP is also formulated to serve as an instrument that would aid the implementation of certain policies and strategies which include the ECOWAS poverty reduction strategy, the UEMOA regional economic programme, and ECOWAP among others in the sub-region. It intends to ensure coherence between the EPA and regional strategies as well as the AFT initiative. The EPADP is anchored on five strategic axes, namely: (1) diversification and increase of production capacities; (2) development of intra-regional trade and facilitation of access to the global market; (3) improvement and strengthening of trade-related national and regional infrastructure; (4) consideration of adjustment costs and trade-related needs; and (5) implementation and monitoring and evaluation of the EPA. Hence, the programme is expected to support the ECOWAS region to draw full benefits from the opportunities offered by the EPA while minimising the negative consequences.

The EPADP is being implemented in a sequence of 5-year phases. The first five-year phase is based on national and regional operational plans. The indicative cost of implementing programmes under the five axes is estimated at EUR 9.54 billion. Two-thirds of this amount has been earmarked for trade-related infrastructure, such as rehabilitation of energy, road and telecommunication, highlighting the importance the sub-region attaches to development of trade-related infrastructure.[7] Given its potential development impact, assistance, both financial and technical, would be required from development partners in successfully implementing the programme. The EU has shown commitment to supporting the programme by committing EUR 6.5 billion to EPADP-related activities over a period of five years (Dalleau and van Seters, 2011).

Summary

The analysis above indicates that some multi-country and regional AFT projects in the ECOWAS sub-region are yielding good results while others have not seen much progress. A peculiar problem with the projects and programmes has been the unavailability of detailed information on their current status. Some level of success has been achieved in the area of road projects. For instance, the Lagos-Nouakchott "trans-coastal" and the Dakar-N'Djamena "trans-Sahelian" roads have achieved over 80% completion rate. In spite of inherent problems, the transport facilitation projects have also achieved some level of success. Challenges still remain though, especially in terms of funding. In the areas of productive capacity building, and trade policy and regulations, even though a number of projects are ongoing, it has been difficult to ascertain any clear impacts that these projects have had or are having. In consonance with the need to show results in implementation of AFT projects, it is imperative that periodic assessments of the ECOWAS AFT projects are carried out. In summary, given the objectives of AFT and the potential that multi-country and regional AFT projects have for promoting regional integration and trade, donor support for such projects together with effective monitoring and evaluation would yield meaningful results. In addition, a renewed commitment of member countries to these regional AFT projects is required for successful implementation at the various national and sector levels.

Challenges to regional aid for trade in ECOWAS

While it is generally accepted that regional AFT can help achieve integration objectives, there are major impediments to creating a higher profile for regional AFT in ECOWAS. First, there is a generally low level of awareness of what constitutes AFT among key stakeholders in ECOWAS countries. For instance, stakeholder consultations in Ghana with some key government departments revealed a low level of appreciation of the concept of AFT even though respondents emphasised the potential of multi-country and AFT projects, particularly infrastructure projects, in promoting regional integration and intra-regional trade. Second, there is inadequate harmonisation and co-ordination of AFT at the ECOWAS level. Third, there is a lack of coherence between AFT at the national and regional levels. Differences exist in the degree of prioritisation accorded regional projects at the national level across countries. These issues dovetail into the problems of mainstreaming, ownership and implementation as well as alignment of national, regional and donor objectives in regional AFT projects. The discussion that follows is based on stakeholder consultations in Ghana and at the ECOWAS Secretariat, as well as analysis of various reports.

Mainstreaming regional aid for trade

The benefits of regional AFT are better realised when regional projects are mainstreamed into national development plans. As a region, ECOWAS has a poverty reduction strategy paper developed in collaboration with UEMOA which features integration and trade as priority areas. The plan also highlights integration and co-operation as conduits for achieving trade-related development goals. A major objective is the promotion of sub-regional economic integration to accelerate diversification and bolster growth. In this regard it seeks the development and interconnection of infrastructure to support economic integration and enhance the competitiveness of the region. There is also the ECOWAS Strategic Plan – *The ECOWAS Vision 2020* – which amongst others sets the strategic objectives of achieving a borderless region and ensuring integration into the global economy. In addition, regional sectoral development plans also include trade as a priority area and incorporate specific trade objectives to be achieved in specific sectors. To a large extent, these regional trade priorities are reflected in national development plans. For instance, many of the elements of the regional poverty reduction strategy paper – *Regional Integration for Growth and*

Poverty Reduction in West Africa: Strategies and Plan of Action – are highlighted in national development plans or sectoral strategy documents. A case in point is the regional plans on roads and road transport, which is highlighted in national transport sector strategies and programmes. Hence, clearly there should be a prominent role for regional AFT. Nevertheless, there are still difficulties with the lack of coherence of AFT in regional and national development plans.

As noted above, even though trade is highlighted in various regional and national plans, there appears to be a low level of understanding of what constitutes AFT and what benefits can be realised from a regionally-focused AFT strategy. In such a situation, it is unlikely that regional or national plans would strategically focus on AFT. Mainstreaming regional AFT could be constrained by divided amalgamated interests due to multiple and overlapping membership of RECs (ECOWAS and UEMOA). This makes difficult the harmonisation and co-ordination of policies and strategies especially in the absence of a lead regional co-ordinating institution.

Mainstreaming regional AFT also becomes problematic when national plans fail to incorporate regional strategies. Incorporating regional projects into national plans may be difficult in situations where some member countries are skeptical about their abilities to reap benefits commensurate with any financial commitments they make to regional projects, especially in the absence of adequate negotiations of distributive and equity issues and compensation mechanisms. Colonial ties with particular donors, or ideological differences could also stifle the implementation of regional AFT projects. Countries may therefore accord varying degrees of prioritisation to regional projects in their national plans. For instance, in the quest to facilitate trade in the ECOWAS region, various transnational road projects have been commissioned with member countries required to ensure the implementation of country segments. It has been difficult to have all countries commit to implementing their portions of the individual projects, thereby reducing the impact the projects are expected to have in promoting regional trade. This is how one stakeholder shared his perspectives on mainstreaming regional AFT:

> … also, the differences in the levels of reception to aid-for-trade in the [various] countries can be problematic. Whilst some [member] countries may be wholly receptive of the programmes, others may not be, due to varied factors such as historical relations with the donor countries, ideological differences, differences in development priorities, or even suspicion of the motives behind the aid-for-trade initiatives. As a result, the levels of dedication to the programmes may differ and, thus, render co-operation in implementation difficult.

In addition, when AFT projects tend to be supply-driven rather than demand-driven, mainstreaming becomes problematic. This aspect was captured in one of the stakeholder consultations:

> ...the challenge… often occurs when these projects are conceived by the donors without prior consultation with the recipient countries. Such projects often do not fit into the development priorities or agenda of the recipient countries, making their incorporation a challenge.

Ownership and implementation issues

Lack of ownership constitutes a further constraint to regional AFT projects. Low levels of ownership of multi-country and regional AFT projects in particular are attributed to low levels of consultation and awareness-raising at national levels. Earlier integration efforts by ECOWAS have met with very little success because the peoples of the sub-region did not own the processes. For several decades the integration agenda remained largely the integration of 'heads of states or their representatives' rather than integration of the peoples of the respective countries. This approach did not quite achieve the desired results. The shift in strategy these days is to engage the society of the region and make them feel part of the integration process. As one stakeholder put it during the consultations:

> …it is just not enough highlighting the benefits and concepts of intended regional policies and programmes to beneficiary countries or on regional platforms and expect things to work well. The individual countries must be involved and engaged in the planning and formulation processes from the word go. If these consultations are carried out properly, then countries can appreciate the process and would then support the process and make it work.

Another stakeholder stressed the need for wider consultation and dialogue in formulating AFT projects:

> …participation and dialogue has perhaps not been the best. It is one area of aid-for-trade that can be improved significantly if the related projects are to be deemed to be owned by the beneficiaries – the beneficiaries need to be consulted extensively on what their development priorities are and how they can contribute to the achievement of these projects. That way, they will own the projects even though the funds will be coming from the donors.

Major hurdles tend to inhibit the implementation of regionally-centred initiatives. For example, while ECOWAS member countries are determined to give greater priority to regional roads in their national programmes, the challenge lies in effectively implementing these programmes and paying more attention to regional components. It has always been difficult for countries in the region to make regular budgetary allocations to regional components. Problems of criteria standardisation and harmonisation of indicators still persist in the implementation of regional projects. Article 46 (Chapter VIII) of the ECOWAS Treaty requires member states to "take appropriate measures to harmonise and standardise their customs regulations and procedures to ensure the effective application of the provisions of this Chapter and to facilitate the movement of goods and services across their frontiers."

However, there are several hurdles to movement of transport across the sub-region. For instance, differing vehicle standards, inspection requirements, and axle weight limits, all of which were to be harmonised under the ETLS, still do exist (as noted above). Although not totally developed, the construction of the West African road network is among the significant achievements of ECOWAS integration. In contrast, trade facilitation projects have achieved relatively lower levels of success. The implementation of the ISRT convention by member states, for instance, has been confronted with many difficulties because of inadequate information and sensitisation of economic operators and civil society.

The fact that there are two overlapping unions in the sub-region poses problems for co-ordination as well. Whereas all members of UEMOA are also members of ECOWAS, the opposite is not true. In terms of trade integration, UEMOA has made better progress than ECOWAS by being able to eliminate tariff and non-tariff barriers to intra-union trade and the institution of a CET regime. ECOWAS still faces challenges in terms of the elimination of non-tariff barriers. There are also overlapping and inconsistencies between the ECOWAS trade liberalisation scheme and that of UEMOA. Many customs documents are not harmonised. Another area of difficulty is in terms of undertaking the needed trade reforms to ensure convergence of trade policies in the sub-region.

Aligning national, regional and donor goals

Mainstreaming and implementation difficulties in multi-country and regional AFT projects also arise when there is divergence between national and regional goals. Countries of the region are at different stages of development. As a result some countries might be skeptical of their ability to appropriate fully the benefits of pursuing regional strategies. This problem similarly arises in the case of regional AFT projects. Another challenge to aligning regional and national goals arises from multiple memberships of regional economic groupings with different objectives. Absence of harmonised monitoring and evaluation (M&E) systems also poses a challenge.

It is often difficult to co-ordinate donors at national levels in AFT projects because of the different objectives and M&E mechanisms donors use. At the regional level, co-ordination of donors might even be more difficult given the divergences between national and regional goals. This problem becomes particularly difficult when developing countries, which are highly dependent on foreign aid for development, have to deal with different AFT projects from different multiple donor countries. Often, the technical expertise to properly fuse all these projects into a coherent regional development agenda may be lacking, making the projects stand-alone projects and therefore ineffective.

Lessons learnt

Analysis of regional AFT in ECOWAS and the 'stakeholder consultations' offer a number of lessons:

- Mainstreaming regional AFT is a difficult task. There is low level of appreciation of the concept of AFT. Low levels of consultation and inadequate sensitisation of stakeholders remains a problem, and there is the need to engage key stakeholders and economic actors from the preliminary stages of the planning process.
- Aid for trade is not a sectoral issue but rather is cross-cutting. It must involve the collaboration of all stakeholders – governments, private sector actors, and donors.
- Mainstreaming is a process and not an event. Integrating regional policy initiatives and programmes, such as AFT, into national plans is vital. The national level offers the overall framework within which national stakeholders and other key partners would operate. As such, regional decisions and programmes ought to be mainstreamed into national development strategies which can be translated into annual action plans to be captured in yearly budgetary allocations for their effective implementation.
- There is weak co-ordination and coherence between AFT at national and regional levels due to differences in the levels of reception to regional AFT in member states. These differences result in differences in the levels of dedication to and prioritisation of regional programmes in national plans and thus render co-operation in implementation difficult.
- Major hurdles that tend to inhibit effective implementation of regionally-centred initiatives include lack of criteria standardisation and harmonisation of indicators. While Article 46 of the ECOWAS Treaty enjoins countries to ensure

harmonisation and standardisation of customs regulations and procedures to facilitate the movement of goods and services across the region, there are practical difficulties with the movement of goods, persons and particularly transport across the sub-region. Differences do exist across countries of the sub-region in terms of, e.g. vehicle standards, inspection requirements, and axle weight limits.

- Countries in the region are at different stages of development – economically and politically – and would raise questions about their proportion of benefits that would accrue from regionally-focused projects. Expected unequal benefits ensuing from such projects may possibly undermine promising regional initiatives. There is need to pay attention to distributive equity and compensation issues. Credibility is key, thus it might be useful to explore the possibility of having an "honest broker", such as a regional development bank or a bilateral donor, to administer such a mechanism.
- Ownership is key; it is just not enough to highlight the expected benefits of regional policies and programmes to beneficiary countries or on regional platforms and expect results. The individual countries must be involved and engaged in the planning and formulation processes. If these consultations are carried out properly, economic operators in member countries would appreciate the process and help make it succeed.
- There is need for a regional co-ordinating body on regional AFT to ensure that ECOWAS development priorities are pursued. Stakeholder consultations at the ECOWAS Secretariat revealed the importance of the *ECOWAS Aid for Trade Expert Working Group*, a collaboration of the ECOWAS Commission, UNECA, AfDB and the WTO. The key objectives of this group are to create greater awareness about regional AFT, develop and adopt a common ECOWAS AFT framework, and co-ordinate donors.
- There is need to formulate an ECOWAS AFT Strategy to define the region's trade-related development priorities so as to maximise the development opportunities presented by AFT. This process is ongoing and is being co-ordinated by the *ECOWAS Aid for Trade Expert Working Group* under the auspices of the ECOWAS Commission.

Conclusions

It is evident from the discussion thus far that multi-country and regional AFT can be a catalyst for regional integration in ECOWAS given the current serious infrastructure and productive capacity deficits of the sub-region. Aid that comes in, for instance, to construct railway lines and road networks between member-countries, and improve energy generation and supplies would greatly foster regional integration and intra-trade relations in the region. Similarly, aid geared towards regional trade policy formulation as well as enhancing the productive capacities of producers would make countries in ECOWAS efficient and more competitive as a unit in trade relations with the outside world.

However, achieving this would require overcoming the many constraints to creating a higher profile for regional AFT. The problems of mainstreaming, ownership and implementation as well as aligning regional, national and donor goals would have to be addressed. Aid for trade is not a sectoral issue but rather is cross-cutting and must involve the collaboration of all stakeholders – governments, private sector actors, and donors.

Mainstreaming is important; it is a process and not an event. Thus, national budgetary processes must continually capture multi-country and regional AFT projects. Consultations are currently ongoing to craft an ECOWAS AFT strategy. Key objectives of the expert working group include greater awareness creation, developing a common ECOWAS framework on AFT, co-ordinating AFT in ECOWAS, and co-ordinating donors. The ECOWAS *Aid for Trade Expert Working Group* can serve as a regional co-ordinating body for AFT to ECOWAS so as to ensure that maximum benefits are reaped from regional AFT. Accordingly, this initiative must be sustained. This would require greater support from the donor community.

Notes

1. See OECD (2009; 2011) and OECD/WTO (2011) for a discussion of the constraints faced by developing countries and how aid for trade can help ameliorate these constraints.
2. See also ODI (2008), which surveys the theoretical and empirical literature on the benefits of regional integration.
3. Four stakeholder consultations were envisaged. However we were unsuccessful with consultations at the Ministry of Finance and the Ministry of Trade and Industry.
4. On 26 December 1999, Mauritania announced its withdrawal from ECOWAS citing disagreement with some of the decisions taken at the ECOWAS Summit of December 1999. Mauritania's Prime Minister Cheikel Ould Mohammed Khouna ascribed his country's withdrawal from ECOWAS to the "latest decisions of the community" in his address to parliament (http://news.bbc.co.uk/2/hi/africa/578966.stm). According to some observers the Mauritanian government was opposed to plans by ECOWAS to establish a common currency for its members. The revised ECOWAS Treaty also designated the responsibility of preventing and settling regional conflicts to the member states, which was formalised at the December 1999 Summit. Other observers attributed Mauritania's withdrawal to its unwillingness to make a political commitment outside the Maghreb.
5. It has been difficult to get updated information on the current status of these projects.
6. PACT II is a trade-related technical assistance programme executed by the International Trade Centre (ITC). It revolves around a strategic partnership between ITC, selected regional economic communities – COMESA, ECCAS and ECOWAS – as main counterpart organisations, regional private sector and trade support institutions.
7. It has been difficult to find which specific projects are being implemented under the EPADP.

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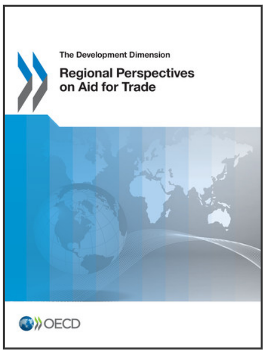

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