

# **2014 ANNUAL REPORT**

**Abuja, December 2014**

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## ABBREVIATIONS AND ACRONYMS

ACP	African, Caribbean and Pacific Group of States
ACBF	African Capacity Building Foundation
AECID	Agency for International Development
AfDB	African Development Bank
AFRISTAT	African Statistical Observatory Office (Bamako)
AIF	Inter-governmental Agency of the Francophonie
AML/CFT	Anti Money laundering and Counter Terrorism Financing
BCEAO	Central Bank of West African States
BOAD	West African Development Bank
CAADP	Comprehensive African Agricultural Development Programme (of NEPAD)
CCC	Community Computer Centre
CCR	Center for Conflict Resolution
CCSP	Coordinating Committee of ECOWAS Strategic Planning
CET	Common External Tariff
CIDA	Canadian International Development Agency
CILSS	Inter-State Committee on Drought Control in the Sahel
CORAF	West and Central African Council on Agricultural Research
CSD	United Nations Commission on Sustainable Development
CSF	Community Strategic Framework
CSOs	Civil Society Organisations
EBID	ECOWAS Bank for Investment and Development
ECCAS	Economic Community of Central African States
ECOFEST	ECOWAS Festival of Arts & Culture
ECOMAC	ECOWAS Common Statistics Database System for Multilateral Surveillance
ECOQUAL	ECOWAS Quality Policy
ECOSAP	ECOWAS Small Arms Control Programme
ECOWAP	ECOWAS Agricultural Policy
ECOWARN	ECOWAS-wide Warning and Response Network
ECOWIC	ECOWAS Investment Code
ECOWIP	ECOWAS Investment Policy
EDF	European Development Fund
EMPC	ECOWAS Monetary cooperation programme
EPA	Economic Partnership Agreement
EPF	ECOWAS Peace Fund
ERDF	ECOWAS Regional Development Fund
EU	European Union
EUROSTAT	European Statistical Office (Luxembourg)
FAO	Food and Agriculture Organisation
GIABA	Inter-governmental Action Group against Money Laundering in Africa
ICT	Information and Communications Technology
IDRC	International Development Research Center
IGOs	Inter-governmental Organisations
IMF	International Monetary Fund
IPAS	Investment Promotion Agencies
IPAWAS	Investment Promotion Agencies of West Africa

IPPF	Infrastructural Project Preparation Facility (NEPAD Facility)
ISRT	Inter-State road transit (ECOWAS convention)
MDGs	Millennium Development Goals
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organisation
NSA	Non State Actors
OECD	Organisation for Economic Cooperation and Development
OMC	Observation and Monitoring Centre (ECOWAS facility)
OMVG	Organisation for Development of the Gambia Basin
PPDU	Project Preparation and Development Unit
PPP	Public Private Partnership
PRAFAD	Regional Programme of Action on the Fight against Desertification
PRIA	Regional Agricultural Investment Programme
PRSPs	Poverty reduction strategy papers
REC	Regional Economic Communities
RTIS	Regional Trade Information System
SAP	Systems, Applications and products
SIDA	Swedish International Development Agency
TNCB	Trade Negotiation Capacity Building Project
TRAPCA	Trade Policy Training Center for Africa
UEMOA	West African Economic and Monetary Union
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNECA	United Nations Commission for Africa
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNHCR	United Nations High Commission for Refugees
UNIDO	United Nations Industrial Development Organisation
USAID	United States Agency for International Development
WABA	West African Bankers Association
WACSO	West African Civil Society Forum
WAHO	West African Health Organisation
WAMA	West African Monetary Agency
WAMI	West African Monetary Institute
WAPP	West African Power Pool
WHO	World Health Organisation

## ACKNOWLEDGEMENT

The 2014 Report of the ECOWAS Commission was prepared in line with the directives and guidelines of the President of the Commission and under the supervision of Dr. Ibrahim Bocar Ba, Commissioner of Macroeconomic Policy and Economic Research.

The Report was prepared by a team from the Department of Macroeconomic Policy and Economic Research and the Office of the President made up of the following officials: Nelson MAGBAGBEOLA (Ag. Director of Multilateral Surveillance), Peter Kofi DADZIE (Principal Programme Officer), Simeon KOFFI (Principal Programme Officer), Gideon GBAPPY (Principal Programme Officer), Guevera YAO (Community Development Programme Expert), Mohamed JALLOH (Economic Policy Analysis Unit Expert), Kouenkoun MILLOGO (Macroeconomist in the Directorate of Multilateral Surveillance) and Amadou SAGNON (Chief of Cabinet, of the President of the Commission).

The editorial team would like to take this opportunity to thank all Commissioners and Directors of the Commission as well as heads of other Community Institutions and Agencies for their important contributions to this annual report.

## MESSAGE FROM THE PRESIDENT OF THE ECOWAS COMMISSION

The year 2014 was marked by the onset and spread of Ebola outbreak in the region. This disease has caused the Community so much economically, socially and in human terms. From March 2014, the date of onset of the disease in Guinea, to 14 November, 2014, the region recorded 5,176 deaths as follows: Liberia (2,812), Sierra Leone (1,187), Guinea (1,166), Nigeria (8) and Mali (3).

The growth outlook has been revised downwards from an initial forecast of 7.1% to 6.3% in 2014. The free movement of goods and people, one of the basic goals of our Community, suffered a setback due to the decision of some countries in the Community to resort to temporary closure of borders and restrictions on travellers. The implementation of activities of ECOWAS institutions including some regional integration programmes suffered delays.

In deciding to retain the theme of the 2014 Annual Report, "Socio-economic impact of the 2014 Ebola outbreak in West Africa", we wanted to highlight the impact that the disease has had on the achievement of the Community objectives in regional integration, development and the fight against poverty.

Through this theme, we also intend to pay tribute to all humanitarian workers who are on the ground and who, on daily basis, make every effort to contain the spread of this epidemic. On behalf of all ECOWAS institutions, I bow to the memory of the health personnel who lost their lives while trying to save the lives of millions of Community citizens severely threatened by the Ebola virus.

With this theme, we want to also thank all the member States of the region and the international community for their spontaneous mobilization through various material and financial support. Without the mobilization and solidarity, the situation would certainly have been worse than the one we know today. Therefore, I would particularly appeal to all member States and all development partners to provide support to the Ebola Special Fund called ECOWAS Solidarity Fund for the Fight against Ebola set up by the Authority of Heads of State and Government during their 45<sup>th</sup> Summit held on 10 July, 2014 in Accra.

Despite the ordeal facing the Community, 2014 confirmed the dynamism of West African economies. Indeed, with a growth forecast of 6.3% in 2014, ECOWAS has maintained its position as the fastest growing economy in Africa.

Politically, many events have taken place. I congratulate all our leaders for their unwavering commitment to the ECOWAS protocols on democracy and good governance as well as mechanisms for preventing and resolving conflicts. At the moment as some member States are preparing to hold elections in 2015, I would like, once again, to call on the politicians to ensure free and fair elections and that the will of the people is respected. As usual, no unconstitutional accession to power will be allowed.

I would like, on behalf of the Community, to express our gratitude to the Chairman of the Authority of Heads of State and Government, His Excellency John Dramani MAHAMA, President of the Republic of Ghana, and all governing bodies of our Community including members of the Council of Ministers, Ministerial Committees and Technical Committees for their spirit of solidarity and commitment to the search for peace and regional stability as well as economic prosperity. In addition, I would like to thank them for their political commitment to the integration process as well as resources and facilities placed at our disposal to ensure proper implementation of the Community Work Programme.



The year 2014 was also marked by a consensus on the text of an Economic Partnership Agreement (EPA) between the EU and West Africa thus ending a process of negotiation between the two parties that lasted more than ten (10) years.

In the area of institutional reforms, 2014 was characterised by the effective extension of the Commission from nine (9) to fifteen (15) members; the appointment of a new financial controller; appointment of management teams of GIABA and WAHO; and appointment of members of the Community Court of Justice.

In all, I would like to express my appreciation for the positive results recorded by our Community in 2014, the details of which are contained in this report I have the honour to present to you.

Therefore, I extend my warmest congratulations to all staff of Community institutions for their selfless work and dedication. I thank them for their invaluable contribution to the influence ECOWAS has in the world.

I would also like to express my deep gratitude to all partners who trust us and accompany us through various technical and financial support for the achievement of our goals.

I would like to conclude this message by recalling some of the challenges we faced in 2014 and which we may likely face again in 2015. These challenges are particularly related to the stabilization of the Sahel region; the insurgency of Boko Haram in Nigeria; management of post Ebola outbreak and the search for innovative sources for financing the programmes of our Community.

I am confident that with the continued and renewed support of the Statutory Bodies of the Community institutions and the support of development partners, these challenges will be overcome for the well-being of the people of our region.

Finally, let me thank all the citizens of the Community for the trust placed in us to accomplish the task of making all the ECOWAS member States into a single economic space and transforming them from an ECOWAS of States to an ECOWAS of People in the medium and long term.

Long live the people and leaders of all ECOWAS member States!

Long live ECOWAS!

**H.E. Kadré Désiré Ouedraogo**  
**President, ECOWAS Commission**

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## EXECUTIVE SUMMARY

- i. The ECOWAS Annual Report for 2014 gives a comprehensive account of the status of implementation of the Community Work Programme in 2014 and outlines key challenges and prospects for the region in the medium term. It also assesses recent socio-economic developments in West Africa within the context of the international economic environment and highlights potential challenges, prospects and the way forward for the West African economic integration process. This Annual Report, was prepared, under the theme ***“Socio-economic Impact of the outbreak of the Ebola epidemic in West Africa”*** with a view to highlighting the adverse effects and potential challenges of the outbreak to the West African economic integration process, and the regional and international policy interventions being undertaken to contain and eliminate the epidemic in the region.
- ii. The Annual Report is based on contributions from the various Departments of the Commission and other Community Institutions on progress made in the implementation of their programmes covering the period under review. These activities were carried out in an environment characterised by relative improvement in national economic governance, and the political will of the ECOWAS policy makers to accelerate regional integration and development albeit the sluggish global economic recovery and the outbreak of the Ebola epidemic in West Africa.
- iii. At the Community level, the environment was marked, among other things, by the election of H.E. John Dramani Mahama, President of the Republic of Ghana, as Chairman of ECOWAS during the 44<sup>th</sup> Ordinary Session of Authority of Heads of State and Government held on 28 and 29 March 2014; consolidation of the peace process and restoration of democratic governance in Mali and Guinea Bissau; renewed political will and commitment to accelerate the regional integration process with special focus on economic and monetary integration; expansion of the Commission membership to fifteen (15) commissioners; appointment of new statutory appointees for the other ECOWAS institutions and recruitment of new professional staff; conclusion of the EPA and CET negotiations; and management and mitigation of the *Ebola* outbreak in the region in consultation with international partners and the respective Member States affected by the crisis.
- iv. Economic performance: The world economy is projected to grow from 3.0 percent in 2013 to 3.3 percent in 2014 and further increase to 3.8 percent in 2015. Although the advanced economies will experience a growth rate of 1.8 percent in 2014 vis-a-vis 1.3 percent in 2013, the emerging market and developing economies will still drive the global economy despite a 0.3 percentage decline in its growth rate from 4.7 percent in 2013. With respect to inflation globally, monetary policy conditions were generally accommodative in advanced economies and broadly unchanged in emerging markets. In the United States, inflation is forecast to rise modestly from 1.5 percent in 2013 to 1.7 percent in 2014 and 1.8 percent in 2015 while the euro area will register a decline from 1.5 percent in 2013 to 1.0 percent in 2014 and 1.2 percent in 2015. With respect to the emerging market economies, inflation is expected to remain broadly stable, from 5.9 percent in 2013 to 5.5 percent in 2014 and 5.6 percent in 2015.
- v. Africa's economic growth is expected to increase to 4.8% in 2014 and 5.7% in 2015 as against 4% in 2013. Besides the resilience of the commodity market, the performance of African economies is driven by public investment in infrastructure, improved agricultural output and sustained growth in the services sector.
- vi. Analysis of Africa's growth dynamics and overall economic performance disguises disparities. In Central Africa, the rise in real GDP growth rate is expected to moderate from 6.2 % in 2014 to

5.7 % in 2015 while in East Africa, the changes in GDP are expected to be sustained at 6% in 2014 and 6.2% in 2015 after an upward trend of 6.2% in 2013. In North Africa, it is anticipated that GDP will grow at 3.1% and 5.5% in 2014 and 2015 respectively, after a decline to 1.9% in 2013. In Southern Africa, GDP growth is projected at 4% in 2014 and 4.4% in 2015 as against 3% in 2013, driven mainly by the economic outlook for South Africa, the region's major economy. In West Africa, growth prospects indicate the acceleration of real output in 2014 and 2015, expected to reach 6.3% and 7.1% respectively, as against 5.6% in 2013.

- vii. Regarding the status of implementation of the Community Work Programme, the Commission and other Community institutions recorded the following achievements:
- viii. **Monetary Integration:** On the bid to accelerate progress towards the realisation of the ECOWAS Single Currency by 2020, the single track approach for the monetary integration programme was adopted leading to the rationalisation of the macroeconomic convergence criteria and the revision of the roadmap for the ECOWAS single currency. Progress was also made in ensuring the effective operations of the institutional organs of the ECOWAS Multilateral Surveillance Mechanism and in monitoring the implementation of activities under the Roadmap for the ECOWAS Single Currency Programme.
- ix. **Private Sector:** The Commission made significant progress in the development of the ECOBIZWORLD Market Information System and in translating the draft Common Investment Code and Policy into the three official languages of the Community. Other key activities executed during the period included the finalisation and submission of the study report on the Regional Payment and Settlement Systems Project to the Committee of Governors of Central Banks of ECOWAS Member States for review and adoption, and the commencement of the first phase of the capital market integration process through the sponsored Market Access (SMA) programme on 1 April 2014.
- x. **Research and Statistics:** Key activities implemented focused on the development of a five-year research programme; implementation of statistical harmonisation methodologies in consumer price index, national accounts, balance of payments and public finance; development and launching of the *ECOBASE* database using the *access* software; the development of a resource mobilisation plan for financing the regional statistical programme; and review of the Regional Poverty reduction Strategy Paper in collaboration with the WAEMU Commission.
- xi. **Community Development Programme (CDP):** The Community activities with regard to the ECOWAS Community Development Programme (CDP) focused on the finalisation and adoption of the CDP Regional Document (CDP-RD) at the 45th Session of the Authority of Heads of State and Government. Other activities implemented included coordination of the ECOWAS Sahel Strategy programme and preparation of a joint programme document between UEMOA and ECOWAS for submission under TICAD V.
- xii. **Economic Policy Analysis Unit (EPAU):** The Commission undertook a series of activities relating to: (i) strengthening the institutional capacity of the Department of Macroeconomic Policy and Economic Research; (ii) undertaking policy analysis, research and management in promoting regional integration in West Africa; and (iii) promoting network of regional bodies, groups and institutions.

### ***Trade, Customs, Industry, Mines, Free Movement and Tourism***

- xiii. **Trade:** In the area of trade negotiations, the ECOWAS Authority of Heads of State and Government at their summit held in Accra on 10 July 2014 definitively approved the conclusion of the West Africa – European Union Economic Partnership Agreement (EPA) following the

organisation of negotiation meetings of Experts, Senior Officials and Chief Negotiators of the European Party and the West Africa Party in January, February and June 2014 respectively. With respect to Trade Capacity building, the Commission established and/or operationalized the Inter-Institutional Committee under the ECOWAS Trade Negotiation Capacity Building project (TNCB) and conducted national training workshops in Senegal and Sierra Leone, Nigeria and Guinea-Bissau.

- xiv. **Customs Union:** The implementation of activities under the Customs Union programme focused on (i) work leading to the implementation of the ECOWAS Common External Tariff with effect from 1st January 2015, (ii) formulation and implementation of a strategy with a view to ensuring better implementation of the ECOWAS Trade Liberalisation Scheme, (iii) facilitating the harmonization of domestic and indirect taxes.
- xv. **Free Movement and, Cross- border Cooperation:** The Commission commenced the implementation of the Free Movement and migration project and revitalised the Migration Dialogue for West Africa process. In addition, a series of train-the-trainer workshops were conducted during the first quarter of the year for relevant officials of Member States to provide an overview of existing regional migration policy frameworks as well as tools and mechanisms to develop national migration policies. The review of the cross border cooperation programme with a view to transforming it into a viable regional integration tool also commenced during the period.

### **Industry and Mines**

- xvi. **Industry:** The major activities implemented by the Commission in 2014 focused on the implementation of the programme of harmonisation of standards and quality policy (ECOQUAL) in the ECOWAS region. Progress was made in the harmonisation of standards for agricultural products, food products, chemical products, building and construction materials and electrical and electronic products
- xvii. **Mines:** The Commission organised an ECOWAS Commission facilitation meeting for National Chambers of Mines on the establishment of an **ECOWAS Federation of Chambers of Mines** and discussed the Draft Constitution of the proposed Federation. The Commission also completed the development of the Draft ECOWAS Mineral Sector Integrated Framework on Corporate Social Responsibility, Localization and Local Content Development and officially launched the First *ECOWAS Mining and Petroleum Forum (ECOMOF 2015)*.

### **Agriculture and Environment**

- xviii. **Agriculture:** The planned activities focused on interventions structured around the Regional Agricultural Investment Programme (RAIP), the National Agricultural Investment Programmes (NAIPs) and other major structuring programmes. Key activities executed under the Regional Agricultural Investment Programme (RAIP) included the: (i) promotion of strategic projects for food security and food sovereignty products; (ii) promotion of a global environment conducive to regional agricultural development; and (iii) reduction of food vulnerability and promotion of sustainable access to food. The Commission, with the support of the ECOWAP Donor Group, mobilized about US\$33.35 million for the development and implementation of new regional programmes including the regional seeds development programmes (WASP) funded by USAID for about US\$9 million; the regional fertilizer development programme financed by USAID for nearly US\$20 million; and the “West Africa Hunger-Free Zone” Project financed by German Cooperation at the cost of US\$2 million.
- xix. **Environment:** The Commission continued implementation of the ECOWAS environmental policy in 2014 by consolidating the achievements recorded in 2013 on (i) improving environmental



governance and capacity building, (ii) promoting sustainable management of resources in order to enhance the sub-regional economy while complying with environmental regulations, and (iii) promoting effective management of pollution, nuisances and toxic wastes.

### **Infrastructure Development**

- xx. **Road Transport:** The principal activity was the continued implementation of the ECOWAS Regional Road Transport and Transit Facilitation Programme with focus on the ECOWAS Joint Border Post Programme, Axle Load Harmonization Policy, the Nigeria-Cameroon Multinational Highway and Facilitation Programme as part of the Trans-Africa Highway programme, Abidjan-Lagos Corridor Development Programme and the Trans-Gambia Transport Corridor.
- xxi. **Railway:** The detailed technical study on the Abidjan-Ouagadougou-Kaya-Dori-Niamey railway link was reviewed and validated by national experts in September 2014.
- xxii. **Air Transport:** Key activities executed include: (i) elaboration of a draft Roadmap for Air Transport Sustainable Development in ECOWAS Member States; (ii) organisation of the 5th meeting of the Steering Committee of ECOWAS Airlines, in Lagos, Nigeria; and (iii) signing of an Aide Memoire between the ECOWAS Commission and the African Development Bank (AfDB) on the ECOWAS request for a new grant for the air transport sector.
- xxiii. **PROJECT PREPARATION AND DEVELOPMENT UNIT (PPDU):** Key activities executed in 2014 focused on the completion of the feasibility study on the establishment of the Fund for the Development and Financing of the Transport and Energy Sectors (FODETE-ECOWAS); drafting and validation of a PPDU Manuals of procedures and operations; and the organization of the second donors roundtable for the Gambia River Basin Development Organisation (OMVG) Sambangalou hydropower project.
- xxiv. **Telecommunications:** In line with the implementation of the technical roadmap adopted by ECOWAS to meet the deadline of 17th June 2015 for the transition from Analogue to Digital Terrestrial Television (DTT), the ECOWAS Commission, in collaboration with the Government of Cape Verde organized a meeting in July 2014 to review the implementation status in Member States and to validate the Common Test Suite for ECOWAS region as well as the Terms of Reference (TOR) to accredit test laboratories for conformance testing of DTT Receivers.
- xxv. **Energy:** The activities of the Commission in 2014 focused on the (i) implementation of the emergency electrical energy supply programmes to the Gambia, Mali and Sierra Leone amounting to US\$108 million (ii) carried out of studies on the Gas Pipeline extension, regional energy policy and formulation of a rural electrification programme, (iii) support to the organisation of a forum on the security of the West African Gas Pipeline in Accra and (iv) organization of the third edition of the International Exhibition on Energy, Mines and Quarries (SEMICA) held in Ouagadougou in May 2014.
- xxvi. **ECOWAS Regional Electricity Regulatory Authority (ERERA);** Key activities implemented included the (i) Development and adoption of Internal Operating Procedures at a retreat held in February 2014 in Accra, Ghana; (ii) Adoption of a strategic Plan and a five-year business plan; (iii) establishment of a regional electricity market including the validation of the tariff methodology for regional tariff methodology transmission; and (iv) provision of support to the Government of the Republic of Guinea for the establishment and operations of a regulatory body.
- xxvii. **ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) :** Activities implemented focused on the development of tailored policies as well as the appropriate legal and regulatory frameworks to promote renewable energy and energy efficiency technologies and services in the Member States; implementation of a capacity building programme aimed at developing



the capacities of market enablers and players to develop and implement renewable energy and energy efficiency investment programmes in ECOWAS; execution of project preparation and investment promotion initiatives for small, medium and large-scale renewable energy and energy efficiency projects; and the implementation of knowledge management and awareness raising activities for the development of the energy sector in West Africa.

### **Human Development**

- xxviii. **Humanitarian and Social Affairs:** Activities implemented included the: (i) organisation of the 2<sup>nd</sup> ECOWAS Internal Coordination Meeting of Directorates on the Implementation of the Humanitarian Policy and Plan of Action; (ii) participation in the United Nations High Commission for Refugees Executive Committee Meeting (EXCOM) in September/October 2014; and (iii) development of a Joint Work Plan between ECOWAS and the UNHCR for the period 2015 - 2017.
- xxix. **ECOWAS Emergency Response Team (EERT):** Key activities implemented included the (i) implementation of a humanitarian response to the Ebola epidemic in the affected Member States; (ii) organisation of a technical meeting on the development of strategies on *Ebola* response in September 2014; and (iii) organisation of meetings on the review of the EERT processes and procedures in June and September 2014 respectively.
- xxx. **Disaster Risk Reduction:** Key activities implemented focused on: (i) organization of a meeting of the African Working Group (AWG) on Disaster Risk Reduction in March 2014 in Abuja, and (ii) organisation of the ECOWAS-ASEAN (Association of South East Asian Nations) Exchange visit to Jakarta, Indonesia on Disaster Risk Management and Humanitarian issues under the FOREWARN Initiative programme.
- xxxi. **Trafficking in Persons and Child Protection:** Key activities implemented included the development of a Media and Communication Strategy and Network in July 2014; (ii) development of a "Protection" framework and guidelines for support to the ILO-ITC (International Labour Organization International Training Centre) towards the formulation of a Training Strategy and Framework for Combatting Human trafficking in West Africa; and (iii) organisation of a Meeting of Child Labour Units of Member States for the validation of the report on Completion of the Peer Review exercise of Ghana in relation to the Combat of Child Labour
- xxxii. **Social Affairs:** Activities undertaken focused on the commencement of the design of a database and Information System for Public Employment Service in the ECOWAS Region and the implementation of the study on harmonization of labour laws in the region.

### ***Gender, Child Development, Youth/Sports, Civil Society, Employment and Drug Control***

- xxxiii. **Gender and Child:** The Commission participated in the meeting of the 2014 United Nations Commission on Status of Women (CSW) held in New York, United States of America in March 2014 to take stock of lessons learnt and share experience on issues relating to gender equity as contained in the Millennium Development Goals (MDGs). Other activities executed included the implementation of the project to support the establishment of Business Incubator for African Women Entrepreneurs (BIAWE) in two pilot countries, namely, Sierra Leone and Burkina Faso; preparation of the draft ECOWAS Gender and Trade Plan of Action; review of the draft ECOWAS Gender and Migration Plan of Action; and organisation of a gender experts and women affairs ministerial meeting in Ouagadougou in June 2014.

- xxxiv. **Youth employment:** In furtherance of the outcome of a workshop organized in 2013 to develop the capacities of Member States to prepare National Youth Employment Action Plans, a study was launched to assess the degree of compliance with the recommendation on collecting data on youth employment and implementation of the ECOWAS Labour and Employment Policies in Member Countries.
- xxxv. **Drug Trafficking Control:** The Commission - organised the 10th meeting of the ECOWAS Inter-Ministerial Drug Coordinating Committees (IMDCC) from 28<sup>th</sup> to 31<sup>st</sup> January 2014 in Cotonou, to review the implementation of the ECOWAS Drug Action Plan at the regional and national levels. Furthermore, the Draft 2015 -2019 ECOWAS Action Plan on Drugs was reviewed in July 2014 and a new Draft Drug Action Plan is being finalized for the consideration of Experts and Ministers in 2015.
- xxxvi. **Civil Society:** The West African Civil Society Forum, (WACSOFF), with support of the ECOWAS Commission, executed the first phase of its National Platform Strengthening Programme. In addition, WACSOFF thematic Groups commissioned studies in their respective thematic areas aimed at broadening the knowledge base of civil society and enhancing their participation in the ECOWAS integration programme.
- xxxvii. **ECOWAS Gender Development Centre:** Key activities implemented included (i) organisation of two National Gender Training Workshops in Nigeria and Senegal on gender analysis and gender mainstreaming in national policies, strategies and programmes; (ii) adoption of the Supplementary Act on Equality of Rights between Women and Men for sustainable development in West Africa; (iii) provision of technical support to the Network of Young Female Leaders of West Africa (ROAJELF); (iv) provision of medical and financial support to women and girls suffering from Obstetrics Fistula; (v) award of Scholarships of Excellence to girls for specialised technical and vocational training; (vi) provision of support to the Network on Peace and Security for Women in the ECOWAS Region (NOPSWECO); and (vii) provision of technical and financial support to women engaged in the processing of agricultural and handicraft products.

### ***Education, Culture, Science and Technology***

- xxxviii. **Education:** In a bid to address the challenges facing the youth, the Commission since 2010 organised a series of capacity building sessions for Technical and Vocational Education and Training (TVET) teachers, administrators, and practitioners. The sessions were designed to improve the pedagogical skills of TVET personnel and skills for the development and revision of curriculum and instructional materials using ICT. The Commission also accelerated efforts at developing a regional strategy for the harmonization of Higher Education in the region and in ensuring the speedy ratification of the Arusha Convention and ECOWAS Convention on equivalence of certificates.
- xxxix. **Culture:** Key activities implemented include: (i) completion of the production of the ECOWAS hologram in February 2014 as part of the implementation of the ECOWAS/RCO 'Cahier des Charges' (not a programme); (ii) organization of training and sensitization workshops in The Gambia and Niger Republic in January 2014 on the protection of cultural works from piracy and fraud; and (iii) organisation of a preparatory meeting in October 2014 for the ECOWAS Festival of Arts and Culture in 2015;.

- xl. **Science and Technology:** The main activities undertaken by the Commission focused on: (i) provision of support to the West Africa Institute (WAI) for the organization of the Innovation Summit in Africa (ISA) held in Praia in February 2014; (ii) participation in the Conference and General Assembly of the West and Central African Education and Research Network (WACREN) held in Lomé in March 2014; and (iii) organization of the National training workshop on research project writing in Science, Technology and Innovation (STI) in response to international calls for tenders held in Abidjan in March 2014.
- xli. **ECOWAS Centre for Youth and Sports Development:** In the area of sports, the Commission carried out activities in three areas namely sports and physical education, development of youth and the implementation of the ECOWAS Volunteers Programme in pilot member States.
- xlii. Concerning youth programmes, the Commission initiated a training programme in refrigeration-airconditioning and auto-mechanics for sixty (60) young persons drawn from 10 countries in the ECOWAS region from 4 August 2014 to 2 September 2014 at the Ziniaré Reference Vocational Training Centre (Burkina Faso).
- xlili. **Malaria Elimination Programme** A sensitisation meeting on the Malaria Elimination Campaign Programme was convened in Abidjan from 31<sup>st</sup> March to 1<sup>st</sup> April 2014 for the 15 Member States.

#### **Political Affairs, Regional Peace and Security**

- xliv. **Political Affairs:** The Commission facilitated the conceptualization of reform measures for the long-term stability and development of Guinea Bissau. On Mali, the Commission mobilised stakeholders to review the regional interventions, particularly in the areas of preventive diplomacy and rapid deployment. In addition, the Commission contributed to the finalization and adoption of the Mano River Union (MRU) Peace and Security Strategy and the Sahel Strategy, as well as to their Operational Plans. The Commission also continued its multi-faceted support to the consolidation of the peace process in Mali and the holding of general elections in Guinea Bissau.
- xlvi. **Democracy and Good Governance:** The Commission developed an ECOWAS Manual for Reporting on Human Rights according to specific thematic issues and ensured the utilisation of the ECOWAS Training Modules on Mainstreaming Youth and Women in Party Activities and Media Relations and Effective Campaign Strategies for Political Parties.
- xlvi. **Electoral Assistance:** Activities undertaken during the review period revolved around (i) comprehensive support to the Electoral Institutions in Guinea Bissau; (ii) contribution to the enhancement of technical knowledge of staff of National Electoral Commissions in the area of Election Dispute Resolution through a BRIDGE Training Session in Cotonou; and (iii) implementation of proactive measures through 2 Pre-election Fact-Finding Missions and 2 Early Warning Missions (jointly with UNOWA) for the elections slated for 2015 in Burkina Faso, Cote d'Ivoire, Guinea, Togo, and Nigeria.
- xlvi. **Early Warning:** The Commission continued to produce the Daily/Weekly Highlights, Situation, Early warning, Thematic and Security update reports and Policy briefs on Member States. These reports focused on the crises in Mali and Guinea Bissau and the Boko Haram menace in Nigeria. The reports, backed by empirical data from the ECOWARN system, were invaluable to the Commission's conflict prevention and intervention initiatives. The Commission also conducted a study on current security challenges to highlight the risks and vulnerabilities of the region.

- xlvi. **Peacekeeping:** Key activities implemented included: (i) organisation of training-related activities under the ECOWAS Standby Force (ESF)/Mission Management and Planning Cell Programme; (ii) continued implementation of activities and programmes within the framework of the ECOWAS Convention on Small Arms and Light Weapons (iii) organization of annual meeting of National Commissions on Small Arms, hosted by Cape Verde, from 9 – 11 June 2014 for peer review as well as evaluation of the activities implemented by Member States within the framework of the 5-Year Priority Plan of the ECOWAS Convention and Small Arms; and (iv) provision of technical support to Member States to engage in the global negotiations of the Arms Trade Treaty.
- xlix. **Regional Security:** Key achievements realised included the (i) adoption of the ECOWAS Integrated Maritime Strategy (EIMS) at the 44<sup>th</sup> Summit of Heads of State and Government which took place in Yamoussoukro, Cote d'Ivoire in March 2014; (ii) organisation of an Inter-governmental Experts Meeting held in May 2014 in Banjul to review and validate the Draft ECOWAS Security Sector and Governance Concept; (iii) Organisation of the 3<sup>rd</sup> National Counter-Terrorism Training of Law Enforcement Agents and the 4<sup>th</sup> Regional Counter-Terrorism Training course on the ECOWAS Counter-Terrorism Manual held in Dakar in March 2014 and in July 2014 in Banjul, The Gambia; and (iv) inauguration of the West African Police Chiefs Committee (WAPIS) Office on 22<sup>nd</sup> January 2014 in Abuja.
- I. **Information and Communication Technology (ICT):** The Commission implemented the first and second phases of the ECOWAS Network Infrastructure Modernization project leading to the deployment of VOIP communication between the Commission Headquarters at Asokoro and the two annexes at River Plaza and Niger House respectively. As part of the programme of activities for the commencement of the ECOWAS CET, the CCC, in collaboration with the Customs Directorate, has started the preparation of the CET files to be integrated into the customs computer systems in operation in the region in order to make the tariff applicable across board from January 2015.

#### ***Legal and Institutional Matters***

- li. **Legal Affairs:** The activities of the Commission included: (i) amendments to the Protocol on the Free Movement of Persons, Right of Residence and Establishment and the development of the Legal instruments appointing the Commissioners and Director-Generals of ECOWAS institutions. The Commission also facilitated the harmonization of about eleven (11) instruments in the business sector which will be presented for further consideration to a multi-sectoral experts on trade and Legal experts in the last quarter of 2014.

#### ***Institutional matters:***

- lii. **Strategic Planning:** The focus of strategic planning activities was on the implementation of the Regional Strategic Plan (RSP), (2011 – 2015) and the preparation of its successor plan within the framework of a Community Strategic Framework (CSF), 2016 – 2020. In the process of implementing the RSP, the Commission conducted working sessions to develop the annual work plan which provided guidance on action plans, implementation timelines, budgets and results for the Directorates of the Commission.

- liii. **Communication:** Progress was made in the realization of an ECOWAS radio and television programme that would enhance awareness and expand the scope of participation of Community citizens in the integration project. The Commission also started the process for revising the ECOWAS web site to enhance its efficiency and ensure a more effective communication with community citizens.
- liv. **Monitoring and Evaluation:** The activities of the Commission in 2014 relating to monitoring and evaluation targeted mainly the implementation of the Community's performance report framework and evaluation of the ongoing Regional Strategic Plan 2011-2015. Other activities include: (i) development of the Commission's 2013 annual performance report and (ii) preparation of 2014 draft annual performance reports of Departments and Units based on their quarterly reports.
- lv. **External Relations:** The Commission strengthened cooperation with Member States, especially Benin and Guinea, in popularising regional integration programmes and ensuring greater visibility of community programmes at the national level. Furthermore the Commission continued with the process of consolidating synergies with the permanent representatives of Member States. On cooperation with the European Union, all the financing agreements were signed for the implementation of the RIP under the 10th EDF to commence. With regard to the RIP 11th EDF, the period under review was marked by an in-depth ownership of the programming process both internally and on the regional front. Furthermore, the various Summits which the Commission participated in, especially the France-Africa Summit (December 2013), the 4th EU-Africa Summit (April 2014), the USA-Africa-Summit (August 2014) strengthened the position of ECOWAS and the incorporation of regional priorities in the development of partnerships

#### **Finance**

- lvi. **Community Levy:** For its 2014 activities, the Community Levy Management Committee adopted a programme of high level missions to Member States to resolve concerns about the implementation of the Protocol on Community levy in the Member States. Unfortunately, due to the outbreak of the Ebola virus disease in the sub-region and the non-availability of officials of the Member States, the Committee could only visit one Member State. However, the Community Levy Technical Committee embarked on its scheduled missions to five (5) member states and regrettably, the issue of non-compliance with the Community Levy Protocol continues to be a major area of concern
- lvii. **Implementation of the Systems, Applications and Products (SAP) in ECOWAS Institutions:** The SAP project continued to make steady progress during the second half of the year. With the supply and installation of Hardware Equipment, upgrade of Network Infrastructure, renovation of Data Centre and Data Recovery Centre in progress as well as the arrival of the SAP Consultants, the implementation phase of the project began in earnest.
- lviii. **Human Resources:** The expansion of the Commission from a nine (9) member to a fifteen (15) member Commission resulted in: the appointment of six (6) new Commissioners; the creation of a corresponding number of new departments to be headed by the Commissioners; the creation of new directorates and the need for additional manpower to run the new directorates and divisions. The Commission also completed the recruitment process of

Statutory Appointees who assumed duty in February 2014. In addition, the Commission continued with the implementation of the Institutional Reform Process as directed by the 66th and 68th Ordinary Sessions of Council.

- lix. ECOWAS Peace Fund:** Activities carried out by the Commission under the ECOWAS Peace Fund (EPF) during the period under review was focused on : i) implementation of the Core Peace Fund; ii) conclusion of the “Support to ECOWAS for Peace and development Project (PADEP) and negotiations with the African Development Bank for a new project, and iii) strengthening of the Africa Peace and Security Architecture (APSA) Support Programme and deepening collaboration with the European Union and the African Union as well as other Regional Economic Communities on the continent.

#### **Communication**

- lx.** With regard to activities undertaken by **other Community institutions**, the following achievements were recorded in the implementation of their work programmes:
- lxi. ECOWAS Parliament:** Parliament held its 2014 First Ordinary Session from 19th May to 3<sup>rd</sup> June 2014 during which Country Reports were presented. The Second Ordinary Session of the Parliament, usually held in September, could not hold in as a result of the outbreak of Ebola Virus Disease (EVD) in some ECOWAS Member States. Other activities of Parliament during the period included organisation of delocalised meetings and awareness campaigns by various Standing Committees including the Workshop on “Budget Execution Monitoring and Final Accounts of Parliament: Responsibilities of External Auditors” organised by the Committee on Administration and Finance from 24<sup>th</sup> to 28<sup>th</sup> February 2014 in Accra.
- lxii.** On the Project for the Enhancement of the Powers of Parliament, a meeting involving all Members of the ECOWAS Parliament was held in Praia from 10<sup>th</sup> to 12<sup>th</sup> March 2014 to brief Members on the outcome of the Meeting of the 71<sup>st</sup> Session of the ECOWAS Council of Ministers held in Abidjan on 16<sup>th</sup> to 17<sup>th</sup> December 2013, where a Draft Supplementary Act on the Enhancement of the Powers of Parliament was considered.
- lxiii. ECOWAS Court of Justice:** An important event in the work of the Court during the year was the swearing-in of new judges on 18 June 2014 to take over from the former judges whose tenure ended on that date. The Court held forty-eight (48) sessions from 1<sup>st</sup> January to 30<sup>th</sup> September 2014, and delivered eighteen (18) judgments, six (6) rulings and two (2) decisions on applications for review of judgments. In addition, twenty-one (21) new cases were filed. At the end of this period, forty (40) cases were pending before the Court. Furthermore, an external court session was held at the Supreme Court of Togo from 10<sup>th</sup> to 14<sup>th</sup> February 2014, at which the Court heard eighteen (18) cases on the cause list. At the end of the external court hearings, 3 final judgments, 3 rulings and 1 final judgment on an application for revision were delivered.
- lxiv. West African Health Organisation (WAHO):** The main activities by WAHO were within the framework of the 2009-2013 Strategic Plan and the 2014-2015 Interim Plan. In the area of epidemic control, WAHO provided technical and financial support to Member States affected by the ebola epidemic and other related diseases especially in Guinea (Ebola and Measles), Liberia and Sierra Leone (Ebola), Nigeria (cholera), Benin (cholera) and Burkina Faso

(meningitis). In terms of communicable and non-communicable disease control, various activities were undertaken in the region including the development of the Regional Strategic Plan for the control and elimination of malaria and the establishment of the ECOWAS Regional Buffer Stock of anti-retroviral. In the domain of maternal and child health, WAHO provided support for the setting up and functioning of the National Immunization Technical Advisory Groups in Benin, Côte d'Ivoire, The Gambia, Guinea, Mali and Senegal and well as in the organisation of a training of trainers workshop in Emergency Obstetrical and Neonatal Care in Togo.

- lxv. **Inter-governmental Action Group against Money Laundering in West Africa (GIABA):** GIABA continued to provide assistance to Member States in the implementation of effective Anti-Money Laundering (AML) and Counter-Financing of Terrorism (CFT) regimes. Key activities implemented during the period included: (i) organisation of the 21<sup>st</sup> Technical Commission /Plenary Meeting of GIABA in Niamey, Niger in May 2014; (ii) organisation of a National Workshop on Detecting Illicit Cross-border movement of cash and negotiable bearer instruments (NBI) for Border Law Enforcement Agencies in Lagos, Nigeria in July 2014.; (iii) organisation of a Training Seminar of BNP PARIBAS Group for its Branch Compliance Officers in sub-Saharan Africa and the Indian Ocean, Saly Portudal, Senegal in 2014; and (iv) organisation of a National Training Workshop on Investigative Techniques in Money Laundering and Financing of Terrorism in June 2014 in Bamako, Mali.
- lxvi. **ECOWAS Bank for Investment and Development (EBID):** During the first semester of 2014, the Bank's operational activities increased the balance of assets and liabilities by 20.1% mainly as a result of the resources mobilised. Furthermore, the volume of commitments increased by 5.8% through loans to Member States.
- lxvii. The Bank's interim accounts showed a surplus of UA2.7 million after a loss of UA9.78 million in December 2013 that resulted mainly from provisions for losses likely to result from loans to the Private sector.
- lxviii. With regard to resource mobilisation, the Bank continued to intensify its initiatives to source financing capable of sustaining its loan portfolio substantially as it is the only way to ensure the Bank's viability and profitability. In spite of some positive developments, the mobilisation of adequate resources especially within the Community remains the main challenge to the institution. In this regard, payment of the second tranche of capital by Member States will improve the situation and serve as a powerful lever for resource mobilisation among partners.

### ***Conclusion and Recommendations***

- lxix. The 2014 Annual Report presents a comprehensive rundown of key activities carried out during the period under review. It provides satisfactory signals that the guidelines for the implementation of the Commission's 2014 work programme were firmly adhered to despite the serious challenges and setbacks posed by the Ebola virus outbreak.
- lxx. As regards the economic situation, the world economy grew from 3.0 % in 2013 to 3.3 percent in 2014, and is projected to further grow to 3.8 % in 2015. Whilst advanced economies are

expected to grow at the rate of 1.8 % in 2014 as against 1.3 % in 2013, emerging markets and developing economies will drive global economic growth in 2014 at 4.4% compared to 4.7% in 2013. In Africa, real GDP growth is expected to rise to 4.8% in 2014 and 5.7% in 2015 as against 4.0% in 2013.

- lxxi. In West Africa, real GDP growth is expected to reach 6.3% and 7.1% in 2014 and 2015 respectively as against 5.6% in 2013. This compares favourably with Eastern and Southern African regions whose growth rates in 2014 and 2015 are projected at 6.0% and 6.2%, and 4.0% and 4.4% respectively. The change in the basis for the calculation of Nigeria's GDP in 2014 makes it to emerge as the biggest economy in Africa, accounting for nearly 78% of ECOWAS GDP, followed by Ghana (4.8%), Côte d'Ivoire (4.6%) and Senegal (2.1%). On account of the devastating impact of the Ebola outbreak in Guinea, Liberia and Sierra Leone, real GDP growth projections for 2014 stood at of 2.4%, 4.5% and 7.1% against 2.5%, 8.1% and 13% in 2013. This is based on the expectation that the epidemic will be contained by the end of December 2014.
- lxxii. In spite of the current challenges posed by the Ebola outbreak, much progress has been made towards the implementation of the ECOWAS Multilateral Surveillance Mechanism and the Road Map for the ECOWAS Single Currency Programme. The Commission facilitated the establishment of the Presidential Task Force on the ECOWAS Monetary Cooperation Programme to examine progress being made in the effective implementation of the multilateral surveillance mechanism and the roadmap for the ECOWAS Single Currency Programme. In the area of Private Sector development, the Commission made significant progress in the development of the ECOBIZWORLD Market Information System and in translating the draft Common Investment Code and Policy into the three official languages of the Community.
- lxxiii. With regard to the Economic Partnership Agreement (EPA), negotiations between the EU and West Africa at the level of Experts, Senior Officials and Chief Negotiators have been concluded and approved by the ECOWAS Authority of Heads of State and Government at their summit held in Accra on 10 July 2014. The consensus, among other things, focused particularly on market access offer, financing of the EPA Programme for Development (EPADP), text of the Agreement, including the EPADP Protocol, as well as rules of origin.
- lxxiv. In the domain of Free Movement and Cross-border cooperation, the Commission has not only commenced the implementation of the Free Movement and Migration project, but has also revitalised the Migration Dialogue for West Africa Process.
- lxxv. In the area of infrastructure development, efforts have been directed towards the implementation of the ECOWAS Joint Border Post Programme, Axle Load Harmonization Policy, the Nigeria-Cameroon Multinational Highway and Facilitation Programme as part of the Trans-Africa Highway programme, Abidjan-Lagos Corridor Development Programme and the Trans-Gambia Transport Corridor. Under the Abidjan-Lagos Corridor Development Programme, the Commission, in collaboration with Legal experts from the five Member States, completed a Draft Treaty (Agreement) which was signed by the Presidents of the concerned Member States at the margins of the ECOWAS Summit in March 2014 in Yamoussoukro, Côte d'Ivoire.



- lxxvi. With regard to Energy, sustained efforts have been directed towards the implementation of emergency programmes for enhancing electrical power supply to The Gambia, Mali and Sierra Leone. Following requests made by the governments of The Gambia, Mali and Sierra Leone, the ECOWAS Commission undertook full financing of these projects in the form of grants amounting to US\$ 108 million. Activities implemented under the ECOWAS **Centre for Renewable Energy and Energy Efficiency (ECREEE)** includes among others the development of tailored policies and regulatory frameworks to promote renewable energy and energy efficiency technologies and services in the Member States.
- lxxvii. In the area of regional security, key achievements included the adoption of the ECOWAS Integrated Maritime Strategy (EIMS) at the 44<sup>th</sup> Summit of Heads of State and Government and the inauguration of the West African Police Chiefs Committee (WAPIS) Office.
- lxxviii. These achievements are undoubtedly quite encouraging. To accelerate the regional integration process and consolidate the activities of ECOWAS Institutions, it is worth making the following recommendations. Member states are called upon to:
- contribute to the Ebola Special Fund called ECOWAS Solidarity Fund for the Fight against Ebola;
  - comply with the provisions of the Community Levy Protocol;
  - maintain and strengthen regional infrastructure development efforts, in particular those relating to trade and business competitiveness;
  - continue to deepen regional integration by accelerating the implementation of the single currency programme of the Community, free movement of persons and goods, the roadmap on air transport and the effective implementation of the CET on 1<sup>st</sup> January 2015;
  - continue efforts to consolidate peace and security in the region.

## INTRODUCTION

1. During the course of 2014, the ECOWAS Community Work Programme was implemented successfully in spite of the health, political and security challenges the region faced. The success recorded is not unrelated to the relative political stability, good macroeconomic reforms, political will of the Heads of State and Ministers as well as the zeal of ECOWAS officials (both statutory appointees and other cadres of staff) to effective implementation of the Community work programme, which is anchored on the Community's Vision 2020 that aims to transform the Community from an ECOWAS of States to an ECOWAS of People.
2. Notwithstanding the myriad of challenges the region faced during the year, especially the outbreak of Ebola epidemic and the Boko Haram insurgency, the regional economic growth rate of 6.3 percent outpaced the 2014 global economic growth rate of 3.3 percent and developing economies' growth rate of 4.4 percent. In monetary terms, the economic size of ECOWAS is projected to increase from US\$ 667,818.9 million in 2013 to US\$ 734,013.4 million in 2014. Projected ECOWAS economic size in 2014 will be 22.4 percent of the economic size of sub-Saharan Africa but 4.05 percent, 1.20 percent and 0.69 percent of the European Union, Emerging Market and Developing Economies, and the World respectively.
3. Due to the outbreak of the Ebola epidemic and its economic impact on the region especially the three hardest hit countries of Guinea, Liberia and Sierra Leone, the 2014 regional economic growth was revised downwards from 7.1 percent to 6.3 percent. Côte d'Ivoire may likely be the country with the highest growth rate of 9.0 percent in 2014. In fact, three ECOWAS member States would outperform the ECOWAS average growth rate of 6.3 percent. In addition to Côte d'Ivoire, the other ECOWAS Member States and their projected growth rates for 2014 are as follows: The Gambia (7.5%) and Ghana (6.9%).
4. In a bid to enhance the economic wellbeing of the Community and foster regional integration among the fifteen ECOWAS Member States, the Community policy making organs, especially the ECOWAS Council of Ministers and the Authority of Heads of State and Government, during their ordinary and extra-ordinary sessions held during the year, provided conducive environment, resources and effective policy direction for the implementation of the Community work programme.
5. As usual, the policy-programme nexus of all the ECOWAS Institutions is anchored on two basic pillars, namely, (i) the promotion of peace, security and good governance, and (ii) the improvement of the standard of living of the people. To achieve the two major goals, the ECOWAS Commission, during the period under review, undertook the implementation of the following priority programmes:
  - Consolidation of peace and security while strengthening the democratic process;
  - Continuation of efforts in establishing a common market through finalisation of the Common External Tariff (CET), enhancing free movement of persons and goods, finalisation of agricultural investment programmes and common policies particularly in the industrial sector and infrastructural development;
  - Improvement of the macroeconomic policy framework to prepare for the creation of a credible and sustainable monetary union characterized by a single central bank, unified monetary and exchange rate policies, and a single currency as well as a conducive business environment necessary for economic prosperity and enhancement of wealth in the region;

- Completion of the Community Development Programme (CDP) preparatory tasks for donor financing;
  - Development of a strategy for the Sahel and its presentation for international community support;
  - Implementation of an economic cooperation strategy with countries and regional blocs including Brazil, China, India, the European Union, Malaysia, and USA as well as consolidating the traditional relationships with the other developed countries;
  - Acceleration of institutional reforms at the Commission; and
  - Capacity building.
6. In spite of the Ebola epidemic which led to a temporary suspension (slowdown) of Community activities, appreciable success was recorded in the implementation of the Community Work Programme. Details are contained in the subsequent chapters, especially Chapter Two, of this 2014 Annual Report.
7. The 2014 ECOWAS Annual Report is structured into four major chapters. Following this introductory segment, Chapter one reviews the recent economic developments of the region within the context of the global and continental economic environment. Chapter two highlights the status of implementation of the 2014 Work Programme of the ECOWAS Commission as approved by the Council of Ministers and endorsed by the Authority of Heads of State and Government. Chapter three examines the issue of socioeconomic impact of the 2014 Ebola outbreak in West Africa while Chapter four reviews the activities of the other ECOWAS Institutions, namely, ECOWAS Parliament, ECOWAS Court of Justice, ECOWAS Bank for Investment and Development, Inter Governmental Action Group Against Money Laundering in West Africa (GIABA) and the West African Health Organization. Following Chapter Four is a Section on Conclusion.

## CHAPTER I: RECENT ECONOMIC DEVELOPMENTS IN WEST AFRICA.

### 1.1 External environment: the global economic environment

8. The global economy is forecast to reach a value of US \$77,609 billion in 2014, an increase of 3.9 percent from 2013. Therefore, the global economic recovery continues although it is weak and uneven. Some countries have recovered or nearly recovered and many others are still struggling. Growth of the world economy is projected to increase from 3.0 percent in 2013 to 3.3 percent in 2014 and further increase to 3.8 percent in 2015. Although the advanced economies will experience a growth rate of 1.8 percent in 2014 vis-a-vis 1.3 percent in 2013, the emerging market and developing economies will still drive the global economy despite a 0.3 percentage decline in its growth rate from 4.7 percent in 2013 to 4.4 percent in 2014. Its growth rate will increase to 5.0 percent in 2015 (see Table 1).
9. On the basis of world output per person, otherwise known as output per capita, the advanced economies are projected to move from 0.9 percent in 2013 to 1.3 percent in 2014 and 1.9 percent in 2015 while the emerging market and developing economies will post an output per capita of 3.4 percent in 2014, although a decline from the 3.5 percent recorded in 2013. However, the output per capita for the emerging market and developing economies is projected to rise to 3.8 percent in 2015.
10. Accounting for the disparities in the group growth rates are two main forces – past and future forces. The past force relates to the legacies of the financial crisis, which are debt overhang and high unemployment. On the other hand, the future force deals with the issue of potential growth rates which are either low or have been revised down. It is not only important for the future, but these worse prospects about the future are leading to investment-consumption decisions today, which, in turn, lead to low growth. However, given that the two forces affect the global economy differently, the economic evolutions are also different

Table 1 : World Economic Output (annual percent change)

	2012	2013	Output Projections	
			2014	2015
World Output	3.2	3.0	3.3	3.8
Advanced Economies	1.4	1.3	1.8	2.3
Emerging Market and Developing Economies	5.0	4.7	4.4	5.0
Sub-Saharan Africa	4.9	4.9	5.1	5.8
<u>Output per capita</u>				
Advanced economies	0.7	0.9	1.3	1.9
Emerging Market and Developing Economies	3.9	3.5	3.4	3.8
Value of World Output (\$ billion) at market exchange rates	72,106	73,982	77,609	81,544
<u>Consumer Prices (Inflation):</u>				
Advanced economies				
Emerging Market and Developing Economies	2.0	1.4	1.6	1.8
Sub-Saharan Africa	6.0	5.8	5.5	5.6
	9.0	6.3	6.7	7.0

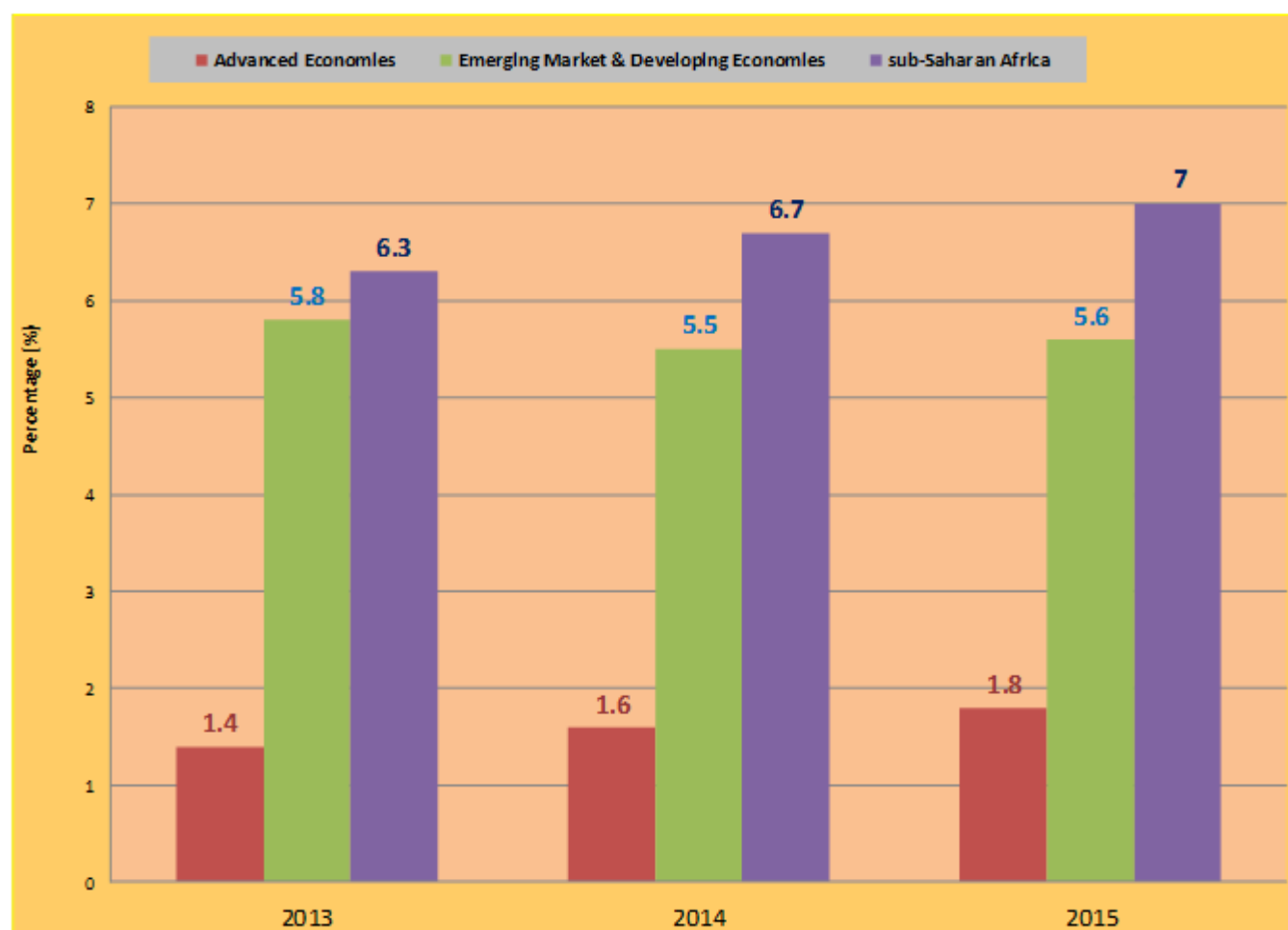
Sources: IMF, World Economic Outlook Database, October

11. An examination of the individual countries in each group reveals that the United States' growth rate will not change from its 2013 rate of 2.2 percent but will increase to 2.3 percent in 2015. There will be both positive and negative effects coming from stronger demand from the United States and tighter financial conditions. To the extent that the increase in interest rates is driven by faster growth in the U.S., the overall of the effect may be beneficial.

12. In the case of Japan, the baseline forecast for its growth is in the range of 0.9 and 0.8 percent in 2014 and 2015. Japan is growing but high public debt inherited from the past together with very low potential growth are raising major macroeconomic and fiscal challenges. Japan has to continue to implement the three arrows of Abenomics, namely expansionary monetary policy, flexible fiscal adjustment and structural reforms. The biggest priority would be to ensure that the structural reforms are implemented. Japan has to achieve stronger private demand. In addition, it has to increase potential growth because it is currently low.
13. As regards the euro area, growth will move to 0.8 percent in 2014 and 1.3 percent in 2015 unlike in 2013 when it was -0.4 percent. Five countries in the euro area, which are non-core countries, are expected to post a growth rate above 2.0 percent in 2014. The countries are Ireland (3.6 percent), Luxembourg (2.7 percent), Latvia (2.7 percent), Slovak Republic (2.4 percent) and Malta (2.2 percent). Germany and France – two core countries - may record growth rates of 1.4 percent and 0.4 percent in 2014 respectively while Italy, Finland and Cyprus may post negative growth rates of -0.2 percent, -0.2 percent and -3.2 percent respectively by the end of 2014.
14. With respect to the emerging market group, the BRICS (Brazil, Russia, India, China and South Africa) countries, especially China, are driving the growth of the group. Among the BRICS, China may lead the sub-group in both 2014 and 2015 with respective growth rates of 7.4 percent and 7.1 percent while Russia may be the least growing country with respective growth rates of 0.2 percent and 0.5 percent. The other three countries, namely India, South Africa and Brazil, are expected to post growth rates of 5.6 percent, 1.4 percent and 0.3 percent respectively in 2014.
15. With respect to inflation globally, monetary policy conditions were generally accommodative in advanced economies and broadly unchanged in emerging markets. In advanced economies, inflation generally remains below central bank policy targets, an indication that many of these economies have substantial output gaps. In the United States, it is forecast to rise modestly from 1.5 percent in 2013 to 1.7 percent in 2014 and 1.8 percent in 2015 but below the Federal Reserve's longer-term objective of 2 percent. Although the monetary stance in the United States remains expansionary, the reduction in the monthly volume of asset purchases by the Federal Reserve has continued and purchases are expected to be wound down before the end of the year.
16. In the euro area, the situation is much better than in the United States. Forecast shows a decline from 1.5 percent in 2013 to 1.0 percent in 2014 and 1.2 percent in 2015. This is below expectations given the euro area's weak recovery from the legacy crisis. The European Central Bank (ECB) has announced a range of actions to tackle low inflation and address fragmentation, including a reduction in policy rates, targeted credit easing, and other measures to boost liquidity.
17. In Japan, headline inflation is expected to move from -0.6 percent in 2013 to 1.3 percent in 2014 and 1.4 percent in 2015. In October 2014, the Bank of Japan (BOJ) shocked global financial markets by expanding its massive stimulus spending in a stark admission that economic growth and inflation have not picked up as much as expected after a sales tax hike in April. The jolt from the BOJ, which had been expected to maintain its level of asset purchases, came as the government signaled its readiness to ramp up spending to boost the economy and as the government pension fund, the world's largest, was set to increase purchases of domestic and foreign stocks.
18. With respect to the emerging market economies, inflation has remained broadly stable, from 5.9 percent in 2013 to 5.5 percent in 2014 and 5.6 percent in 2015 (see Figure 1). Among the regional groups, the CIS may record the highest inflation rate of 7.9 percent followed by MENA 7.6 percent

and SSA 6.7 percent<sup>1</sup>. The regional groups with expectation of low inflation rates in 2014 are Emerging and Developing Asia (4.1 percent) and Emerging and Developing Europe (4.0 percent).

Figure 1: World inflation situation by region (2013-2015)



19. Nevertheless, there are downside risks to the global economy. The first is the possibility of secular stagnation<sup>2</sup> due to the long period of low interest rates. The right set of policy tools to address the economic issue is macroprudential tools rather than interest rates. The second risk is geopolitical which relates to crises in Europe (Ukraine), sub-Saharan Africa (Sahel region) and Middle East (Syria). The turmoil in the Middle East resulted into low energy prices and low volatility. These risks may intensify in the future and have major effects on the world economy. The third risk

<sup>1</sup> The abbreviations are as follows: CIS – Commonwealth of Independent States; MENA – Middle East, North Africa, Afghanistan and Pakistan; and SSA – sub-Saharan Africa.

<sup>2</sup> It refers to the protracted economic depression characterized by a falling population growth, low aggregate demand and a tendency to save rather than invest. There is consensus on three points. First, negative real interest rates are needed to equate saving and investment with full employment. Second, the key worry is that secular stagnation makes it much harder to achieve full employment with low inflation and a zero lower bound on policy interest rates. Finally, while it is too early to tell whether secular stagnation is going to materialise in the US and Europe, economists and policymakers should start thinking hard about what should be done if it does. Doing so is a no-regret option. If stagnation will be really secular and the real interest rate remains low or even negative for long time, the old macroeconomic toolkit will be inadequate. And the extraordinary monetary and fiscal measures in place today may not be available next time.

relates to the stalling of the recovery in the euro area. In this case, demand weakens further and low inflation turns into deflation.

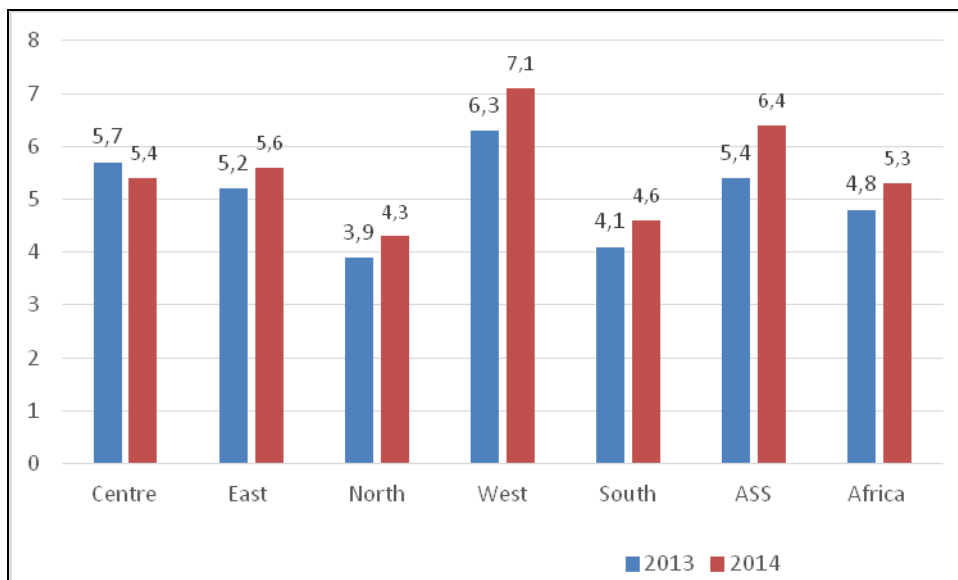
20. To address the risks and the various economic challenges encountered by the countries, a number of policy prescriptions are proffered. In the advanced economies, policies should deal both with the legacies of the crisis and, looking forward, address the issue of low potential growth. With respect to legacies, while achievement has been made on improving bank balance sheets, there is debt overhang in the economy. Thus, as long as demand remains weak, monetary accommodation and low interest rates may remain appropriate.
21. Despite the weak recovery in the euro area, there is still scope for fiscal policy. Infrastructure investment, even if debt-financed, may well be justified and can help demand in the short run and supply in the longer run. It is essential for policymakers to re-establish confidence for a clear plan to deal both with the legacies of the crisis and the challenge of low potential growth.
22. With respect to the emerging markets, policymakers need to be ready to deal with potential bumps on the road in the process of interest rate normalization in the United States, increases in interest rates which may turn out to be more rapid than expected, with more volatility than is currently observed. In that regard, the policymakers should ensure a very stable macro environment, exchange rate flexibility to absorb shocks, and a very credible macroeconomic policy framework, all of which remain really crucial elements of support and defence against these exogenous risks.

## **1.2 Growth of the African Economy**

23. The economic prospects of Africa confirm the continent's real GDP robustness over the past five years. The continent is expected to grow at 4.8% in 2014 and 5.7% in 2015 as against 4% in 2013 (cf. figure 2). Besides the resilience of the commodity market, the performance of African economies is driven by public investment in infrastructure, improved agricultural output and sustained growth in the services sector.
24. The African growth dynamics can also be attributed to expected developments in certain GDP constituent elements. In the first place, household consumption would remain strong, partly due to the moderate rise in inflation in several countries, a situation that should positively impact real disposable income. Furthermore, public authorities' consumption is expected to grow at a moderate rate due to limits placed on operating expenditures initiated by States, actions which should culminate in fiscal consolidation of public finances. Finally, the continued improvement of investments, in particular, foreign direct investments (FDI) is a critical leverage for wealth-creation. Thus, almost US\$ 57 billion dollars were invested in Africa in 2013, and forecasts indicate that the continent's attractiveness will further improve in 2014 (UNCTAD, 2012)<sup>3</sup>. It is worth noting that a growing share of FDI in Africa is now focused on the manufacturing sector, in particular on consumer goods.

<sup>3</sup> UNCTAD (2012) « Global Investment Report: Moving towards a new generation of investment policies ».

Figure 2 : Growth of major African regions



Source: Graph obtained from ADB data

25. However, even though common factors relating to the strong performance of oil, mining and agricultural sectors and to public infrastructural expenditure (referred to here as fundamental factors), generally underpin Africa's growth dynamics, the overall economic performance of the continent disguises disparities. Indeed, growth differentials between the major regions and African countries sometimes highlight huge differences in resource endowments, investment attractiveness and, particularly, structural economic transformation. The last factor seems to play a more crucial role in analyzing growth dynamics than the insight gained in assessing the five major African geographical zones<sup>4</sup>.
26. Thus, in Central Africa, the expected rise in real GDP growth rate to 6.2 % in 2014 and 5.7 % in 2015 after declining to 3.7% in 2013 would be sustained by the positive outlook, driven especially by the fundamental factors of most countries in the region. Furthermore, the gradual momentum of the non-oil sector in Cameroon, Congo and Gabon is leading to the strong outlook of regional growth which has for a long time been driven by the oil and mining sectors, thus moderating the negative GDP growth rate of Equatorial Guinea, precisely due to the decline in oil production since 2013. By contrast, the political and security situation in the Central African Republic would continue to have negative consequences on the country's economy, the prospects of which are still uncertain.
27. In East Africa, the changes in GDP are expected to be sustained at 6% in 2014 and 6.2% in 2015 after an upward trend of 6.2% in 2013. Besides the strong performance of the fundamental factors, this growth is also expected to be driven by tourism and industry as their contribution to wealth creation is steadily increasing in some countries such as Kenya, Ethiopia, Uganda, Rwanda and Tanzania. Nonetheless, the region's performance would be limited by the political situation in countries such as Eritrea and Sudan, where a low growth rate, if not a negative one, is expected in 2014.
28. In North Africa, it is anticipated that GDP will grow at 3.1% and 5.5% in 2014 and 2015 respectively, after a decline to 1.9% in 2013. The modest results achieved in recent years and the highly mixed short-term prospects place the region's growth below the African average. This poor performance can be attributed to the political crisis in Egypt, Libya and Tunisia and the difficult

<sup>4</sup> These five geographical zones correspond to the African Regional Economic Communities delineated by the African Union.



economic recovery in the Euro Zone with which the region has close trade relations in a wide range of sectors. The uncertainty regarding the alarming situation in Libya, even though there is relative peace in the other two countries, still poses a threat to the hope of a return to growth in the Maghreb region in 2015, and beyond this timeline, to peace and stability in the Sahel-Saharan region.

29. In *Southern Africa*, growth prospects are generally a reflection of the outlook of South Africa, the region's major economy. With an expected GDP growth of 4% in 2014 and 4.4% in 2015 as against 3% in 2013, the growth prospects for Southern Africa are still projected to fall below the continent's average. This outlook is strongly mitigated by that of South Africa, recording a decline of 1.4% in 2014 as against 1.9 per cent in 2013 in view of the close link between its economy and the weak global economy. On the other hand, the upturn in the GDP growth rate in the region can be attributed to the performance of countries such as Angola, Botswana, Malawi, Mozambique and Zambia which recorded growth rates of between 5 and 9 per cent.
30. Finally, in West Africa<sup>5</sup>, growth prospects indicate the acceleration of real output in 2014 and 2015, expected to reach 6.3% and 7.1% respectively as against 5.6% in 2013. These favourable prospects attest to the dynamism of the West African economy and the constant improvement in the economic conditions of the region. Besides the strength of the fundamental factors, this performance can also be attributed to the gradual increase in added value excluding oil and minerals, in particular, in the telecommunications sector of several countries in the region, especially in Nigeria. However, the consequences of the Ebola fever epidemic, seriously ravaging three countries in the region (Guinea, Liberia and Sierra Leone) which Chapter 3 of the current report presents comprehensively, could alter the growth prospects, at least of the above-mentioned countries.
31. Overall, in spite of the encouraging prospects, the continent's performance remains fragile due to the highly externally-dependent nature of the potential sources of Africa's growth. The latter is always linked to the production of raw materials and external economic support, which makes it highly dependent on the sound economic position of its economic partners, in particular, the European Union, and the susceptibility of price fluctuations of its raw materials.

### **1.3 West African Economies**

32. West Africa has a land surface area of 5 114 658 sq. km, representing about 17% of the continent's total land surface area. The population of the region is a little more 300 million inhabitants, making it the most populated of the Regional Economic Communities in Africa, or nearly 27% of the total population of Africa.
33. With the recent change in the basis for the calculation of Nigeria's GDP in 2013, West Africa would account for 45% of the GDP (measured in current terms) of Sub-Saharan Africa and 1% of global GDP. Nigeria's production makes it by far the biggest economy in the region and in 2014, it would account for nearly 78% of the region's GDP, followed by Ghana (4.8%), Côte d'Ivoire (4.6%) and Senegal (2.1%). The four economies alone account for 89.5% of the wealth produced in West Africa. Gambia and Guinea Bissau are the two smallest economies (with 0.1% each).

#### **1.3.1. Economic growth**

34. The analysis of historical data suggest that the West African growth rate has for a long time been maintained above 5%, at least for a decade, which makes ECOWAS one of the best- performing regions. The expected economic growth in 2014 (6.3%) confirms the positive dynamics even

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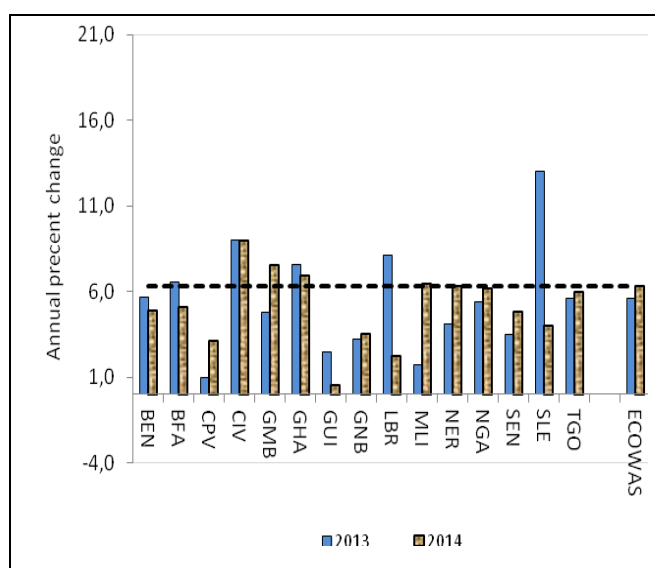
<sup>5</sup>Here West Africa refers to the region consisting of the fifteen ECOWAS Member States.

though lower than the initial forecast of 7.1%. This less optimistic scenario can be attributed to the negative consequences of the serious and unprecedented health situation confronting the region.

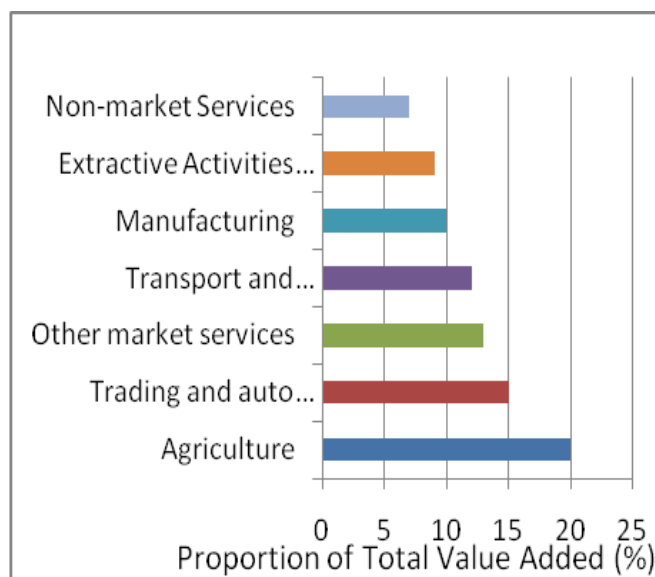
35. Indeed, as the Ebola fever disease is having a negative effect on the most important sectors of the three economies (Guinea, Liberia, Sierra Leone) which are seriously affected by the epidemic, the latter has led to a significant reduction in GDP forecasts for these countries. The projections for these countries in 2014 provide growth rates of 0.5%, 2.2% and 4.0% against 2.5%, 8.1% and 13% in 2013, on condition that the epidemic can be contained by the end of December 2014.
36. On the other hand, most of the other countries are expected to record increases in growth rates in 2014 and 2015, thus enabling the region to obtain a generally positive performance. This upturn is directly related to consolidation of growth in Nigeria, (6.2%), Côte d'Ivoire (9.0%) and Ghana (6.9%). The expected growth acceleration in Mali (5.8% in 2014 from 1.7% in 2013), Niger (7.1% in 2014 from 4.1 % in 2013) and in the Gambia (7.5% in 2014 from 4.8% in 2013) accounts for the resilience of the regional economy.

Figure 3 :Growth rates of ECOWAS Member States

Figure 4 : Major contributions to ECOWAS' GDP



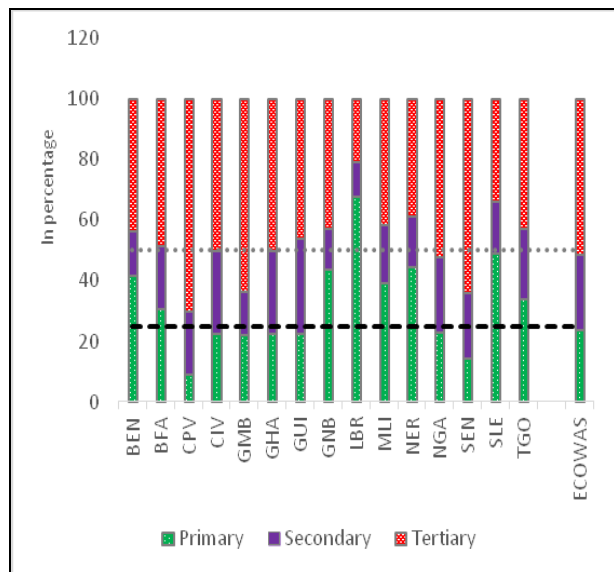
Source : Figure plotted from ECOWAS data



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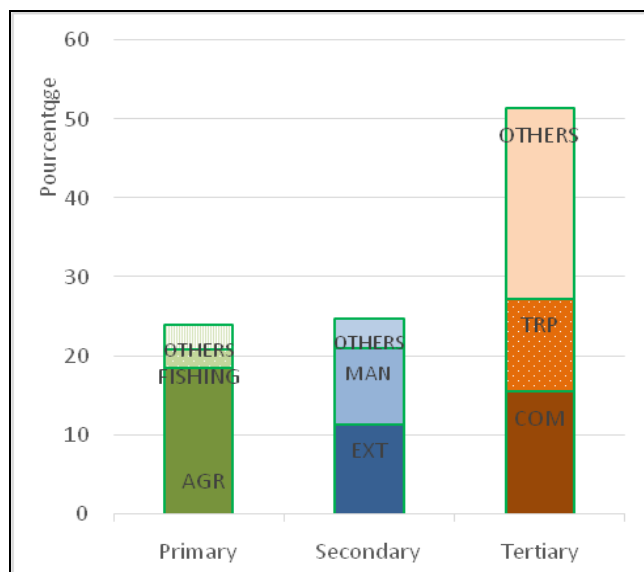
37. The above-mentioned growth prospects are based on assumptions relating to the internal and external environment of States and to the contribution of the various sectors of activities to overall added value. The structural changes in the economy, which above all, are necessary in the development process, are correlated to sectoral contributions.
38. The new Nigeria GDP calculation has made it possible to assess the structural changes that have occurred in the country over time. The over-arching clout of Nigeria in the regional economy has led to a significant change in the contribution of sectoral activities to ECOWAS GDP (cf. figure 4). Thus, since the entry into force of the new Nigeria GDP, the relative share of the primary, secondary and tertiary sectors in the ECOWAS GDP is 24.2%, 24.6% and 51.2% respectively (cf. figure 6) whereas it was previously 40.5%, 24.8% and 35.1%.
39. Though disparities exist between countries in the area of sectoral contribution to GDP, a relative increase in the size of the tertiary sector as against the primary sector has been observed in several countries like Nigeria (cf. figure 5).

Figure 5: Contribution of sectoral value added of ECOWAS



Source : Graph obtained from ECOWAS data

Figure 6 : Contribution of sectoral value added of ECOWAS Member States

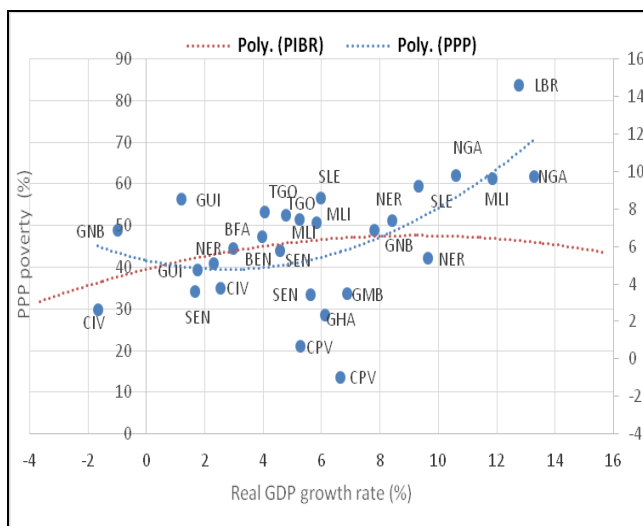


Source : Figure plotted from ECOWAS data

AGR: Agriculture; EXT : Extractive ; MAN : Manufacturing ;  
COM : Commerce (Trade) and Re-exports; TRP: Transport and communication

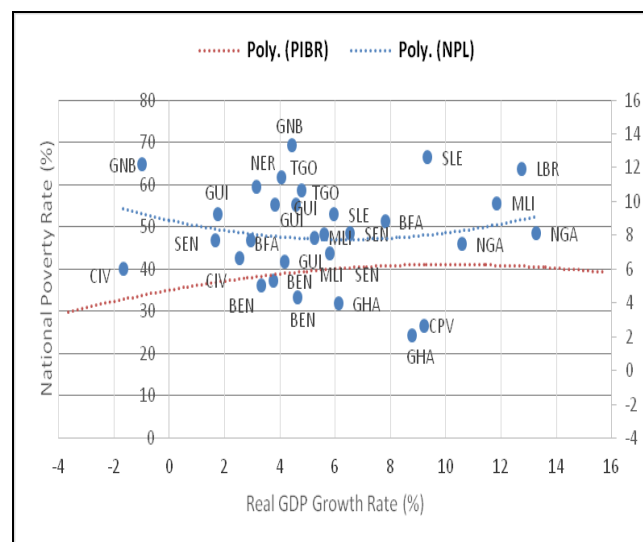
40. The current stylized facts upon which the analysis is based concerning sectoral contributions to the overall added value suggests that Liberia (67.9%), Sierra Leone (48.8%), Niger (44.7%), Guinea Bissau (43.7%) are the only countries which have a proportionally sizeable primary sector. By contrast, Cape Verde, (70%), Senegal (63.9%), the Gambia (63.5%), Nigeria (51.9%), Côte d'Ivoire (50%) and Ghana (50%) have a relatively sizeable tertiary sector.
41. An enhanced knowledge about the relative contribution of the different sectors of activity is fundamental in economic policy formulation as sectoral development must be in tandem with employment creation and poverty reduction. This is all the more important given the fact that sustained growth in West Africa seems to have a very limited impact on the well-being of the population, more particularly, in the area of poverty reduction.
42. Concerning the timeline set for the global ambitious initiatives under the Millennium Development Goals (MDGs), the declared will to reduce extreme poverty by half at the end of 2015 seems to be wishful thinking for many African countries, in particular ECOWAS countries. The mixed assessment of three decades of poverty reduction policies currently raises a lot of questions and gives rise to concerns over the redistribution effect of growth.
43. The lack of survey data on poverty in the Member States is a limitation to the quantitative evaluation of the relationship between growth and poverty reduction. Such an evaluation is all the more important from poverty data produced on regular basis. However, a simple consideration of poverty timeframes provided by random surveys carried out by the States makes it possible to establish the mixed relationship between growth and poverty in the ECOWAS region.

Figure 7 : Real growth / PPP poverty line



Source : Figure plotted from World Bank data

Figure 8 : Real growth / National poverty line



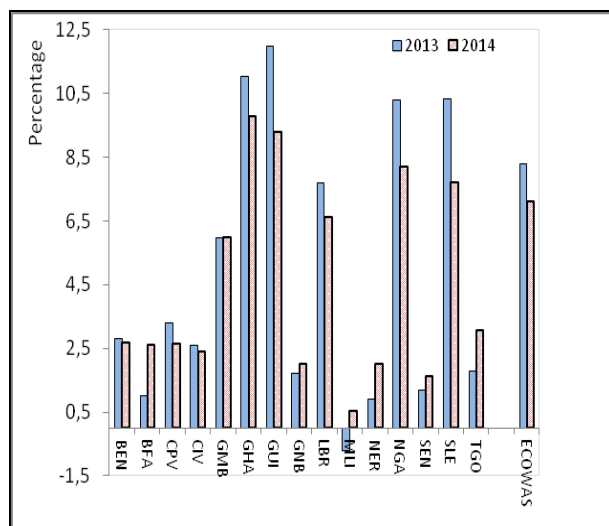
Source : Figure plotted from World Bank data

44. Better still and generally, growth does not seem to reduce poverty. Indeed, historical analysis of empirical factors helps to highlight this obvious contradiction raised on several occasions by analysts. The survey data on poverty, seen in the light of real GDP, show that the upward growth trend contrasts with an increase in poverty profile in majority of ECOWAS countries (cf. figure 7 and 8). In other words, growth only slightly affects the incomes of poor people.

### 1.3.2. Inflation

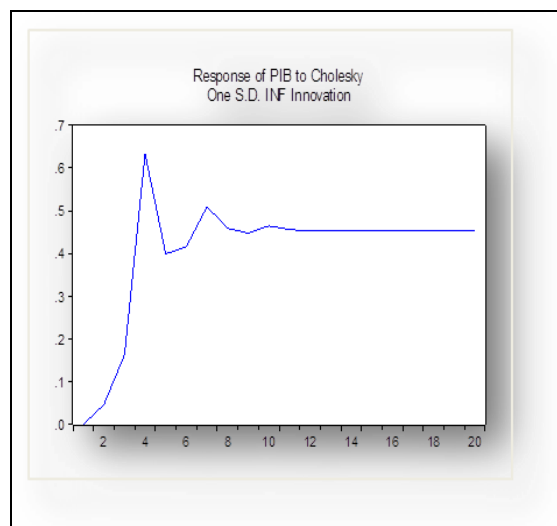
45. Inflation monitoring is also important in poverty reduction issues. In fact, the general price level, measured by the consumer price index affects the population's purchasing power and real disposable income and impacts poverty profile. Price stability consequently is a crucial objective for macroeconomic stability. The ECOWAS multilateral surveillance mechanism gives it a special place by making 5% the maximum inflation reduction target to be achieved as the Community goal.
46. ECOWAS has made appreciable progress in reducing inflationary pressures. Unlike the UEMOA countries which have consistently achieved an annual average inflation rate below the Community target of 5%, the other States fall into the encouraging dynamic of controlling inflation.

Figure 9 : Inflation in ECOWAS member States



Source : Figure plotted from ECOWAS data

Figure 10 : Impact of Inflation on Growth



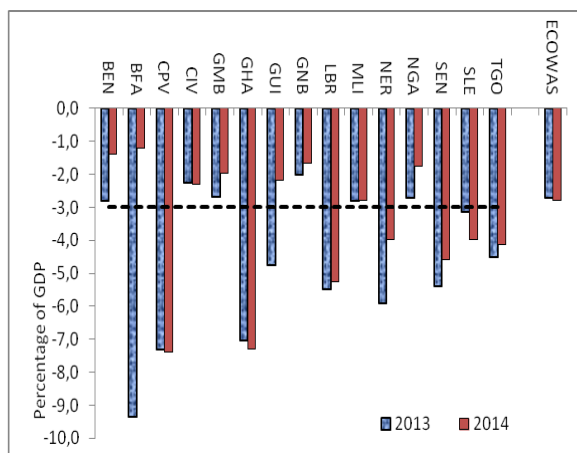
Source : Figure plotted from ECOWAS data

47. Thus in 2014, the average annual inflation rate of most ECOWAS countries should decline, resulting in the ECOWAS countries known for their inflationary trends attaining a target below the double digit (see figure 9). The average inflation of the region would be 7.1% in 2014 against 8.3% in 2013, attributed to the decline in Guinea (9.3% against 12% in 2013), Nigeria (8.2% against 10.3%) and in Sierra Leone (7.7% against 10.3%).
48. Beyond the national variations, the basic target set at the Community level is for each State to achieve a sustainably stable inflation rate to ensure that any positive marginal change in the rate does not negatively affect growth. It is evident that for all the countries, a stable inflation below 10% does not have a depressing effect on growth in the short and medium terms (see figure 10)

### 1.3.3. Budget deficit

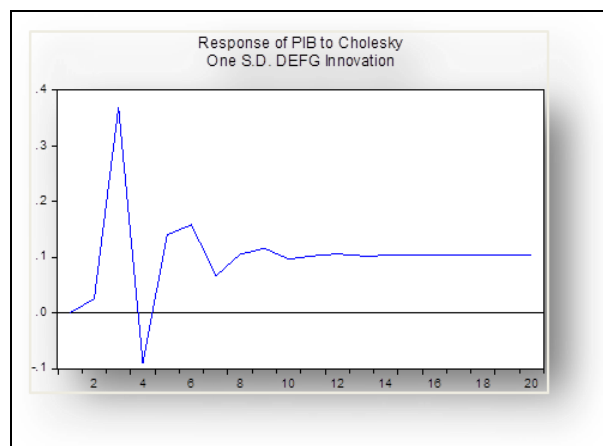
49. In most countries in the region, public expenditure has an accelerator effect on economic growth and it is one of the main causes of growth. But public deficit brought about by this public expenditure is often a cause for concern to the extent that macro-economic management mechanisms give it a great deal of attention. The ECOWAS Multilateral Surveillance Mechanism advises States to achieve a public deficit that is less than or equal to 3% of GDP.
50. The average ECOWAS public deficit is below this target but an upward trend has been observed for some years now. In 2014, it is expected to be 2.8% of GDP as compared with 2.7% in 2013 (see figure 11). The upward pressure, even though still moderate, can be attributed to the deficit of 7.4% for Cape Verde, Ghana (7.3%), Liberia (5.3%) and for Niger, Senegal, Sierra Leone and Togo which is nearly 4% of GDP.

Figure 11: Budget deficit of ECOWAS Member States



Source : Figure plotted from ECOWAS data

Figure 12: Impact of budget deficit on growth



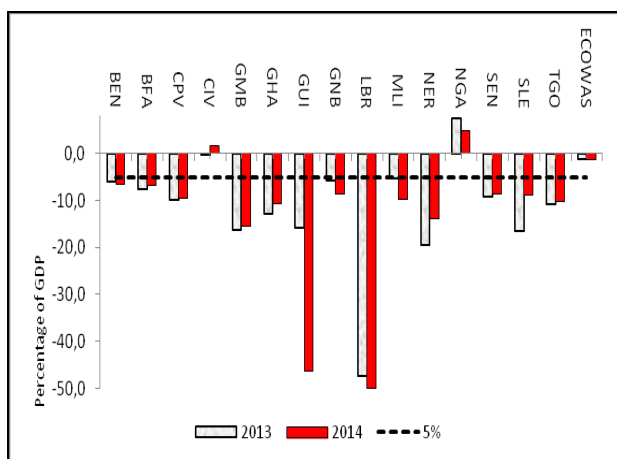
Source : Figure plotted from ECOWAS data

51. By controlling their deficit in the anticipated proportions, Nigeria (1.8%), Côte d'Ivoire (2.3%), Benin (1.4%), Mali (2.8%), Guinea Bissau (1.7%) the Gambia (2%) helped in minimizing the general ECOWAS government deficit from worsening.
52. However, measures taken by certain countries in tackling the Ebola epidemic in the region and the uncertain prospects in the health crisis could result in the widening of the deficit in higher proportions than the projected forecasts.
53. Overall, the impact of public deficit on economic growth is proven. This impact is positive when the deficit is controlled within sustainable limits (see figure 12).

#### 1.3.4. Current account balance

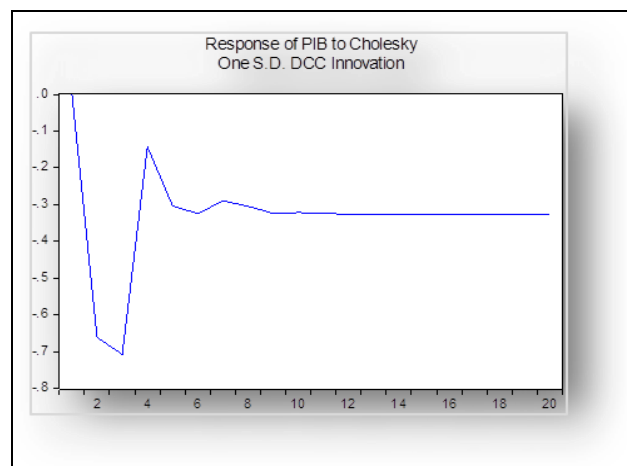
54. ECOWAS' current account balance would turn from a deficit of 1.3% of GDP in 2014, which is stable as compared to the preceding year (cf. figure 13). The structural deficit of most countries, which is generally above 6%, contrasts Nigeria's surplus (4.9%) and Côte d'Ivoire's (1.6%).

Figure 13: Current Account Balance of ECOWAS member States



Source : Figure plotted from ECOWAS data

Figure 14 :: Impact of current account balance on growth



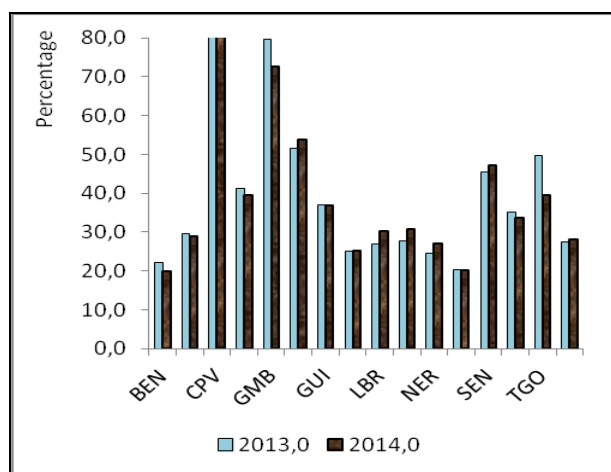
Source : Figure plotted from ECOWAS data

55. Beyond its magnitude, which is more than 10% for at least six countries, including Ghana (10.7%), Senegal (10.2%), Niger (13.8%), and attaining 46.3% and 50% for Guinea and Liberia, the external deficit of countries in the region is very volatile. In other words, a downward trend has not been observed over the years. This volatility of the external current account can be explained by the poor control exercised by these countries over the factors which determine external current balance, especially prices of main export products of the region.
56. The externally-oriented and dependent nature of the economies of the region in relation to the international economy is the consequence of the structural weakness of current account balance in view of the fact that the negative effect on growth is obvious (see figure 14).

### 1.3.5. Public debt

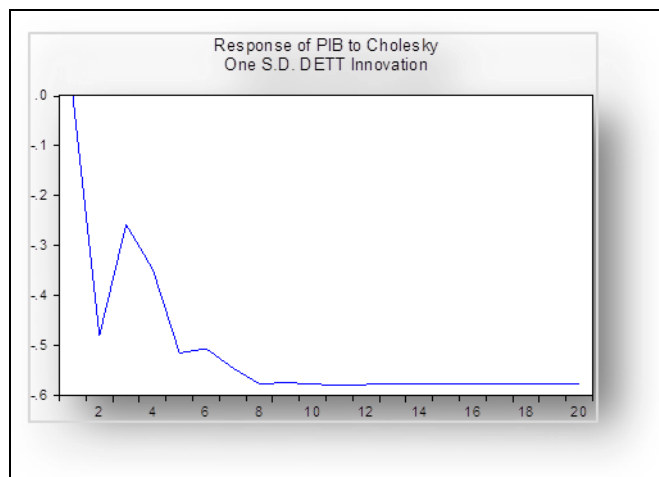
57. The lessons learned from the debt crisis of developing countries, in particular, ECOWAS countries make it crucial for surveillance on debt accumulation and its sustainability. The stated debt ratio target (debt stock as a proportion of GDP) of less than 70% is consistent with this requirement.
58. In this regard, with the exception of Cape Verde (ratio of 98%) and the Gambia (73%), the debt ratio of ECOWAS countries falls below the maximum target. The situation of this second country is so worrisome that it benefitted from the Highly Indebted Poor Countries Initiative (HIPC), just like other countries, excluding Nigeria and Cape Verde.

Figure 15: Public debt ratio of ECOWAS member States



Source : Figure plotted from ECOWAS data

Figure 16 : Impact of public debt on growth



Source : Figure plotted from ECOWAS data

59. The debt accumulation discipline is crucial in view of the high depressive effect of the debt on growth (see figure 15)
60. Overall, growth forecasts for West Africa remain positive and are based on optimistic scenarios concerning external demand for raw materials, agricultural production and government's infrastructural expenditure. They are also based on the dynamism of domestic consumption of goods and services. However, the realisation of these forecasts depends on ways of addressing current challenges confronting the region especially the Ebola fever epidemic which must be contained or even eradicated as early as possible.

## **1.4 Review of Economic Performance and Reforms in ECOWAS Member States**

### **Benin**

61. The country experienced improved growth performance during the year. Real GDP growth is expected to reach about 5.7 percent in 2014 for the third consecutive year. This performance has closed the gap in per capita GDP growth between Benin and the Sub-Saharan African (SSA) average. Pursuit of prudent fiscal policy strengthened macroeconomic performance while considerable progress was made in the implementation of structural reform programmes.
62. In order to consolidate the good macroeconomic performance, the government took appropriate steps to tackle emerging issues that posed serious risks to the economy. This included initiatives to address the weak performance of domestic revenues through a comprehensive tax administration reform and sound policies to create fiscal space for scaling up investment to remove growth bottlenecks.

### **Burkina Faso**

63. Growth of the economy remained robust, despite slight downward revisions, with growth in 2014 estimated at 5.1 percent, reflecting weather and weaker terms of trade. Inflation is around zero, partly due to subsidized food prices. The government maintained a prudent fiscal stance, despite numerous shocks, and implemented structural reforms that have improved the resilience of agriculture, especially cotton. Social transfers have been bolstered to ensure the benefits of growth are better distributed.
64. To continue to strengthen the economy against various shocks, while promoting inclusive growth and poverty reduction, the government plans to continue to develop growth hubs, implement arrangements under the National Rural Sector Programme and the action plan for food security, and approve a draft law on universal health insurance.
65. The medium-term forecasts are leaning toward continued economic growth of 6.6 to 6.7 percent, assuming a normal rainfall, a good gold production and stable cotton prices. This growth would be driven in part by the implementation of quickly-impacting government measures in agricultural and livestock sectors, and the launch of the Bagre growth pole operational phase.

### **Cape Verde**

66. Cape Verde's real GDP growth is expected to pick up to 3 percent in 2014, after years of economic slowdown. Improving economic conditions in the euro area bode well for tourism, remittances, and Foreign Direct Investment (FDI). Domestically, consumer and investor confidence is expected to begin recovering, boosted by a more accommodative monetary policy stance. Inflation is expected to increase as activity picks up, but remain below 3 percent. The current account deficit should widen in 2014 as the demand for imports recovers, and is likely to remain high for a few more years, as the large-scale public investment programme is gradually phased out.
67. The principal near-term risks relate to a further delay in the European recovery, and to a resurfacing of financial stress in the euro area. Domestic risks are primarily fiscal in nature, given the high public debt. These risks are however mitigated by the high concessionality and long maturity nature of this debt. The medium-term outlook of the economy looks positive, with growth expected to increase to about 4 percent. The main risk to this outlook relates to Cape Verde's ability to implement the structural reforms needed to boost competitiveness and potential growth.



**Côte d'Ivoire**

68. Macroeconomic performance in the first half of 2014 was solid, with continued strong economic activity, particularly in the construction, public works and service sectors. Inflation remained subdued, staying within the West African Economic and Monetary Union's (WAEMU) norm. Budget execution was also satisfactory with stronger-than-expected revenue performance and expenditures were contained within the budgeted amounts. As a result, the basic primary balance recorded a small surplus. The government successfully issued a Eurobond in July 2014 to raise US\$ 750 million to help finance the budget, extend average debt maturities and repay some domestic debt.
69. The medium-term macroeconomic prospects, in particular for the remainder of 2014 and 2015, are encouraging with real Gross Domestic Product (GDP) growth expected to reach about 9.0 percent in 2014 and 10 percent in 2015, driven by expansion of public investment.
70. Current reform programmes are geared towards improving transparency and efficiency in the public sector and encompass areas such as public procurement processes where sole-source contracting is being reduced, setting up a single Treasury account, restructuring of public banks as well as initiatives towards reinforcement of the financial position of the energy sector.

**The Gambia**

71. Real GDP is estimated to have grown at 6.25 percent in 2013 and is expected to grow at about 7.5 percent in 2014, driven by the continued recovery in agriculture and a strong 2013/14 tourism season. The external current account is projected to continue to improve. Inflation, which stood at 6.1 percent in October 2013, witnessed a gradual fall to 5.6 percent in February 2014.
72. Even though fiscal slippages caused by higher than budgeted levels of spending pushed the fiscal deficit to about 8.8 percent of GDP in 2013, the government embarked on a programme of corrective measures to contain the destabilization effect. The government implemented concrete programmes to boost revenue and contain expenditure, and instituted a cash budgeting scheme to strengthen budget execution. Improved policy implementation restored confidence, as reflected in the stabilization of the dalasi exchange rate. The level of gross international reserves is recovering slowly, but remains at the comfortable level of 4 months of import cover.
73. With a view to consolidating gains, the government sustained the policy actions which were expected to provide a sound basis to lower the government's domestic borrowing, allow interest rates and domestic interest payments to decline from their presently very high levels, and create room for spending on social and development priorities and private credit growth. As economic gains are consolidated it is expected that international reserves, a vital shock absorber for a small open economy such as The Gambia, will experience considerable rise.

**Ghana**

74. Ghana continues to face significant domestic and external vulnerabilities resulting from a large fiscal deficit, a slowdown in economic growth and rising inflation. Growth is expected to decline from 7.6 percent in 2013 to 6.9 percent in 2014 while inflation is expected to reach an average of 15 percent in 2014. The fiscal deficit is expected to remain high at around 9.75 percent of GDP, driven by weak revenue performance, a large wage bill and substantially rising cost of debt service. The external current account deficit is projected to narrow to 10 percent of GDP, as imports declined substantially due to slower growth and a large depreciation of the currency, while export performance remained weak. The currency weakened sharply through August, before recovering very recently. In September, the issuance of a US\$1 billion Eurobond and the Cocoa

Board (Cocobod) successfully raising US\$1.7 billion for the financing of a projected excellent cocoa crop, contributed to the relative stability of the exchange rate.

75. Several measures are being put in place to restore stability and put the economy back on track. A more ambitious fiscal consolidation is being pursued to help place public debt on a sustainable path and allow monetary policy to be more effective in bringing down inflation, including by strictly limiting budget deficit financing by the Bank of Ghana. Fiscal adjustment is also being realized through reductions in Ghana's comparatively high public sector wage costs, the elimination of costly and untargeted subsidies for energy and petroleum products, and a better prioritization of capital spending. On the revenue side, adjustment includes reduction of tax exemptions and strengthened revenue administration through a better targeting of large taxpayers. In the medium term, structural reforms and institutional changes have been considered key to sustainable fiscal consolidation and lasting expenditure discipline.

#### **Guinea**

76. Guinea's economy suffered from a difficult socio-political situation and a slowdown in mining activity in 2013 which resulted in a slowdown of economic growth. Despite the difficult environment, the fiscal deficit remained under control. Prudent fiscal and monetary policies led to a decline in inflation, from around 13 percent at end-2012 to around 10 percent in April 2014. The Central Bank's international reserves remained at safe levels and the exchange rate of the Guinean franc also remained stable.
77. Economic activity in the first five months of 2014 remained subdued, reflecting the impact of the Ebola epidemic, continuing electricity shortages and slow progress on structural reform. Growth was projected to rebound in the second half of the year, buoyed by higher agricultural output, an increase in public infrastructure spending, and a gradual pick-up in mining sector activity following the signing of the investment framework for the Simandou iron ore project. Inflation was expected to decline to 8.5 percent by end-2014, and reserves should remain at around 3 months of imports. The country's main reform programmes include public financial management, capacity building in project preparation and implementation, strengthening the electricity company to minimize its recourse to public funds and relieve power shortages, as well as structural reforms to deliver the country's potential growth and improve the living conditions of the population.

#### **Guinea Bissau**

78. Economic activity is expected to accelerate this year in the context of higher cashew export prices and a resumption of traditional donors' support. Successful parliamentary and presidential elections held during the year are likely to stabilize the political situation and further boost economic activity. After growing at 0.3 percent in 2013, GDP growth rate is estimated at 2.7 percent for 2014. Inflation has remained subdued at low single digits, in line with the West African Economic and Monetary Union's convergence norm but is projected to increase slightly in the second half of the year as fiscal arrears are cleared and cashew farmers get better prices for their crops.
79. Medium-term growth prospects critically depend on a stabilization of the political environment and increased support by traditional development partners. The absence of those conditions would complicate the government's ability to meet recurrent expenditures and to tackle the country's large infrastructure gap. The creation of fiscal space hinges on policy and institutional reforms aimed, in particular, at increasing the low levels of tax revenue collection. Prudent borrowing and strengthened debt management will be crucial to maintaining medium-term fiscal sustainability. An enabling environment for private sector-led growth also requires the removal of significant obstacles to doing business and strategies to deepen the financial sector and the population's access to financial services.

**Liberia**

80. Liberia's growth performance remains strong. Real GDP growth rate was estimated at 8.7 percent in 2013, reflecting increased iron-ore production. Output is projected to continue to expand at a healthy pace over the medium term as new mining projects come on stream and non-mining activities pick up, supported by the implementation of large public infrastructure projects.
81. The economic outlook in the medium-term is favourable although growth is projected to decline to 2.2 percent in 2014 due to the combined effect of Ebola and reduction in mining production, but should average 8 percent over the medium term provided iron-ore projects progress as planned and non-mining activities—agriculture, construction and services—pick up. The coming on stream earlier than anticipated of new iron-ore production, coupled with measures to expand agricultural production and address bottlenecks in the forestry sector could boost medium-term growth.
82. Reform programmes being implemented by the government to support growth sustainability include payroll cleanup which, if completed, will help save about 0.5 percent of GDP annually, implementation of the pilot phase of the Treasury Single Account, measures to strengthen revenue collection and avoid the recurrence of extra-budgetary commitments as well as strengthening expenditure controls and oversight of investment projects.

**Mali**

83. Mali's economy is returning to its normal growth path, as real GDP continues to increase and is expected to reach 5.8 percent in 2014. This follows 2012 when growth was zero due to the security crisis and 2013 when a poor harvest kept growth at only 1.7 percent. Inflation remains low, at 1 percent after -0.6 percent in 2013. For 2015, the projections are for real growth to continue at 5.5 percent and inflation to remain well below the central bank's 3 percent target. Government's reform programmes to accelerate the economic recovery process and consolidate progress made include strengthening structural reforms, notably those aimed at improving tax administration, expenditure control, and debt and treasury management.

**Niger**

84. Niger's economy has been performing well despite the difficult external environment. In 2013, real gross domestic product (GDP) grew at 4.1 percent, driven by the primary sector. The government programme of promoting the sale of cereals at a moderate price to support vulnerable groups and to improve markets, helped partly in maintaining inflation under control at 2.3 percent in 2013. Limited fiscal space and low absorptive capacity slowed down the implementation of public investments for pro-poor growth.
85. The medium-term economic outlook remains favourable. Growth is expected to rebound in 2014 up to 7.1 percent, driven mainly by the mining and agriculture sectors. If current trends are maintained, average inflation is expected to remain in check. The main challenges associated with the medium-term outlook stem from the fragile regional security situation and the country's vulnerability to exogenous shocks such as drought and flooding.

**Nigeria**

86. Economic growth is expected to remain strong, driven by agriculture, trade, and services. Inflation is expected to continue to decline, in line with a tight monetary policy and a lowering trend in food prices from high rice and wheat production. Structural reforms under the government's Transformation Agenda are being implemented vigorously. The government is taking measures to address the infrastructural gap and weak institutional capacity that have the propensity to retard growth prospects.

87. With a view to generating inclusive growth through improved competitiveness and productivity, wide ranging reforms are being pursued in three main areas - increasing the delivery of power, broadening the agricultural production base and increasing access to finance for SMEs. Support for sectoral growth is underpinned by improvements in competitiveness rather than by protectionist measures. The fiscal framework continues to improve while monetary policy remains supportively tight.

#### **Senegal**

88. Economic performance during the first half of the year was satisfactory. Economic growth picked up and inflation remained low. Budget execution was also satisfactory, with revenue exceeding the programme target. The good revenue performance combined with expenditure restraint resulted in a lower than anticipated budget deficit in the first half of the year, with the overall deficit for the year expected to be within the target of 5.1 percent of GDP.
89. Economic and social programmes are driven by the Plan Senegal Emergent (PSE) which underscores the importance of maintaining a sound economic framework and accelerating reforms to enhance productivity and improve the business environment as the key to economic and social emergence. In this context, reform programmes are directed at measures to improve the business climate and governance, deepening the financial sector and continuation of reforms in the energy sector to boost electricity generation while achieving lower cost.

#### **Sierra Leone**

90. Prior to the outbreak of the Ebola virus disease, economic activity continued to expand robustly, mainly on account of a sharp increase in mining activities. Output expanded by an estimated 20 percent in 2013. Reflecting subdued food prices, inflation also continued to decelerate to about 8.5 percent at end-2013. Gross international reserves reached 3.5 months of import cover, supported by increased export receipts from iron ore. The fiscal position improved, reflecting a strong revenue performance and expenditure restraint. The overall fiscal deficit was estimated to have narrowed to 1.9 percent of non-iron ore GDP, from 5.6 percent in 2012.
91. The Ebola Virus Disease that hit the country in May this year has had devastating health and social impact on the population, and threatened to erode progress towards macroeconomic stability. The rapid contagion and high mortality rate of the epidemic overwhelmed institutional and medical infrastructure. The epidemic put a significant strain on the national budget, in terms of revenue loss and additional expenditure, and generated important balance of payments needs. As at September 2014, the balance of payments deficit was estimated at US\$ 110 million. Also, the budget faced tremendous pressures stemming from revenue loss, which was estimated at about US\$45.7 million in the second half of this year, and additional spending of about US\$36 million, bringing the Ebola-related budgetary needs to almost US\$82 million.

#### **Togo**

92. Economic growth continues to accelerate under the impulse of private foreign and public infrastructure investments. Fiscal deficits have increased in recent years, constraining room for fiscal manoeuvre. Concern for further fiscal deterioration prompted the government to implement fiscal adjustment to increase the primary balance progressively, enhance revenue and public financial management.
93. The medium-term prospects of the economy look bright. Government is pursuing policies to raise the growth potential by providing critical infrastructure, improving the business environment and deepening the financial sector. Reform programmes are aimed at addressing the country's social and development needs by reducing the cost of running the government and improving the targeting and efficiency of public expenditure.

## CHAPTER II: IMPLEMENTATION OF THE COMMUNITY WORK PROGRAMME

### 2.1 Harmonization of macroeconomic policies and private sector promotion

#### 2.1.1 Multilateral Surveillance

94. Multilateral surveillance of economic and financial policies of ECOWAS Member States constitutes the basis for the implementation of the ECOWAS monetary integration programme leading to the realisation of the ECOWAS Single Currency Initiative by 2020. Key activities implemented during the course of 2014 are presented below.

#### ✓ *Monitoring and evaluation of macroeconomic performance and macroeconomic convergence in ECOWAS*

95. The implementation of multilateral surveillance activities during the period under review focused on monitoring and evaluating the status of macroeconomic stability and macroeconomic convergence in the region. These activities contributed to strengthening the effective implementation of multilateral surveillance in the Member States and accelerating efforts towards the realisation of the regional common currency.
96. As part of regional efforts towards monitoring and evaluation of the status of macroeconomic convergence in the region, the Commission participated in the statutory meetings of the West African Monetary Agency (WAMA) and the West African Monetary Institute (WAMI) held in Banjul from 10 to 17 January 2014. During the course of these meetings, the Commission organised an Extraordinary Session of the ECOWAS Convergence Council on 17 January 2014 in Banjul alongside the WAMZ Convergence Council. The meeting of the ECOWAS Convergence Council examined the recommendations of the WAMA Committee of Governors on the report of the Inter-Institutional Technical Sub-Committee and proffered succinct recommendations on the need to accelerate the effective realisation of the ECOWAS Single Currency. The Commission also participated in the second statutory meetings of WAMA and WAMI that were held in Dakar and Abuja from 27 to 30 June 2014 and 14 to 17 July 2014 respectively. The meetings, among other things, reviewed the status of macroeconomic stability and convergence in the region and discussed the status of implementation of multilateral activities outlined in the roadmap for the ECOWAS single currency programme

#### ✓ *Implementation of the Roadmap for the ECOWAS Single Currency Programme*

97. As part of the implementation of roadmap activities assigned to the ECOWAS Commission, a regional validation meeting on the final study reports on the harmonisation of accounting and Statistical frameworks of public finance was held in Lagos from 24 to 26 February 2014. The meeting was attended by experts from the relevant Ministries, Department and Agencies (MDAs) in the Member States as well as a resource person to guide and moderate the proceedings of the meeting adopted the study reports in line with the observations and recommendations made at the meeting.
98. The ECOWAS Commission, in pursuit of the implementation of the recommendations of the ECOWAS Authority at their Summit held in Yamoussoukro on 28 and 29 March 2014, organised a meeting of the Inter-Institutional Technical Sub-Committee on the Roadmap for the ECOWAS

Single Currency in Dakar on 25 and 26 June 2014. The meeting, among other things, updated the status of implementation of roadmap activities assigned to the relevant regional institutions. The conclusion and recommendations of the meeting focused on the revision of the macroeconomic convergence criteria and the structure of the roadmap as well as the rationalisation of the functions of the key regional institutions involved in the implementation of the ECOWAS Monetary Cooperation Programme.

99. In pursuance of the recommendations of the ECOWAS Authority of Heads of State and Government at their Summit held in Dakar on 25 October 2013 relating to the acceleration of efforts towards the timely realisation of the ECOWAS single currency, the Commission organised an inaugural meeting of the Presidential Task Force in Niamey on 20 February 2014. The Task Force is a high level presidential sub-committee that reports to the Presidents of Ghana and Niger on all matters relating to the implementation of the ECOWAS Monetary Cooperation Programme and the acceleration of efforts towards the realisation of the ECOWAS single currency initiative.
100. The second meeting of the Presidential Task Force was held in Accra on 7 and 8 July 2014. The conclusions and recommendations of the high level meeting focused on the recommendations of the meeting of the Inter- Institutional Sub-Technical Committee held in Dakar on 25 and 26 June 2014 on the rationalisation of the macroeconomic convergence criteria and the revision of the roadmap for the ECOWAS single currency programme. Subsequently, the ECOWAS Authority of Heads of State and Government at their Summit held on 10 July 2014 in Accra adopted the revised macroeconomic convergence criteria and mandated the ECOWAS Commission to ensure the effective implementation of the roadmap for the ECOWAS single currency as well as the rationalisation of the functions of the regional institutions involved in the process. The proposed convergence criteria adopted by the ECOWAS Authority of Heads of State and Government consisted of three primary and three secondary criteria. The three primary criteria were: Ratio of budget deficit ( including grants and on commitment basis) to GDP less than or equal to 3 % ; Average annual inflation of less than 10% with a long term goal of less than or equal to 5% by 2019 ; and Gross Reserves greater than or equal to 3 months of imports.

✓ ***Establishment and effective operation of the Institutional organs of the multilateral surveillance mechanism***

101. During the period under review, the ECOWAS Commission continued implementation of activities aimed at strengthening the technical and financial capacity of the National Coordinating Committees (NCCs). To this end, the Commission disbursed the ECOWAS annual subvention of US \$60,000 to each of the fourteen (14) NCCs to support their operations in 2014 and to pay for the annual salaries of the macroeconomists and bilingual secretaries working in the NCC secretariats. The Commission also organised the first half - year regional meeting of the NCCs in Accra from 21 to 28 July 2014. The meeting reviewed the country macroeconomic convergence reports of the NCCs for 2013 as well as the status of implementation of the ECOMAC Database in the Member States. In addition, the meeting discussed the Guidelines for the preparation of the Country Macroeconomic Convergence Reports and the Multi-Year Convergence Programmes.

✓ ***Cooperation with other regional and international institutions***

102. In its efforts to strengthen cooperation and collaboration with other institutions involved in the multilateral surveillance mechanism in the region, the Commission participated in the technical meeting of the National Committees on Economic Policies (CNPEs) organised by the WAEMU Commission in Abidjan from 10 to 12 February 2014. The meeting examined the study report on "The Dynamics of Public Debt and Review of Macroeconomic Convergence Criteria of WAEMU

Member States". The Commission also participated in the first half-year meeting of the Technical Sub-committee on WAEMU Multilateral Surveillance held in Ouagadougou from 16 to 20 June 2014 at which the June half year report on multilateral surveillance and a Note on macroeconomic convergence in WAEMU countries were examined..

103. The Commission also organised the 10<sup>th</sup> meeting of the ECOWAS-WAMI Joint Task Force on Trade and trade-related issues from 3 to 5 March 2014, in Abuja. The meeting reviewed the status of implementation of tasks assigned to the Joint Task Force in 2013 and developed a work programme for its operations in 2014. The second meeting of the Joint Task Force is scheduled to hold in Accra in late November 2014.

### **2.1.2 Private Sector Promotion**

104. The main activities implemented under the private sector development programme were as follows:

105. **Establishment of ECOWAS Common Investment Market**

- **Development of Common Investment Code and Policy:** During the period under review, the translation of the draft ECOWAS Investment Code (ECOWIC) and ECOWAS Investment Policy (ECOWIP) into the three official languages of ECOWAS was completed. The presentation of the draft Investment Code and Investment Policy to key stakeholders commenced in March 2014 in Cote d'Ivoire, with a consultative meeting of private sector stakeholders on the draft documents. The main outcome of the meeting was the validation of the draft documents and a pledge by the private sector operators to support the adoption of the instruments. The draft documents are also expected to be reviewed by experts on investment in the Member States and recommendation for adoption at a meeting of Sector Ministers scheduled to hold in December 2014.
- **Development of ECOBIZWORLD MARKET INFORMATION SYSTEM: ECOINVEST PROJECT:** The architecture and database structure of the ECOINVEST website have been agreed upon by all the relevant stakeholders including the Investment Promotion Agencies of West Africa (IPAWAS). The questionnaire for investment data collection in Member States was completed and sent to the respective Investment Promotion Agencies (IPAs) in the Member States for further review and consolidation.
- **E-Commerce Platform on ECOBIZ:** To enhance regional trade through a functional market information system coupled to an e-Commerce engine, the Commission collaborated with Easyduzit Ltd and Ateketo Foundation to develop a prototype of an e-commerce platform to support the ECOBIZ platform. The prototype was presented to the representatives of the Federation of West Africa Chambers of Commerce at a meeting held in Abuja in May 2014. The meeting reviewed the prototype and made recommendations for the improvement of the final version and proposed a roadmap for the rollout of the platform.

106. **ECOWAS Investment Climate Monitoring Indicators Report:** The published copies of the report on ECOWAS Investment Climate Indicators Study, which investigated the state of issues of enterprise mortality, alternative dispute resolution mechanism, public procurement transparency, construction permit **approval** time, status of investment promotion agencies, labour, utilities and other production factors costs and their impact on investment in the region, was completed during the period under review. Following the publication, a consultative meeting with the relevant stakeholders in the Member States, namely Ministries in charge of investment, Chambers of Commerce and Investment Promotion Agencies, was held to discuss the survey outcome and

advocate for reforms in areas indicating a lag or weakness in the Member States. They stakeholders, among other things, recommended that ECOWAS Commission should set up a regional investment climate governance structure to lead the implementation of the programme and ensure ownership of the framework by the Member States.

107. **Support for Investment Promotion in the Region:** The Commission supported and actively participated in the Invest in Cote d'Ivoire Forum (ICI) held in February 2014 in Abidjan by CEPICI. The Commission also supported and participated in the organisation of the African Business Associations Summit convened by Africa Business Round-Table (ABR) during the investment forum in Abidjan at which participants discussed the ECOWAS investment climate and recommended steps to be taken by all stakeholders in cultivating an investment friendly climate in the region.

#### 108. Financial Markets Integration

- **Implementation of the ECOWAS Payment and Settlement Systems (EPSS) Project:** The final report of the feasibility study on establishment of the Regional Payment and Settlement Systems Project was received from the Consultants in February, 2014. Subsequently, the report was first presented for validation at a meeting of Member States Payments System Experts and later to the 27<sup>TH</sup> Joint Ordinary Meeting of the Economic and Monetary Affairs Committee and the Operations and Administration Committee of the West Africa Monetary Agency, WAMA held in Dakar from on 27 and 28 June 2014 and the WAMA Committee of Central Bank Governors of West Africa at their meeting held on 30 June 2014. The Committee of Central Bank Governors, among other things, recommended for a further review of the report and for the establishment of a Regional Payments System Project Implementation Committee comprising the BCEAO and national Central Banks, ECOWAS Commission, UEMOA Commission, WAMA, WABA, WAMI, WACMIC and a representative of e-Payments' Association of West Africa.

- **Capital Markets Integration:** Following the adoption of the reports of the two Technical Committees of the West African Capital Markets Integration Council on the harmonised rules and regulations and operational procedures for the three-phase stock exchanges integration process in December 2013, sensitization workshops were organised for capital markets operators and stakeholders in Accra, Lagos, Abuja and Abidjan on the integration initiative and processes respectively. The workshop in Abidjan culminated in the Council's approval of the take off of the sponsored broker market access (SMA) programme and a directive of the Council to market operators to commence formalisation of applications, arrangements and relationships among willing Member States' brokers to access other Member States' stock exchanges through their sponsoring brokers. WACMIC announced the commencement of the first phase of the integration by sponsored access on 1<sup>st</sup> April, 2014.

As at September 2014, the SMA phase of the markets integration scheme had been implemented with the Nigerian Stock Exchange and Ghana Stock Exchange deploying the relevant platforms for cross border securities trade in their markets.

- **Establishment of ECOWAS Investment Guaranty Mechanism:** Following the adoption of the project by the Council of Ministers in December 2013, and the Council's directive on implementation of the project, the Project implementation Committee (PIC), comprising ECOWAS Commission, Nigeria, Cote d'Ivoire (representing member States) and ECOWAS Bank for Investment and Development (EBID), The West Africa Insurance Companies Association (WAICA), and African Trade Insurance Agency (ATI) was inaugurated on 16 May 2014 by the President of the Commission. The PIC at that



meeting also developed a road map and timelines towards the implementation of the ECOWAS-ATI partnership, in line with the Council's directive.

In pursuit of the PIC guideline, a Due Diligence mission to ATI, Nairobi, Kenya, was undertaken in August 2014 by EBID and the mission report submitted to ECOWAS Commission in October 2014 for the consideration of the next meeting of the ECOWAS Council of Ministers. The PIC meeting was held in Lome, Togo in November 2014 and the Due Diligence Report on ATI was approved and recommended for submission to the Council of Ministers.

109. **Implementation of ECOWAS-China Programme:** A technical team from China arrived in Abuja in February 2014 to commence the survey of the Lagos-Dakar Highway road project. The survey team concluded its mission in April 2014 and returned to China to prepare the survey report and outcome that will form the basis for the Chinese Government's decision to embark on the construction of the highway. Upon an invitation from the Chinese Government, a mission is being planned in the fourth quarter of 2014 to China, to finalise discussions on this project. This has been rescheduled at the request of the Chinese Government to 2015.
110. **Preparations for the 4th ECOWAS Business Forum:** Preparatory and planning activities for the organisation of the 4th ECOWAS Forum in The Gambia commenced with visits to potential sponsors including the Dangote Group, Glo Mobile and Asky airline. A planning mission to Banjul to agree on the date for the forum and adopt a roadmap for the event, initially scheduled for 20 to 22 June was later postponed to 2015 due to the outbreak of the Ebola epidemic in the region.
111. **Young Entrepreneurs' programme:** A monitoring visit was made to the winners of the 2010 regional competition for entrepreneurship and innovation. A mentee programme has been developed by the Commission to track their progress and provide relevant support.
112. **ECOWAS Diaspora Programme:** Following a high level meeting of the President of the Commission with the ECOWAS Ambassadors Group (EAG) in Washington DC in October 2013, it was decided to organize the 2<sup>nd</sup> ECOWAS Diaspora Conference in the United States in 2014. The conference, which was later postponed to 2015 aims at providing a platform for West African Diasporas to participate in the integration process.
113. **Regional PPP Policy:** The study on the draft regional Public Private Partnership (PPP) policy was commissioned during the review period. The completed questionnaires and other relevant information from Member States have been analysed by the consultants in preparation for a meeting with regional regulators and practitioners planned of the end of the year.
114. **Partnership events:** The Commission partnered with the ABR, ADB, and other institutions to organize the 1<sup>st</sup> Africa Business Summit in Abuja, Nigeria from 28 to 30 April, 2014. It also collaborated with Borderless Alliance to organize the third conference in Lagos from 26 – 28 February, 2014.
115. **EXPECT/PACT 11:** During the period under review, an Expert meeting was held in Accra to validate the study report on Mango, Palm oil, Cashew and Shea Butter value chains. In addition, a Mango Guide Book of the year, developed by ECOWAS-TEN under the sponsorship of UNDP-AFIM was also validated. Following the Accra meeting, another meeting was held in Abidjan to develop an action plan from the palm oil study report. A West African Palm Oil Alliance was later inaugurated, with the Alliance holding its first meeting to develop a work programme for the rest of the year and for 2015 and beyond.
116. The Commission has also commenced collaboration with the International Trade Centre (ITC) to develop a successor programme to PACT II, under ECOWAS-EXPECT. The EXPECT programme was

presented to the Development Partners, including the EU, at the 2014 Annual Development Partners' meeting, where it generated a significant amount of interest.

### **2.1.3 Research and Statistics**

117. The major activities carried out by the Commission in 2014 related to the following four programmes: (i) Regional Poverty Reduction Strategy; (ii) Regional Research Programme; (iii) Statistical Harmonization; (iv) Database Management and Update; and (iv) Statistical Cooperation.
118. In the area of Regional Poverty Reduction Strategy, the review process is ongoing. Visits were undertaken to Member States and the progress report prepared took the following into account : (i) the status and changing trends regarding poverty profiles including other socio-economic indicators; (ii) the review and analysis of poverty reduction strategies being implemented in the Member States; (iii) the analysis of the relevance of the regional poverty reduction strategy with particular emphasis on the formulation and implementation of Regional Economic Programmes (REP) and Community Development Programmes (CDPs) ; and (iv) recommendations on review options of the RPRSP.
119. To ensure the implementation of the ECOWAS Regional Research Policy adopted in July 2013 by the highest authorities of the Community, the Commission is preparing a five-year Research Programme. The regional research programme is expected to be adopted at the technical level in December 2014
120. Moreover, as part of the activities of the ECOWAS Research Network and research works, the Commission has completed the publication of the book entitled "The Youth in West Africa : A Potential To be Tapped " which gives a general overview of the challenges confronting the youth in West Africa and provides ways of ensuring their harmonious integration into the economies of the region. Furthermore, it is also working towards the publication of another book on "The Sources of Growth in West Africa " of which the manuscript is being finalized. It is projected that the editing work will be completed in the first quarter of 2015. This book aims at a better understanding of ECOWAS economies as it highlights some socio-economic and cultural factors that impinge on growth and development in the region. It would therefore be a useful complement to papers which prioritize traditional methods as a means of explaining economic growth.
121. In the area of statistical harmonisation, a methodology for statistical harmonisation based on the consumer price index , national accounts , balance of payments, international investment position as well as public finance statistics has been implemented. Indeed, the implementation of the methodology for statistical harmonisation of consumer price index started with a training for experts from Member States and specialists in the area of price statistics. The experts were trained in the calculation of weightings to facilitate the implementation of the regional methodology. A regional classification is being finalized to ensure harmonization in the compilation of the index.
122. The Commission's national accounts harmonization programme covers the implementation of SNA 2008 and the regional nomenclature of activities and products. The Commission is seeking to give concrete expression to these agreements with technical and financial partners to support ECOWAS in the implementation of methodologies for statistical harmonization adopted in December 2013. In that regard, EUROSTAT has planned to facilitate the training of national experts from the Anglophone States in the use of the ERETES software for the compilation of National Accounts. A training session scheduled to be organized in Accra (Ghana) has been postponed due to the outbreak of the Ebola virus in the region. Concerning the harmonisation of balance of payments and the International Investment Position, a methodological guide has been finalized. The guide

and the texts for reinforcing the institutional anchor of the regional balance of payments were validated in June 2014 and will be submitted for adoption. In the area of public finance statistics, an Action Plan covering the period 2014 - 2018 is being finalized. The document will be validated in December 2014.

123. As part of the database management and update, the statistical data collected for the production of statistical publications of the Commission were validated following a regional workshop and visits undertaken to the Member States. Within the framework of the statistical harmonisation process of macroeconomic accounts, an Economic, Financial, Monetary and Social Database dubbed « ECOBASE » has been developed and finalized with the ACCESS software, in collaboration with regional institutions and Member States. The operational phase of the database was launched in May 2014 and its installation in the Member States started with 8 countries in 2014 and the rest will be completed by the first quarter of 2015.
124. In the area of statistical cooperation, a resource mobilization plan for financing the regional statistical programme has been prepared and is being implemented. Visits to international organizations and partners are ongoing to mobilize technical and financial capacities. The Commission participated and also took charge of the participation of Member States in the United Nations Statistical Committee. A 2014 Progress Report on Statistics in the region is being compiled. The report will be finalized in the first quarter of 2015

#### **2.1.4 Community Development Programme (CDP)**

125. The ECOWAS Commission initiated the formulation of the ECOWAS Community Development Programme (ECOWAS-CDP) with a view to providing a medium and long term development agenda for the West African Region, through the identification and implementation of priority projects. The programme aims at translating the ECOWAS Vision 2020 into concrete development projects within a coherent framework adopted by all stakeholders, namely Member States, Intergovernmental Organizations (IGOs), Non State Actors (NSAs) and Development Partners.
126. The year 2014 was marked by a number of key activities undertaken in accordance with the three (3) main programmes of the CDP, namely: (i) Operationalization and implementation of CDP Regional Document (P1); Strengthening coherence and synergy among regional development initiatives in the Member States, Non-State Actors and IGOs (P2); and (iii) Capacity building in long term decision-making using the T21 Models for Impact assessment of development programmes (P3). Other activities implemented within the framework of the ECOWAS –CDP included support to the revision of the Regional Poverty Reduction Strategy, the formulation of the ECOWAS Sahel Strategy and preparation of a joint programme document between ECOWAS and WAEMU Commissions to be submitted under TICAD V.
127. With regard to the **“Operationalization and Implementation of CDP Regional Document (P1)”**, the Commission focused on the political adoption of the document by the 45th Session of the Authority of Heads of State and Government of ECOWAS held on 11 July , 2014 in Accra, following its validation by Ministers in charge of economic planning of Member States in February 2014 in Abidjan. The Regional Document was developed in three volumes. Volume 1 makes the diagnosis of regional integration and development in West Africa and discusses the Vision and Strategic orientations of the CDP; Volume 2 presents priority programmes and projects selected by the CDP and analyses the impact of these programmes on the development of the ECOWAS Region; and Volume 3 relates to resource mobilization and financing as well as the monitoring and evaluation strategy of the CDP.
128. The final activity undertaken under ***the first programme (P1) relates to the preparation of a high level Conference on regional development financing to help boost internal resource mobilization***

**for funding identified CDP priority projects.** This activity will be undertaken within the context of a donors' roundtable that will be organised by ECOWAS Commission in close collaboration with WAEMU, EBID and BOAD. In this regard, two studies were commissioned by ECOWAS Commission with the financial assistance of the Regional Office of the United Nations Economic Commission for Africa (UNECA). The draft reports of the two studies on "Innovative financing mechanisms for regional development financing" and "Regional/Continental Financial Institutions and development financing in ECOWAS Region" were discussed at a workshop organised in Abidjan (Cote d'Ivoire) in July 2014. The final reports of the two studies were submitted in September 2014, after taking into account comments made by the Resource Mobilisation Committee.

129. The second programme on "Strengthening coherence and synergy among regional development initiatives at the level of the Member States, Non-State Actors and Intergovernmental Organisations (P2)" aims at promoting a participatory approach for the implementation of regional development initiatives and establishing platforms of collaboration among development actors to enhance coherence between regional and national development initiatives. To this end, two (2) sub-programmes were identified: (i) development of regional and multilateral coherence framework for the CDP programme; and (ii): Involvement and building synergy with stakeholders, through the establishment of a Regional Advisory Council and support to National Committees on CDP (NC-CDP).
130. With respect to "development of regional and multilateral coherence framework for the CDP programme", the Commission continued its active collaboration with the UEMOA Commission on two key activities in the context of the Joint Technical Secretariat, namely the revision of the Regional Poverty Reduction Paper (RPRSP) and the preparation of a joint programme document to be submitted under TICAD V. In this respect, the following results were achieved:
  - Development of Terms of Reference and the structure of the ECOWAS and UEMOA Joint Programme for TICAD V;
  - A platform of collaboration was created between ECOWAS and UEMOA Commissions and a memorandum was signed by the Presidents of the Commissions in June 2014 in Ouagadougou (Burkina Faso). The purpose of this platform is to ensure coordination between the major regional programmes, namely the ECOWAS-CDP and UEMOA Regional Economic Programme (PER-UEMOA).
131. In terms of "Involvement and building synergy", stakeholders were involved in the CDP formulation process, especially during the selection of priority projects and the validation of the CDP Regional Document. Focal points in specific directorates were contacted to provide project datasheets for identified priority projects in line with the four (4) priority Areas (PA) of the CDP: (i) Integration of people, governance and human development; (ii) Deepening of economic integration; (iii) Development of infrastructures and wealth creation; and (iv) Cooperation and financing.
132. National Committees on CDP (NC-CDP) composed of key line Ministries and Non State Actors were established in all fifteen Member States to oversee the formulation and implementation of the CDP programme at country level. At regional level, a resource mobilisation committee was established. At the level of Non State Actors, the roles of civil society and private sector were further emphasised in the recommendations of both Experts and Ministerial Meeting on CDP. In this regards, the Commission was requested to continue sensitisation and dissemination of the CDP, in collaboration with Member States, Civil Society, the Private Sector and the Research Sector. Furthermore, the region was asked to put emphasis on the development of industrial

sector and the creation of a fabric of performing Small and Medium Enterprises (SMEs), capable of generating wealth and jobs.

133. The third programme on “Capacity Building Project in Long Term Decision Making using the T21 Modelling tools and Impact Analysis Studies (P3)” have been adopted by ECOWAS in support of medium and long term development planning in ECOWAS Region. This is expected to inform policies that optimize synergies and mitigate unintended consequences of policy decisions. During the period under review, a number of key deliverables have been obtained after the implementation of the project. For instance, the CDP Unit made an impact analysis using the T21 Model to investigate the impact of various investment scenarios of the programme on the development of the region. This empirical analysis shows that an effective implementation of this important development programme would produce tangible results of structural transformation of the ECOWAS Region by 2020. Indeed, the planned CDP investments in the productive and economic infrastructure sectors between 2014 and 2018, is expected to increase the rate of economic activity in the region by 7% on average during the period 2015-2020.
134. Following the recommendations of the Ministerial meeting in February 2014 relating to the potential impact of the CDP on job creation, the T21 Aggregated Model was updated to include a specific module on employment. In this regards, a technical report on the impact of CDP on employment generation was drafted in May 2014. The results of the model project additional employments resulting from the implementation of the CDP priority projects, of about 700,000 jobs in 2018 and more than a million jobs by 2020. In terms of composition by sector of activities, 22% and 24% of additional jobs would be generated from agriculture and service sectors, respectively.
135. As part of efforts to develop the remaining eight (8) non-pilot T21 country models, a Primary Country Model was built for Liberia in April 2014 in collaboration with the Millennium Institute. Preliminary version of the T21 Model for Liberia was shared with the T21 Liberian Team.
136. The Commission also initiated the formulation of a strategy for the Sahel Region, following the decision of the 43rd Ordinary Session of the Authority of Heads of State and Government of ECOWAS, held in Abuja (Nigeria) in July 2013. This Strategy was motivated by the growing instability in the Sahel-Saharan zone, which led to the recent crisis in northern Mali and Nigeria. The goal of the ECOWAS Sahel Strategy is to consolidate regional responses to address the challenges of long-term development and stability of the Sahel-Saharan zone.
137. Specific contributions on the ECOWAS Sahel Strategy centred on the following: (i) Establishment of a Task Force in January 2014 for the formulation of the strategy; (ii) A meeting of the Task Force of the Sahel Strategy was held in Abuja from 11-13 September 2014 to review the action plan proposed in the priority areas identified in the strategy. Projects proposed by the task force were prioritised and included in the draft action plan and the draft strategy document and its action plan ((2015-2019) were subsequently examined and validated during the annual meeting of the World Bank and IMF held on 9 October 2014 in Washington DC.

### **2.1.5 Economic Policy Analysis Unit (EPAU)**

138. During the period under review, the ECOWAS Commission undertook a number of activities relating to (i) Strengthening the institutional capacity of the Macroeconomic Policy and Economic Research Department, (ii) Policy analysis, research and management for purposes of promoting regional integration in West Africa, and (iii) Promoting network of regional bodies, groups and institutions. Policy oriented research works are ongoing and currently focused on the following topics (i) Formulating a Regional Policy for Energy and Technology/ Innovation: What Role for

Taxation; (ii) The ECOWAS-Common External Tariff (CET) : Problems, Prospects and Policy Issues for Consideration; and (iii) Private and Public Sector Investment in Sierra Leone: An Assessment of the degree of complementarity.

139. With regards to commissioned studies, the Commission convened an Inception Workshop in Lome, Togo in February, 2014 for the country case studies on “The Sustainability of Fiscal Policy in ECOWAS Member States”. Furthermore, the second issue of Volume I of the Journal of West African Integration (JWAI) was published in January, 2014 and available for dissemination. Volume II of the publication is also being finalized for publication. The procurement processes for the printing of Volume II and a book on “Tax Systems Yield and Efficiency” is ongoing. The Commission also initiated processes for the conduct of a study on the ECOWAS Common External Tariffs. In that regard, a Call for papers was posted on the ECOWAS web-site and also sent to Universities and Research Institutions in the ECOWAS region.
140. Furthermore, the Commission participated in international conferences and seminars that facilitated the promotion of networking with regional bodies, groups and institutions. Notable among such conferences are: (i) The International Conference on Youth Employment in Sub-Saharan Africa organized by the International Development Research Center (IDRC) in Dakar Senegal from 28-30 January 2014. (ii) The Policy Advisory Group Seminar on “*South Africa, Africa, and International Investment Agreements*” organized by the Center for Conflict Resolution (CCR) held in Stellenbosch, South Africa from 17-18 February 2014. (iii) The Policy Research Seminar on: “*Region-building and Regional Integration in Africa*” organized by the Center for Conflict Resolution (CCR) held in Cape Town, South Africa from 28-30 April 2014.

## **2.2. Trade, Customs, Industry, Mines, Free Movement and Tourism**

### **2.2.1 Trade**

#### **✓ Trade promotion**

141. The overall objective of the Trade Promotion programme is to promote trade and business contacts between ECOWAS and the rest of the world. This is achieved principally through the ECOWAS Trade Fair and the Trade Information System, also known as ECOBiz. During the period under review, the Commission launched the preparatory process for the next edition of the ECOWAS Trade Fair. In this regard Niger was selected as host country for the 8th edition of the Fair scheduled for 2015. Regarding the business information system (Eco-biz), the Commission embarked on an evaluation of its implementation and use by economic operators in Member States.

#### **✓ Trade policy harmonisation**

142. The Trade Policy Programme aims at harmonising Member States’ trade policies leading to the creation of a common market to enable the region enjoy economies of scale with the intention of achieving economic development and the integration of the West African region into the global economy.
143. The year 2014 marked a major progress in the trade policy harmonization process. The Commission, with assistance from GIZ, concluded the recruitment process for the selection of consultants to undertake the study on harmonisation of trade policies of Member States. Consequently, the consultants commenced the study with visits to Member States and distribution of research questionnaires to various key stakeholders in universities and private sector.

✓ **Competition and Informal Trade**

144. Competition: Regarding implementation of the regional competition policy in the ECOWAS region, the Commission is making efforts towards the establishment of a Regional Competition Authority. The Commission is working on its evaluation in accordance with the regulation relating to offers received from Member States to host the Authority.
145. Informal Trade: Following the adoption of the Regional Support Programme for the Regulation of Informal Trade (PARCI) in the ECOWAS region by the Member States, efforts were focused on the operationalization of this programme with financial support from some development partners including the African Development Bank (AfDB), the United Nations Development Programme (UNDP) and the European Union (EU). This support will be targeted at priority activities such as the establishment of a reliable information system on informal trade as well as a regional platform for stakeholders in the informal trade sector.

✓ **Trade negotiations**

*West Africa – European Union Economic Partnership Agreement (EPA)*

146. The objective of the EPA Regional Negotiators in 2014 was to conclude the negotiations before October 2014 to ensure the continuity of Côte d'Ivoire and Ghana's preferences, guarantee a single regional trade regime with the EU, thereby safeguarding the gains of regional integration. This objective was achieved with the definitive approval of the Agreement at the 45th Summit of Heads of State and Government held in Accra on 10 July, 2014.
147. The process leading to this outcome necessitated the convening of negotiation meetings of Experts, Senior Officials and Chief Negotiators of the European Party and the West Africa Party in January, February and June 2014. At the regional level, the process was participatory and inclusive as the ECOWAS and WAEMU Commissions scheduled a meeting with civil society at the regional level and provided support for the organization of information sessions on the EPA in the Member States.
148. Furthermore, to ensure that the results obtained will lead to an EPA that is beneficial to the region, the ECOWAS Commission conducted an impact assessment which showed positive results based on a consensus reached by West Africa and EU Negotiators.
149. Moreover, prior to the validation of the EPA by the Authority of Heads of State and Government, the different consensus positions obtained were considered at the Ministerial Monitoring Committee of the EPA negotiations held in February 2014 including the work of the Ad hoc Committee established by the Heads of State to come out with solutions on issues raised by some West African States.
150. The paragraph on the consensus text of the Agreement reached by the ECOWAS and WAEMU Commissions and the EU enabled the latter to initiate the procedure leading to the adoption by the EU of Regulation No. 1025/2014 of 25 July 2014 authorizing the granting of preferences to Côte d'Ivoire and Ghana beyond 1st October 2014.
151. Arrangements are being made to convene a meeting as soon as possible for the signing of the Agreement by the States of the two regions and the continuation of the implementation process in accordance with the directives of the 45<sup>th</sup> Summit of Heads of State and Government.

✓ **Trade and Development**

152. The Trade and Development programme was designed to promote the integration of ECOWAS Member States into the world economy through fostering mutually supportive partnerships.

153. To this end, ECOWAS and the United States of America signed a Trade and Investment Framework Agreement (TIFA) which will serve as a forum for the United States and ECOWAS Commission to meet and discuss issues of mutual interest related to trade and investment.
154. Furthermore, a Memorandum of Understanding between Consumer Unity and Trust Society (CUTS) International and ECOWAS Commission was completed in September 2014, with the aim of deepening cooperation in areas such as building knowledge, capacity, awareness and partnerships and other areas of common interest including regional integration, trade, development and competition.
155. Further consultations were held during the year on the draft ECOWAS Aid for Trade Strategy with the view to its validation at the next Global Aid for Trade Review meeting in 2015.

✓ **Trade capacity building**

Trade Negotiation Capacity Building (TNCB) Project

156. Despite progress made during the past few years, ECOWAS Member States continue to face obstacles in their effort to effectively participate in international negotiations and multilateral trade agreements. The ECOWAS Trade Negotiation Capacity Building project (TNCB), which is aimed at removing these obstacles, established and/or operationalized the Inter-Institutional Committees (IIC) in all Member States and strengthened the capacity of ECOWAS officials to negotiate on behalf of the Member States.
157. Specifically, in 2014, the project held: (i) National training workshops in Senegal and Sierra Leone, where a combined number of 84 Government officials and Non State Actors were trained on various Trade Policy issues; (ii) A Regional Trade Policy workshop in Lagos at which 28 representatives from ECOWAS Member States, and ECOWAS institutions (i.e. Commission, Parliament and Courts of Justices) were provided an overview of the multilateral trading system and its key principles and issues; (iii) Two Inter-Institutional Committee meetings in Ghana and Guinea Bissau, for their respective 40 committee members from various Government Agencies and Non States Actors towards strengthening the coordination of Trade Policy issues at the national level; and (v) Sensitization workshop on the Instruments of the ECOWAS Common Market in Guinea Bissau.

"Trade Negotiation Capacity Building Project of African, Caribbean and Pacific Countries"(Hub and Spokes II)-

158. A second phase of the Hub and Spokes Project was launched in November 2013 on financing by the EU and provision of assistance by the OIF and COMSEC. The ECOWAS and WAEMU Commissions made commitments to fill the financial gap by using their own resources to ensure total coverage for West Africa.
159. The practical modalities for financing West Africa's contribution to the Hub and Spokes project were determined in a Memorandum of Understanding signed by the Presidents of ECOWAS and WAEMU Commissions on 30 June 2014.
160. Within the framework of monitoring the programme implementation, a meeting of the West Africa Module Steering Committee was held on 6 March 2014 in Paris. The first meeting of the Steering Committee at the all-ACP level was also held on 15 and 16 September 2014 in Brussels. The status of implementation of the Hub and Spokes Project in West Africa shows that to date ECOWAS and WAEMU Commissions and the eight (8) French-speaking countries have Trade Policy



Advisers. The recruitment and posting process for the English and Portuguese-speaking countries will take-off when the region's contribution is paid.

### 2.2.2 Customs

161. In the first nine months of 2014, activities focused on (i) work leading to the implementation of the ECOWAS Common External Tariff (ECOWAS CET) with effect from 1st January 2015, (ii) formulation of a strategy with a view to ensuring better implementation of the ECOWAS Trade Liberalisation Scheme, and (iii) harmonization of domestic and indirect taxes.
162. Regarding the **ECOWAS Common External Tariff**, it is worth noting that the programme received the political support of the highest political authorities of the Community at the Extraordinary Summit of Heads of State and Government held in Dakar on 25 October 2013. It is also worth noting that in Dakar, the Conference instructed the ECOWAS Commission to take all the necessary measures with a view to implementing the ECOWAS CET in all Member States with effect from 1st January 2015.
163. In this regard, the Commission convened an extraordinary meeting of ECOWAS Directors-General of Customs in Ouagadougou on 15 January 2014, which assessed the difficulties and identified steps to be taken by all the Member States with the view to meeting the 1st January 2015 deadline. The meeting adopted a roadmap on the implementation of the ECOWAS CET.
164. At the end of October 2014, it became apparent that 80% of the roadmap activities under the CET had been implemented. Thus, all the critical activities necessary for the implementation of the CET in the Member States has been completed. Following the crisis in the aftermath of the outbreak of the Ebola, it was impossible to convene all the Joint ECOWAS-WAEMU CET Management Committee meetings as previously scheduled.
165. However, the Commission hopes to convene a meeting of Finance Ministers in November 2014 to be preceded by a meeting of the Joint ECOWAS-WAEMU CET Management Committee meeting for the official launch of the ECOWAS CET implementation process in all the Member States by 1st January 2015.
166. Regarding the formulation of a Strategy for a better implementation of the ECOWAS Trade Liberalization Scheme, it is worth noting that at the 43rd session held in Abuja on 17 and 18 July 2013, the Heads of State and Government committed the issue of monitoring the free movement of persons and goods to H.E. Mr. Blaise COMPAORE, President of Burkina Faso.
167. In order to give a greater impetus to this critical issue of deepening the integration process, a mission led by the President of the Commission proceeded to Burkina Faso in January 2014 to reach an agreement with the authorities of Burkina Faso on the implementation of this mandate. At the end of the mission, a roadmap was adopted.
168. As part of the implementation of this roadmap on free movement of goods, the Commission established a Task Force on the ECOWAS Trade Liberalization Scheme with the aim of ensuring an effective implementation of the scheme in the Community.
169. In line with this same roadmap, the ECOWAS Commission, under the high patronage of the President of Burkina Faso, H. E. Mr. Blaise Compaoré, held a Citizens' Regional Forum in Ouagadougou from 3 to 5 July 2014 on the theme **«Free Movement of Persons and Goods : Challenges and Prospects »**.
170. The main objective of this Forum was to bring together State and Non State Actors in the ECOWAS region to take their concerns into consideration and to adopt recommendations for the free movement of persons and goods in West Africa. At the end of this Forum, the following

recommendations were made: ECOWAS Commission was urged to (i) institutionalize the Citizens' Regional Forum to be convened every two (2) years, (ii) finalize an Action Plan for the implementation of the recommendations emerging from the Citizens' Regional Forum, (iii) organize a round table of development partners with a view to financing the Plan of Action, and (iv) establish a monitoring structure for the implementation of the Plan of Action.

171. At the end of October 2014, the roadmap activities adopted for implementation under the mandate of the President of Burkina Faso on free movement of persons and goods was over 80% completed. The conclusions of this Citizens' Regional Forum and the draft decision on the establishment of a Task Force, according to the timetable, should be presented to an extraordinary meeting of the Council of Ministers (Finance, Immigration and Integration) before the end of 2014. This timetable could not be followed as a result of the Ebola crisis.
172. Regarding the harmonisation of domestic and indirect taxes, the Commission, in conjunction with other partners including CRES (Consortium for Economic and Social Research) based in Dakar, convened a meeting with ECOWAS Parliamentarians to raise awareness on the Directive on higher taxes on tobacco products including cigarettes. The meeting with the Parliamentarians was preceded by a meeting of Experts from ECOWAS Member States which validated the draft Directive on the harmonization of taxation on tobacco and cigarettes. This Directive aims to raise the price of tobacco products and cigarettes through taxation in order to reduce its consumption.
173. This draft Directive was submitted for consideration and validation at the 55th session of the ECOWAS Technical Committee on Trade, Customs and Free Movement held in Ouagadougou, Burkina Faso on 10 and 11 July 2014. Besides the tobacco issue, the Committee, with the prospects for the adoption of the directive, proposed community list of products and services to be exempted from the Value Added Tax (VAT), the Committee also adopted an institutional mechanism for steering and monitoring the ECOWAS Fiscal Transition Programme.

### **2.2.3 Industry and Mines**

#### **✓ Industry**

174. In the area of industry, the major activities implemented by the Commission in 2014 related to the implementation of the programme of harmonisation of standards and quality policy (ECOQUAL) in the ECOWAS region.

#### **- Harmonisation of Standards (ECOSHAM)**

175. The programme for the harmonisation of standards in the ECOWAS region started in 2013 and based on the ECOSHAM document (ECOWAS Standards Harmonisation Model), the programme continued in 2014.
176. In 2014, the implementation of this programme led to the regularisation of standards of the following products: fortified edible oils, tomato paste, natural mineral water, frozen fish filets, smoked fish, shea butter, and code of best practice on fish and meat, mango, raw cashew nuts, sweet potatoes, minimum standards for the efficiency of electrical lighting.

#### **- ECOWAS Quality Infrastructure**

177. The ECOWAS Quality Policy (ECOQUAL) was adopted by Supplementary Act in November 2012 and its objective is to promote quality regional infrastructure.
178. As part of the 11th EDF, a financing agreement to the tune of 12 million Euros covering a 5-year period was signed in December 2013.

179. To ensure the implementation of this policy, a project implementation contract was signed in August 2014 between the EU Commission and UNIDO.

✓ **Mines**

180. Key achievements realized during the review period included the following:
181. The Commission completed the development of the Draft ECOWAS Mineral Sector Integrated Framework on Corporate Social Responsibility, Localization and Local Content Development. The draft framework is expected to be validated at the meetings of the Joint *National Mining/Petroleum/Geology Experts and Joint Mining/Petroleum Ministers* planned for the fourth quarter of 2014, prior to its adoption by the ECOWAS Council of Ministers. The Draft Framework, when adopted, will lead to the development of a stand-alone 'Mineral Sector Integrated Policy or Act on Corporate Social Responsibility, Localization and Local Content Development' which shall in general, create and continuously promote an investment-friendly climate, private entrepreneurship, gender mainstreaming, professional, skilled and capacity-enhancement opportunities for Community citizens and institutions.
182. The First ECOWAS Mining and Petroleum Forum (ECOMOF 2015) was officially launched in Accra on 26 September 2014. The ECOMOF 2015 will be under the theme, 'Valorizing West Africa's Mineral and Petroleum Resources through Regional Cooperation'.
183. An ECOWAS Commission facilitation meeting for National Chambers of Mines on the establishment of an ECOWAS Federation of Chambers of Mines was held in Abuja, Nigeria in April 2014. The main objective of the meeting was to discuss the Draft Constitution of the ECOWAS Federation of Chambers of Mines. A follow-up meeting is planned for 2015 to complete the discussions on the Draft Constitution.
184. An Experts Meeting was held in Abuja, Nigeria in May 2014 to continue the process of formulating the ECOWAS Guiding Framework on Regional Cooperation in the Geology Sector. The main objective of the meeting, as defined in this Draft Framework, was to promote the Geology Sector for sustainable mineral resources, socio-economic, and environmental development in the Community. The activity was intended to cover all geological activities except for those that, by the Statutes in a Member State, are undertaken by Mining Agencies/Departments, which may exempt the respective Geological Agency/Department of the Member State from such geology sector cooperation activity.
185. Another Experts Meeting was held in Abuja, Nigeria in 2014 to continue with the formulation of ECOWAS Guiding Framework on Regional Cooperation for Integrated Industrial Development of Hydrocarbons. The main objective of the meeting, was to develop an enabling and competitive, well integrated and optimally industrialized hydrocarbons sector in the Community.
186. In line with its collaborative-networks development initiatives and as part of its capacity enhancement activities, the Commission participated in the Experts Group Meeting on Geology and Mineral Information Systems for Africa in Addis Ababa, Ethiopia in July 2014. The purpose of the Meeting was to discuss and build consensus on the implementation of activities towards the realisation of the African Mining Vision (AMV).
187. The Commission was also invited by the Australian Government to participate in its 2014 Mining Study Tours to Australia in August and September 2014. The aim of the Tours is to assist senior African government officials to strengthen their understanding of the frameworks governing the mining industry in Australia and how these have led to improved regional development.

## **2.2.4 Free Movement of Persons and Tourism**

### **✓ Free Movement and Migration**

188. The Free Movement and Migration (FMM) project commenced in 2014. The project aims at focusing its interventions on critical areas which are not adequately addressed and supporting proposed initiatives which are in need of technical and financial assistance.
189. The Commission revitalized the Migration Dialogue for West Africa (MIDWA) process by strengthening its capacity as a forum where common migration issues and concerns are discussed within a regional context. The theme of the 2014 MIDWA experts meeting was “Free Movement of Persons for Regional Integration and Economic Cooperation”.
190. With the support of International Organization for Migration (IOM) the Commission conducted an assessment mission to review and analyze the current status and needs within the Member States towards the development and implementation of the Biometric ID-card initiative.
191. In addition, a series of train-the-trainer workshops were conducted during the first quarter of the year for relevant officials of Member States to provide an overview of existing regional migration policy frameworks as well as tools and mechanisms for the development of national migration policies.
192. In view of the pivotal role valid vehicular travel documentation plays in facilitating the free movement of person within the region, the Commission has begun the process of reviewing the modalities of vehicular travel documentation and establishing a regional mechanism for monitoring and managing the free movement of persons by replicating the transportation model employed by Côte D’Ivoire, in line with the decisions of the Ministers in charge of Security/Integration. It is envisaged that the first pilot project of this activity will commence in the 2nd Quarter of 2015

### **✓ Cross border cooperation**

193. Following the closure of the first programme cycle of the ECOWAS Cross-border Cooperation Programme (ECOWAS CBCP), the Commission commenced a review of the programme with a view to transforming it into a viable regional integration tool. Towards this end, an Experts Group meeting was organised to elaborate a draft Logical Framework and Action Plan for the new programme which is expected to cover the period 2014-2018. The process for elaborating a communications and resource mobilisation strategy for the programme was also launched. In addition, consultations were held with the lead technical consultant (Institute of Commonwealth Studies, University of London) on the strategic orientation, priority areas and draft action plan of the new programme.

### **✓ Tourism**

194. The second half of 2014, which marked the start-up of the Commission’s programmes in the area of tourism, was focused on the elaboration of regional tourism policy. For this purpose a multidisciplinary working group was set up. The first meeting of the working group was held in November 2014 in Cotonou and helped to draw up a diagnosis of the state of the tourism sector in the fifteen Member States. The analysis highlighted, among others, the characteristics below:
  - Existence of natural and derived offers in the ECOWAS region with a vast potential, marked by numerous complementary opportunities, albeit shortcomings and disparities in terms of available accommodation capacity;;

- an international and regional tourist demand reflecting an ECOWAS destination market which is essentially exploited by European and American clientele, and an intra-regional tourism which remains less developed;
- inadequacies in the implementation of various regulatory mechanisms set up at the level of Member States and at the level of ECOWAS Commission;
- strengths, weaknesses and opportunities embedded in the strategic axes of intervention which was developed during the 2nd meeting of the workgroup in Abuja.

195. The process for the elaboration of the regional tourism policy is in progress and should be finalized during the first half of 2015, with the holding of the meeting concerning the marketing strategy for ECOWAS destination and the development of ECOTOUR 2015-2025 action plan matched by programs/projects forms.

## **2.3 Agriculture, Environment and Water Resources**

### **2.3.1 Agricultural Development**

196. The planned activities for 2014 regarding agricultural development focused on interventions structured around the Regional Agricultural Investment (RAIP), the National Agricultural Investment Programmes (NAIPs) and other major structuring programmes.

#### **REGIONAL AGRICULTURAL INVESTMENT PROGRAMME (RAIP).**

197. It is structured around four mobilization programmes: (i) promotion of strategic projects for food security and food sovereignty products; (ii) promotion of a global environment conducive for regional agricultural development; (iii) reduction of food vulnerability and promotion of sustainable access to food; and (iv) governance, coordination and monitoring-evaluation of ECOWAP implementation.

#### **✓ Promotion of strategic products for food security and food sovereignty**

198. In addition to specialized agencies such as the RFAA, the ECOWAS Commission delegates the implementation of some programmes, including those on promotion of strategic food products for food security and food sovereignty, to international cooperation organizations engaged in agricultural and zootechnical research.

199. **Programmes implemented by CILSS are the following:**

- The AGIR Programme, which is a reference framework for pooling together interventions designed to assist the population to absorb the various forms of shocks related to the worsening of production conditions and climate change. This initiative aims at providing direct support to the States within the framework of the NAIPs and of the Sahel strategies of the different partners providing assistance to the ECOWAS region. At this stage, a Coordination Unit established in Ouagadougou aims at providing support to the countries concerned to develop their « Country Resilience Priorities » (PRP-Agir). They include Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal, Chad and Togo.
- Support Programme for Pastoralism Development which is embodied in the RAIP and the NAIPs. It is also consistent with the ECOWAS Sahel Global Resilience Programme. The overall cost is US \$250 million for a 5-year period renewable. The programme's objective is to support the pastoralist population to enable them to address the diverse climate change-related phenomena including conflicts associated with access to natural resources. The programme is structured into a regional component and national components. Four ECOWAS countries (Burkina Faso, Mali,

Niger and Senegal) and two other non-ECOWAS countries (Mauritania, Chad) are the focus of this programme. The regional component comprises large-scale animal health interventions to be coordinated by ECOWAS through the Regional Animal Health Centre (CRSA).

- i. Strengthening animal health production services (indicative budget of 60 million USD); Improving production services for natural resource management (indicative budget US \$60 million) ;
- ii. Improving competitiveness of the animal industry and market access (indicative budget US \$40 million) ;
- iii. Improving security of property, rights and the pastoral population's livelihoods including providing them with access to basic social services and integrating them into political life (indicative budget US \$60 million) ;
- iv. Managing project and capacity building at the regional and national levels (indicative budget US \$30 million);

200. The Programme will take-off by the first half of 2015 after its approval by the World Bank's Board of Directors, the key technical and financial partner. The first component will be coordinated by the Regional Animal Health Centre (CRSA) which is a specialized ECOWAS Agency responsible for animal health issues as well as emerging and re-emerging cross border animal diseases. The Centre is based in Bamako, Mali and it will be operational by early 2015. A part of the staff currently in Abuja will be relocated between now and December to the Centre in Bamako (Mali). ECOWAS will sign cooperation agreements with international institutions (OIE, FAO...) to support the CRSA in certain areas of competence.

201. A similar programme on irrigation is being considered and it also falls within the framework of the Sahel Global Resilience Programme. Its total cost is US \$250 million US dollars over a 5-year period renewable. This programme is designed to provide infrastructural support for the people living within the irrigated areas to improve water use for effective agricultural production and intensive livestock production. As in the case of PRAPS, it is structured into a regional component and six national components. On the whole, four ECOWAS countries (Burkina Faso, Mali, Niger, and Senegal) and two other non-ECOWAS countries (Mauritania, Chad) are targeted under this programme.

#### **Programmes implemented by CORAF/WECARD**

202. Several programmes have been implemented by CORAF/WECARD which plays the role of a technical agency of ECOWAS in the area of agricultural and agronomic research. The programmes which have been identified fall under President OBAMA's « Feed the Future » Programme. The total cost for the ECOWAS region is US\$ 10 million. The countries concerned are Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mali, Niger, Nigeria, Sierra Leone, Senegal and Togo. The results obtained in these countries will be replicated on a large scale across the region. The objective of these interventions is to support the development of a number of strategic cereals (rice, maize, sorghum) and address biotechnology and biosafety concerns. These interventions are designed to support producers in the region to get access to high quality plant seeds adapted to the changing climatic conditions; to develop post-harvest technologies (processing) to be made available to producers. The projects being implemented include: (i) the development of technologies and maize seeds (\$2 million); (ii) the development of technologies and seeds for rainfed and irrigated rice (\$2.3 million); the development of technologies and sorghum seeds (\$1.2 million) ; OBAMA-Biotechnology and Biosafety Programme (\$2.0 million). The other aspects covered are milk and meat which are being examined.

203. The total cost of these projects is US \$7.5 million and comprises regional coordination and research activities conducted by Regional Centres of Excellences with an amount of \$ 2,5 millions. Relating to the National Centres of Excellences, Benin is specialized in maize; Burkina Faso in fruits and vegetables; Côte d'Ivoire in banana and plantain; Ghana in roots crops and tubers (gnam, cassava, sweet potatoes etc.); Mali and Sierra Leone in rice; Niger in meat and milk value chain; Nigeria in aquaculture and Senegal in millet, sorghum, maize etc.

#### **Programmes implemented by Africa-Lead**

204. As part of President OBAMA's « *Feed the Future* », USAID, through Africa-Lead, in conjunction with the Department of Agriculture, Environment and Water Resources has developed a human resource capacity building and the development of an effective communication mechanism for the benefit of all the technical sections of the Department of Agriculture, Environment and Water Resources. The programme will focus particularly on institutional capacity building through technical training of managerial staff, the development of monitoring-evaluation tools, strengthening of political commitments (building the capacity of Member States to monitor the NAIPs, the technical analysis of agricultural, environmental and water policies; the strengthening of management for political changes through the analysis of evidence-based policies by establishing SAKSS hubs in the countries and finally a better organization of the RFAA, ADR, CCRE and CRSA WEB sites.

#### **✓ *Promotion of a global environment conducive to regional agricultural development***

205. The creation of a global environment conducive to the development of a sector and a regional agricultural market is at the core of the RAIP centre of activities. The implementation of the activities of this important intervention Component enabled the attainment of the following major results:
- The ECOWAS Regional Agricultural Information System (ECOAGRIS) is operational in seven (7) member States (Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mali, Niger and Senegal). It made it possible for an interconnection of the national agricultural information systems. An Agreement signed between the ECOWAS Commission and CILSS of an amount of 18 million Euros will enable eight (8) other countries (Cape Verde, the Gambia, Guinea Bissau, Guinea, Nigeria, Liberia, Sierra Leone, and Togo) to receive support by early 2015. After the full roll out of the ECOAGRIS system in all the countries, the region will be able to effectively carry out yearly analysis of trends in the agricultural sector and in the area of marketing agricultural products.
  - The signing of partnership agreements with nine socio-professional organizations (APESS/CORET, AFAO/WAWA, COFENABVI-AO, UOFA-AO, NANTS, RBM, RESIMAO, ROPPA), and Civil Society (POSCAO) with regional bases and national operational platforms for the development of the Agricultural sector (plant and animal productions) in the region. These organizations, as part of ECOWAP implementing partners, are responsible for supporting the ECOWAS Commission and its member state to establish Observatories on peasant agriculture, cross-border grazing, cattle rearing and marketing within ECOWAS, and the collection of statistics within the territorial space of ECOWAS as well as the ECCAS countries, especially Cameroun and Chad, which engage in a lot of trade in cattle value chain with the Federal Republic of Nigeria. Furthermore, given the existence of a large number of women working in the area of agricultural produce processing in urban areas and especially in rural areas, AFAO/WAWA will assist ECOWAS in training to evolve towards establishing acceptable norms for processed products (packaging, hygiene, etc.). It should also be noted that umbrella organizations including COFENABVI, RESIMAO and ROPPA travel to the border posts to cross check the procedures for the movement of goods, especially agricultural products and animals. This cooperation and partnership between ECOWAS

Commission and Non State Actor gave opportunity to the Switzerland Cooperation to partner with ECOWAS and some regional stakeholders (APESS, RBM, ROPPA) in building their capacity in the implementation of the ECOWAP. An institutional mechanism will be developed under the framework of ECOWAS RAAF.

- Infestation caused by fruit flies seriously destroy mangoes and other fruits. This situation has gravely crippled fruit exports of several ECOWAS member countries, thus reducing the finances of badly affected countries. Within the framework of cooperation with the European Union (10<sup>th</sup> EDF), an amount of 17 million Euros has been earmarked, to which the French Development Agency (AFD) has added 1.7 million Euros, bringing the total amount mobilized to 18.7 million Euros. The ECOWAS Commission will receive technical assistance from the AFD for the implementation of this programme through the Regional Centre for Animal Health based in Bamako, Mali. The Agreements between the ECOWAS Commission and the European Union Commission, on the one hand, with the AFD, on the other, were signed in June 2014. The first phase of this programme scheduled for 5 years will cover a total of 8 countries. The applied research component of this programme estimated at 2.250 million Euros has been released to CORAF/WECARD.
- Soil fertility in West Africa is a serious problem. The ECOWAS Commission is therefore working on networking the laboratories on fertilizer quality control. Moreover, to ensure an improved use of nitrogen by the plant, a programme for the dissemination of urea landfill methods has been developed. This will improve crop productivity and reduce the emission of nitrogen oxide, dangerous for public health and environment. Moreover, the first annual forum of fertilizer promoters made important recommendations for preventing the use of chemical fertilizers from adversely affecting the environment. Several recommendations were made and a draft programme is being discussed between the Commission and the partners (IFDC and other bilateral cooperation). As a recommendation, it can be said that the formalization of the stakeholders' platform on fertilizers is worth considering.
- Animal health is another important factor that leads to the improvement of animal of production. As a result of livestock movements, there is a high propensity for the spread of diseases. In this regard, the CRSA was established in Bamako by Supplementary Act A/SA.20/02/12 to address this problem. In 2014, the Commission developed an activity programme and a triennial programme for the period 2016-2018. The objective was to establish a coordination and harmonisation framework for monitoring and evaluating intervention strategies to combat emerging and re-emerging Cross Border Animal Diseases (MATs) in West Africa. As part of the cooperation with the African Union, a team of two persons currently based in Abuja will be relocated to Bamako to provide assistance to the Centre.

✓ ***Reduction of food vulnerability and promotion of sustainable food access***

206. This component is designed to provide structured responses to address the resilience of the population affected by food crises. In 2014, efforts were focused on resource mobilization to effectively address the demand for food in order to counter the threat of hunger and malnutrition in the region. Apart from the regional support programme for national social safety nets in West Africa, which is managed by the RFAA, the following actions are ongoing:
- Creation of a regional food security reserve, implemented through regulation and revitalization of regional markets and financial reserve instruments as part of the ECOWAS Regional Food Security Reserve (RFSR). The ECOWAS Commission is ready to commit a total of US\$ 24 million from the Community Levy with US\$1 million dollars being allocated to each country to assist the



States to effectively organize their national or adjoining food reserve organizations and to obtain foodstuff through purchases from small-scale producers. The remaining US\$9 million will be channeled to between 3 and 4 regional stocks spread across the region. This ECOWAS arrangement was favorably acceptable to the European Union which has made a commitment to finance the initial physical stock of about 31,000 tonnes of cereals and 3,000 tonnes of nutritional products (enriched flours). Support will also be provided in the area of stocks information management, capacity building « Networks of Boards/Companies in charge of National Food Security Stocks Management » (RESOGEST). All these initiatives will involve the French Development Agency (AFD) and the Spanish Cooperation Agency (AECID).

- Food and nutritional insecurity can be worsened by the phenomenon of post-harvest contaminations, especially mycotoxins. In certain countries, post-harvest losses are huge due to the prevalence of contamination by the *Aspergillus flavus* specie generated by mycotoxins which are injurious to human health and the environment. This toxin thrives under humid conditions in excess of 15% and in an environment where the temperature is between 15 and 30% and a relative humidity of 80-85%. These bio-climatic factors contribute to the infection of large quantities of maize and groundnuts during storage in several countries in the sub-region. Indeed, the level of toxicity is deadly among humans and animals, especially livestock and poultry, the large proportion of whose food composition meant for laying hens and dairy cows derives from cottonseed cake and maize. A regional action plan with national forms has been finalized in collaboration with the African Union and the ECOWAS Commission as part of the « Partnership for Combating Aflatoxin in Africa » (PACA). A financial package of US\$ 2 million has been obtained for the action plan implementation. The interventions focus on actions for combating the phenomenon and developing capacity for stakeholders in Senegal and the Gambia, two countries with extraordinary potentials for producing groundnuts, which are prone to *Aspergillus flavus* attack. In 2015, Nigeria and Togo will also receive support and feasibility studies are underway.
- Access to land, the right of establishment and free movement of persons and goods are critical for food, nutritional and economic development. The African Union Commission will assist the ECOWAS Commission from the beginning of 2015 by seconding a Specialist on land issues to lend support to countries in the region in formulating concerted and friendly policies for the most deprived persons who face difficulties in getting access to land. That would also provide an opportunity to conclude the ECOWAS Directive on land recommended by the Ministerial Committee meeting.

✓ **Governance, Coordination and Monitoring-Evaluation of ECOWAP Implementation**

207. The implementation of the ECOWAP/CAADP falls within the responsibility of the ECOWAS Commission based on the mandate of the Heads of State and Government. In this specific area, the following major activities were undertaken: The institutional mechanism was established and the implementation mechanisms are in the process of finalization mainly through the establishment of an Advisory Committee for Food and Agriculture and the Regional Food and Agriculture Agency. Regarding support to the States, each Member State has, to date, a concerted framework for programming, coordination and monitoring of interventions in the agricultural sector: the National Agricultural Investment Plan (NAIP). The ECOWAS Commission continued to mobilize support for the member States for the implementation of their NAIPs. A situational analysis of the achievements and problems encountered by the countries in the implementation of the NAIPs will be provided at the end of 2014. Furthermore, each country will receive a grant of US\$ 50,000 to enhance dialogue for the success of the NAIPs. An amount of 4.9 million will also be allotted for monitoring and evaluation to ensure greater visibility of the different NAIPs in the countries.

### **DEVELOPMENT AND IMPLEMENTATION OF NEW REGIONAL PROGRAMMES**

208. With the support of the ECOWAP ECOWAP Donor Group), the Commission continued with the implementation of ongoing programmes and mobilization of funds from the partners of the new programmes and projects for the agricultural sector stakeholders. The new financing acquired in the course of the year 2014 for the implementation of these major programmes amounts to more than US\$33.35 million. They are:

- The regional seeds development programmes (WASP), funded by USAID for about US\$9 million.
- The regional fertilizer development programme for the (WAFP), financed by USAID for nearly US\$20 million.
- The veterinary governance Project (VET-GOV) in Africa funded by the European Union is proceeding successfully. In 2014, the national platforms were established in 15 ECOWAS countries to ensure that public livestock interventions are adequately incorporated in the NAIPs. They were officially launched successfully in seven (07) countries in the region. An evaluation of professional organizations of the livestock sector was carried out, an action plan designed and capacity building undertaken in advocacy for policy makers in the Member States to ensure better incorporation of livestock rearing under the NAIPs and the RAIP. This plan of action will be carried out in 2015 with financing from IBAR and ECOWAS.
- The “West Africa Hunger-Free Zone” Project financed by German Cooperation at the cost of US\$2 million. This programme was officially launched on 27 September 2013 in Lomé and commenced its activities in early 2014.
- The capacity building project of the Commission in support of the member States for the formulation of projects under the NAIPS is being financed by Spain and implemented by the FAO. This programme was officially launched on 23 September 2013 and the activities commenced in 2014. The programme will strengthen capacity of the Ministries of Rural Development of the member States to improve planning under the NAIPS in the respective countries.
- The USAID and Spanish Cooperation’s support for capacity development of the Commission with a view to Operationalizing RFAA).

### **MONITORING PROGRAMMES UNDER IMPLEMENTATION**

209. Several cooperation projects have been negotiated since 2010/2011 with technical and financial partners and their implementation is ongoing. They are the West African Agricultural Productivity Programme (WAPP) and the Food Facility Project. The Commission ensures its role of coordination, steering and orientation. The key partner institutions, among others, are: CSAO/OECD, IFDC, CORAF/WECARD, UNOPS, IFPRI, regional-FAO and CILSS.

210. Within the framework of the « Global Alliance for Resilience – Sahel and West Africa/AGIR », adopted in December 2012 in Ouagadougou (Burkina Faso) at the 18th meeting of the Food Crisis Prevention Network (FCPN), the European Union intends to mobilize 1.5 billion euro for resilience in West Africa between 2014 and 2020 to aid AGIR in achieving its goals in the West African region (Burkina Faso, Mali, Niger, Senegal), Mauritania and Chad. In this financial package, the European Commission intends to allocate an amount of 800.000 Euros to the work of the Sahel Club Secretariat, West Africa and regional organizations through its technical agency CILSS. At the regional level, the Alliance depends on the Food Crisis Prevention Network (FCPN) which is jointly steered by ECOWAS and UEMOA at the policy level. A regional roadmap has been adopted by the

FCPN to complement, where necessary, existing programmes by identifying key priorities contributing to the resilience of the most vulnerable households, families and communities based on integrated analysis and to formulate « Country Resilience Priorities » ; as well as « Country Inclusive Dialogues » based on existing strategies, policies and programmes, in particular National Agricultural Investment programmes (NAIPs) and programmes related to other sectoral policies contributing to resilience.

### 2.3.2 Environment

211. The Commission continued implementation of the ECOWAS environmental policy in 2014 by consolidating the achievements recorded in 2013 on (i) improving environmental governance and capacity building, (ii) promoting sustainable management of resources in order to enhance the sub-regional economy while complying with environmental regulations, and (iii) promoting effective management of pollution, nuisances and toxic wastes.

212. On programme basis, the status of implementation of activities during the year is as follows:

✓ ***Programme for the improvement of environmental governance and capacity building:***

213. The ECOWAS Commission effectively undertook many activities under this programme. The following activities carried out are worth noting:

- Supervision and support for the mission of the Guinean Environmental Volunteers Association geared towards data collection for the construction of Guinean Centres for English Language Learners and Development of Exchange Programmes held in Accra (Ghana) in February 2014 ;
- Capacity building workshop of West African experts on mangroves and opportunities for Reduced Emissions from Deforestation and Degradation of Forests (REDD-plus) to mitigate the effects of climate change in West Africa which was organized in collaboration with the USAID in Elmina, Ghana in May 2014 ;
- Follow-up on activities under the Monitoring for Environment and Security Programme in Africa (MESA). This Programme was launched in the 3<sup>rd</sup> quarter of 2014 under two (2) thematic areas implemented within the ECOWAS region, notably (i) Water Monitoring for Agricultural and Livestock Management in West Africa and Chad (MESA Land Thema) (ii) Monitoring of Marine and Coastal Resource Management (MESA Marine Thema). The financing agreement to the tune of 4.4 million Euros is being funded with a financial package of 1.9 million Euros for the Marine Component (launched in August 2014 in Accra) and a financial package of 2.5 million Euros for the Land Component (launched in October 2014 in Abidjan);
- Organised the bi-annual capacity development workshop for Directors of National Meteorological Services of ECOWAS in Banjul in May 2014.

✓ ***Programme on the promotion of sustainable resource management for the improvement of the sub-regional economy in accordance with environmental regulations.***

214. With regard to the operational implementation of the Convergence Plan for the Management and Utilization of Forest Ecosystems in West Africa, the activities implemented focused, among others, on (i) the publication of the above-mentioned Plan adopted by the Ministers for dissemination in the Member States with the support of the FAO , (ii) the organisation of the meeting of Partners and National Focal Points for the operational implementation of the Forest Convergence Plan , (iii) the organisation of an exploratory mission of African Union and ECOWAS Experts for the transfer

of responsibilities of the Integrated Regional Development Programme of the Fouta Djallon Mountains to ECOWAS , and (iv) the organisation of a validation workshop for the selection of leaders of the Priority Intervention Areas of the Convergence Plan for the Sustainable Management and Utilization of Forest Ecosystems in West Africa and their Terms of Reference .

215. *Concerning the implementation of the sub-regional strategic plan on climate change* , the activities carried out during the period under review include (i) the organisation of a select committee meeting at the regional level for the implementation of the project regarding the preliminary activities on climate change in West Africa for purposes of updating the logical framework by incorporating ongoing projects and initiatives and considering possibilities of developing synergies and complementarities , (ii) the organisation of and participation in meetings and/or workshops on planning towards the preparation of West Africa for the ongoing international negotiations on climate change for the period 2014-2015; the preparation of West African negotiators on climate change for the 20<sup>th</sup> Conference of the Parties on Climate scheduled for Lima (Peru) in December 2014 and training in the area of governance and negotiations on Climate .
216. Under the regional plan for combating desertification, the activities carried out focused on the finalization of the document adopted by the Ministers and its submission to the Executive Secretariat of the United Nations Convention on Combating Desertification which had expressed interest in supporting ECOWAS to implement the development of the project.
217. In the area of developing the framework for the draft regulation on Bio-safety, a meeting was organized for the draft committee, leading to the preparation of a zero draft and to the development of a roadmap for the validation of the document
218. Concerning the implementation of the NEPAD Institutional Support Project at the ECOWAS Commission for the expansion of the sustainable management of lands and water resources, a joint ECOWAS-NEPAD meeting was held on the Consolidation and Harmonization of Indicators in respect of the Monitoring-Evaluation System of Sustainable Management of Lands and Water Resources in West Africa .
219. Concerning capacity building of meteorological services of Member States, the activities carried out during the period under review touched on the validation of the capacity building programme for meteorological services.

✓ ***Promotion of an effective management of pollution, nuisances and toxic waste***

220. Under this programme, the following activities were carried out:
  - participation in the ECOWAS Regional Steering Committee meeting in November 2013 in Accra on the GEF/UNIDO/UNEP capacity building programme for LDCs designed for the implementation of the Stockholm Convention ;
  - joint organisation with UNEP of the meeting of experts (Ozone Focal Points and Ozone Customs Focal Points ) of ECOWAS Member States for the finalization and technical validation of the draft ECOWAS Harmonized Regulatory Text on Ozone-Depleting Substances (ODS) held in November 2013 in Ouagadougou ;
  - organisation in January, February, March and April 2014 of missions for the collection of materials for the development of a document and a regional strategy on the issue and the management of plastic waste in a limited number of ECOWAS Member States (Togo, Burkina Faso, Côte d'Ivoire, Nigeria, Ghana, Cape Verde and Senegal).

## 2.4 Infrastructure Development

### 2.4.1 Transport

#### LAND TRANSPORT

221. The principal activity in the Land Transport sector has been the continued implementation of the ECOWAS Regional Road Transport and Transit Facilitation Programme contained in ECOWAS C/DEC. 13/01/03. The Key achievements for the year included the following:

✓ **Axle Load Harmonization Policy:**

222. During the period under review, a Roadmap with timelines and specific activities for national Governments, private sector, seaports and other stakeholders, was approved by Sector Ministers of Member States and annexed to the Supplementary Act relating to the Harmonization of Standards and Procedures for the Control of Dimensions, Weight and Axle Load of Goods Vehicle within ECOWAS Member States. Copies of the Act were communicated to all Member States in June, 2014 to begin implementation. Full implementation is expected by July 2015. The Commission intends to liaise closely with development partners to support Member States with equipment and policies to help implement the Regional Act harmoniously

✓ **ECOWAS Joint Border Posts Programme:**

- *Noepe JBP (between Ghana and Togo)*

223. The construction of the **Noepe Joint Border Post (JBP)** between Ghana and Togo has been completed and the JBP was handed over the governments of the two countries at a ceremony held on 3<sup>rd</sup> November 2014. The handing over ceremony was attended by the Presidents of the two countries and other top Government officials as well as the President, Commissioners and other officials of the ECOWAS Commission. A study to identify equipment to be procured and installed at the JBP before its operationalization has been initiated with support from the World Bank under its Abidjan-Lagos Trade and Transport Facilitation Project. The study includes an equipment needs assessment and finalization of operating manuals for all border Agencies at the Border.

- *Seme JBP (between Benin and Nigeria)*

224. Following the cancellation of the Works Contract with Messrs JDP Ltd for poor performance on site, the procurement of works and consultancy contracts for the re-award of Seme JBP construction was completed in June, 2014. A new contract was awarded to Messrs GER Togo for completion within 11 months. A construction works re-launch and ground breaking ceremony was performed on 24<sup>th</sup> November, 2014, on the Seme border site by the ECOWAS Commission, with the Presidents of the Federal Republic of Nigeria and Republic of Benin and other officials from the ECOWAS Commission and the two countries, in attendance.

225. The construction of JBP between Benin and Togo is being funded by the African Development Bank (AfDB), whilst funding is being sought for the construction of the two designed JBP at Elubo/Noe between Ghana and Cote d'Ivoire, and Paga, between Ghana and Burkina Faso.

✓ **Nigeria-Cameroon Multinational Highway and Transport Facilitation Programme as part of the Trans-Africa Highway programme:**

226. This Programme involves the rehabilitation of sections of the Enugu-Bemenda road between Nigeria and Cameroon. It also involves the construction of a Joint Border Post (JBP) and a border

bridge at the Mfum border, as well as trade and transit facilitation components. This project is funded at cost of **US \$455 million** by the African Development Bank (AfDB).

*- Design and Construction of Mfum Joint Border Post:*

227. The draft detailed design report with detailed Engineering Design Drawings and Tender Dossiers were reviewed by Member States' experts in July in Lagos and re-validated on October 13, 2014 through a Video Conference among stakeholders from Nigeria, Cameroon and the designers in Malawi.

*- Study on the development of Legal Framework for Mfum JBP & Axle Load Harmonization Between Nigeria and Cameroon*

228. ECOWAS Commission successfully selected and negotiated a Consultancy Contract for the development of a legal framework for the Mfum JBP and for the harmonization of Axle Load control standards between Cameroon and Nigeria. Consultations with relevant Border Agencies both in Nigeria and Cameroon were carried out in March 2014. Consultations were also held with ECOWAS, ECCAS and CEMAC. Inception reports for the studies were submitted in April 2014.

✓ ***Abidjan-Lagos Corridor Development Programme:***

229. In line with the decision of the Presidents of the five countries along the Abidjan-Lagos Corridor in February 2013, to construct a 6-Lane (2x3) dual-carriage Highway from Abidjan in Côte d'Ivoire through Accra, Lome and Cotonou to Lagos in Nigeria, the Commission held four meetings of the Steering Committee established by the Presidents (made up of all the Road Infrastructure Ministers from the five countries) to oversee the project. Major achievements in the implementation of this project include:
- Signing of the Treaty (Agreement) by the Presidents of the participating Member States at the margins of the ECOWAS Summit in February 2014 at Yamoussoukro, Cote d'Ivoire.
  - Finalization of the Terms of Reference for feasibility and detailed design studies for the highway construction.
  - A seed fund of \$50 million will be contributed by the participating countries so as to fast track the studies. In view of the urgency and the request of the Presidents of the other Member States, Nigeria agreed to provide this seed fund upfront on behalf of the other countries on the margins of the ECOWAS Summit held in July 2014 in Accra. The Commission is liaising closely with the Presidency of Nigeria for the transfer of the funds to be effected.
  - The African Union Commission, Governments of Germany, UK, China and India have also expressed strong interest in supporting the project.
  - The African Development Bank is also currently Appraising their intended support to the Technical Engineering Study of the Highway, including some project management components.

✓ ***Lagos – Dakar corridor***

230. Within the framework of the ECOWAS-China Cooperation, and on the request of the Commission for support to fund the reconstruction or rehabilitation of the on the Dakar-Lagos Highway, the Chinese Government despatched a technical team to carry out an assessment mission on the road network from 9th February to 26th April 2014.

231. The objectives of the mission were to identify the road network and collect technical data in order to prepare terms of reference for detailed technical, engineering and socio economic studies. Specifically the mission undertook the following assignments: 1. Assessment of the physical road conditions; 2. Collection of information and data on: national road development plans; traffic count on the corridor; Road safety on the corridor; Socio economic indices in Member States of the corridor; and, other alternative transport development plans (rail, air, Maritime) in Member States.

✓ ***Trans-Gambia transport corridor:***

232. Phase I of the project includes the construction of the Trans-Gambia Bridge and two One Stop Border Posts (OSBP) while Phase II comprises rehabilitation of 137 km of Senoba-Ziguinchor road in Senegal and pavement strengthening of 24 km of Farafenni-Senoba road in The Gambia. Phase I of the project costs UA 67.36 million, co-financed by the AfDB (99.07%), the Government of The Gambia (0.24%) and the Government of Senegal (0.69%). The AfDB in July, 2013 initiated the process of conducting a detailed study for the establishment of the JBP and the Border Procedures and Processes along the Trans-Gambia Bridge. A consultant for the engineering design of 2No. Joint Border Post has been recruited to carry out the studies before December 2014.

✓ ***Trans-West African Coastal Highway programme:***

233. Approval for Funding of Euro 62.245 million has been obtained under the European Union 10<sup>th</sup> Regional Indicative Programme (EU 10<sup>th</sup> EDF) for the construction of three bridges in Sierra Leone and the road section between the Moa Bridge and Liberia border which are missing links on the Trans coastal highway as well as construction of the Zinder-Nigeria Border road and Koupela Piega-Fada Gourma Niger Border on the Trans Sahelian highway. In agreement with the European Union, the ECOWAS Commission transferred its authority to the National Authorizing Officers of the respective countries to implement the projects falling within their jurisdictions.

✓ ***Railways sub sector***

234. In the Railways sub sector preliminary design studies of the Abidjan-Ouagadougou-Kaya-Dory-Niamey link connecting the Abidjan-Ouagadougou railway line to the Republic of Niger was initiated with a Euro 1.345 million funding from the European Union (9<sup>th</sup> EDF) in 2010 for completion by 31<sup>st</sup> December 2013. Due to unforeseen difficulties including the political crisis in Cote d'Ivoire during the period, that hampered progress of the work of the Consultants, the Commission and the European Commission agreed to a further extension of the consultancy contract. The Final Reports were validated in Ouagadougou on 25 and 26 September 2014. The next stage will be to undertake the Detailed Design Studies to enable the financing and procurement of the works contract to be initiated.

***10th EDF Transport Facilitation Programme – Transport Facilitation Project II – Support to the Commissions of ECOWAS and UEMOA***

235. The Presidents of the ECOWAS and UEMOA Commission signed a Financing Agreement with the European Union Commission for the implementation of Phase II of the Transport Facilitation Project for a total amount of **€27million** of which **€11.7 million** is for projects under the oversight of the ECOWAS Commission.

## AIR TRANSPORT

236. The Air transport programme of ECOWAS seeks to develop a sound and seamless regional air transport system with safe, reliable, efficient and affordable air services, well connected within West Africa and integrated with the global air transport network. The main activities carried out during the reviewed period are the following:

- **Implementation of Yamoussoukro Decision (YD) for air transport liberalization.** In line with the decision of the 43rd Session of the Authority of Heads of State and Government of the ECOWAS in Abuja, Nigeria, dated on 18 July 2013, the first coordinating meeting of the Steering Committee was held in Abidjan, Cote d'Ivoire, from 11-12 February, 2014. The meeting elaborated a draft Roadmap for Air Transport Sustainable Development in ECOWAS Member States which was submitted to H.E. President Alassane Ouattara of Cote d'Ivoire, and later to the 44th session of the Authority of Heads of State and Government, in March 2014 in Yamoussoukro.
- **Implementation of President Portfolios.** In February 2014, the President of ECOWAS Commission tasked the Infrastructure Department of the Commission to achieve some key objectives such as implementation of the air transport action plan and the feasibility study on Regional Aircraft Leasing Company. To this end, a draft Terms of Reference (TORs) was developed and forwarded for consideration to the Brazilian stakeholders (ANAC-Brazil, BNDES, EMBRAER) which expressed interest to support ECOWAS Commission.
- An Aide Memoire for the implementation of air transport integration\_based projects (Aircraft Leasing Company, Aircraft Maintenance Facility, Air Transport Data Base, Development of Airport Infrastructure, Equipment and Facilities, Common Policy on Aviation Charges, etc.) was signed following a consultative meeting between ECOWAS Commission and EBID in June 2014.
- **Promotion of a Viable Airline Industry in ECOWAS region.** The ECOWAS Commission organized the 5th meeting of the Steering Committee of ECOWAS Airlines, held in Lagos, Nigeria, from 20 to 22 March, 2014. This meeting led to the following conclusions: adoption of a 2014-2015 Action Plan and validation of a draft Terms of Reference (TORs) and a draft Service Contract relating to the recruitment of a Consultant as Coordinator for the Steering Committee of ECOWAS airlines.
- **Delocalized meeting of ECOWAS Parliament on Air Transportation in ECOWAS region, in Dakar, Senegal, from 7-12 April, 2014.** This meeting was a good forum for the Air Transport Unit to sensitize the members of ECOWAS Parliament on constraints, challenges, achievements and programme especially on the implementation of the 2014-2020 Air Transport Action Plan adopted in Banjul on 21-23 October, 2013 by the Air Transport Committee, and on the 9 Air Transport Supplementary Acts establishing a common air transport legal framework for ECOWAS Member States in February 2012, by the Authority of ECOWAS Heads of State and Government.
- **Aeronautical Cooperation.** Continued dialogue with major aviation organizations that have signed agreement or MOU with ECOWAS with a view to enhancing air transport in the region and facilitating mutual support during the emergency EBOLA operations in the affected countries in West Africa.
- **Mobilization of Funds.** The African Development Bank (AfDB) carried out an appraisal mission in Abuja, Nigeria, from 8 to 11 January, 2014, to review the ECOWAS request for a new grant for the air transport sector (support to air transport liberalization, implementation of aviation safety oversight programme and implementation of integrate-based projects such as Aircraft leasing Company, Aircraft maintenance facility, Air Transport Data Base, etc). During this mission the



AfDB met the President of ECOWAS Commission, the Directorate of Finance and the BAGASOO. At the end of the mission an Aide Memoire was signed between ECOWAS and AfDB. The two institutions also agreed to finalize negotiations between November and December 2014.

### **PROJECT PREPARATION AND DEVELOPMENT UNIT (PPDU)**

237. The PPDU was borne out of the review of the bottlenecks in the implementation of the NEPAD Short Term Action Plan (STAP) for continental infrastructure development programme. ECOWAS, in collaboration with development partners, agreed to create the Unit in order to deliver and fast track the implementation of bankable regional projects which can attract public and private investments.
238. The PPDU is responsible for: preparing and developing regional infrastructure projects; promotion of public/private partnerships in investment financing and project management; elaboration of feasibility studies (technical, economic, financial, social, environmental, impact, etc); capacity building for similar structures in ECOWAS Member States, etc. Feasibility Studies on the priority projects were initiated in 2014. The contract sums have been negotiated with the selected consultants, the contract signing and the studies are expected to commence in the first quarter of 2015.:

#### **✓ Establishment of the ECOWAS-FODETE**

239. The Fund for the Development and Financing of the Transport and Energy Sectors (FODETE-ECOWAS) was created by ECOWAS Heads of State and Government at the 37th Summit in Abuja on 22nd June, 2009 . The project will be dedicated to financing the development of regional infrastructure in the Transport and Energy sectors and is expected to be financed from a levy on the key export resources within the region.
240. Within the framework of the feasibility study for the establishment of the Fund, a Consulting Firm was hired to undertake the study. The revised Draft Final study report was submitted in April 2014 following validation by Member States. The report, which describes the proposed institutional and legal structuring, the funding needs, the funding eligibility criteria of projects and the available financial resources, indicate the possibility of raising up to \$300 million dollars annually on the basis of the proposed levy regimes. The final study will be submitted to the Summit of Heads of State and Government for endorsement.

#### **✓ PPDU Manuals of Procedures and Operations**

241. In order to ensure that the PPDU operates within guidelines in conformity with ECOWAS rules and in line with the 2011 Council Regulation on the mission, objectives and mode of operation of the PPDU, BIM CONSULTANT SA was hired to draft the manuals of operations of the PPDU. The Draft manuals were reviewed and validated at a workshop held from 14 to 16 April 2014.

#### **✓ Organization of the donors roundtable for Sambangalou Dam project**

242. As part of ongoing efforts to support the preparation of regional projects to bankability, the ECOWAS Infrastructure Department, in collaboration with the The Gambia River Basin Development Organisation (OMVG) Secretariat, fully funded the organization of the Second donor roundtable in February 2014 in Conakry for the Sambangalou hydropower project.
243. The Gambia River Basin Development Organisation (OMVG) Energy project comprises the construction of (i) two hydroelectric facilities: Sambangalou on the river Gambia in Senegal with an installed capacity of 128 MW and Kaleta on the river Konkouré in Guinea with an installed capacity

of 240 MW; and (ii) a 1,677 km-long power transmission interconnected line linking these hydroelectric plants to the electricity grids of the four OMVG member countries. The project will provide OMVG Member States with a total installed capacity of 368 MW as well as 1,348 GWh of cheaper renewable energy per year, i.e. about 12.55% of their electric energy needs in 2018. The procurement process for the award of the contract is ongoing and being conducted by the OMVG.

#### **2.4.2 Telecommunications**

##### **✓ Promoting the development of economic and technological infrastructure**

##### **- Development of broadband infrastructure between cities and Member States**

244. Up to date, eleven (11) coastal Member States have been connected to submarine cables with at least one (1) landing station while the three landlocked countries (Burkina Faso, Mali and Niger) have at least two (2) access routes to the submarine cables. Guinea Bissau is in the process of getting a landing station on ACE submarine cable with financial assistance from the United Arab Emirates (UAE). Benin Republic is also building a second landing point on ACE submarine cable. World Bank has made payments to secure Benin Republic membership for access to the ACE landing station
245. A detailed feasibility study including business plan has been completed on the missing inter-state links in the ECOWAS region with a focus on Mano River countries (Côte d'Ivoire, Liberia, Sierra Leone, Guinea), Mali and Guinea Bissau. The draft report was validated by the Member States in April 2014. The study proposed the establishment of a Special Purpose Vehicle (SPV) for an integrated regional broadband network with one (1) Regional NOC with backup and national NOC in each ECOWAS Member State with a view to reducing transit cost and intra-community communication costs. Another study is being conducted in collaboration with AfDB for the deployment of fibre optic over the power lines in Mano River Countries.
246. Also, a study to develop a harmonized law on the right of way to facilitate transit and reduce cost for access to submarine cables by ECOWAS landlocked countries has been completed and a draft Regulation to facilitate access of landlocked countries to submarine cables has been proposed. The draft regulation will be reviewed and validated by Telecommunication/ICT Experts in December 2014 prior to its submission to the Telecommunication/ICT Ministers.

##### **- Implementation of the ECOWAS Wide Area Network (ECOWAN)**

247. The audit of the ECOWAN feasibility study has been completed and the report sent to AfDB. Also, the process for the recruitment of a consultant to conduct a study on ECOWAN market analysis and business model has been finalised. The contract has been signed by both parties and the Consultant has started the primary research. This study is expected to be completed by February 2015

##### **✓ Establishment of common operational rules for telecommunications infrastructure and services in the region**

##### **- Harmonization of Policies and Regulatory Frameworks**

248. Many ECOWAS Member States have drafted and adopted national Laws on Cyber security in compliance with the Community texts in order to secure cyber space including Child Online Protection (COP). To strengthen this process, a capacity building programme was organized with the assistance of UNCTAD for ECOWAS stakeholders (ICT Ministries and Regulators as well as Ministries of Trade) on the harmonization of cyber legislation in ECOWAS space, particularly on e-

commerce. Also, the Commission made a request to UNCTAD to provide assistance for the development of Regional Acts on electronic signature, authentication and encryption. Another online training on harmonization of cyber legislation was conducted in October 2014 by UNCTAD. In addition, a Study on the harmonization of legislation on electronic commerce in ECOWAS countries was completed. This report will be published by first quarter 2015 by UNCTAD.

249. On the sidelines of the World Telecommunications Development Conference (WTDC-14) held in March 2014, the Commission held a bilateral meeting with ITU to assist ECOWAS Member States to set up Computer Emergency Response Team (CERT) to fight cybercrime. To formalize the cooperation between the two Organizations, a Memorandum of Understanding was prepared.
250. As part of efforts to develop affordable Internet access and improve the quality of Internet services in West Africa, the ECOWAS Commission, in partnership with the African Union Commission (AUC) and Internet Society (ISOC), organized, for the Member States, a regional capacity building workshop in June 2014 on best practices and benefits of setting up Regional Internet Exchange Points (RIXPs) and Regional Internet Carriers (RICs). The workshop recommended the establishment of regional Policy Framework Committee to develop a policy framework that will facilitate regional interconnection.
251. In line with the implementation of the technical roadmap adopted by ECOWAS to meet the deadline of 17th June 2015 for the transition from Analogue to Digital Terrestrial Television (DTT), the ECOWAS Commission, in collaboration with the Government of Cape Verde, organized a meeting in July 2014 to review the implementation status in Member States and to validate the Common Test Suite for ECOWAS region as well as the Terms of Reference (TOR) to accredit test laboratories for conformance testing of DTT Receivers.
252. With respect to postal services, the ECOWAS Ministers in charge of Post met in May 2014 and adopted the strategic plan of the West African Postal Conference (WAPCO) and recommended the issuance of a commemorative stamp for the 40th anniversary of ECOWAS. A workshop to validate the stamp for the 40th anniversary of ECOWAS has been scheduled for November 2014.
253. Also, the process for the recruitment of a consultant to conduct a study for the development of a comprehensive Postal Master Plan is currently ongoing. The consultancy firm has been selected and negotiations completed. The contract is being prepared.

### **2.4.3 Energy**

254. During the period under review, the activities of the Commission in the area of Energy focused on (i) implementing emergency electrical energy supply programmes in the Gambia, Mali and Sierra Leone, (ii) undertaking studies on the Gas Pipeline extension, formulating a rural electrification programme and updating the energy policy, (iii) organizing a forum on the security of the Pipeline, and (iv) the International Exhibition on Energy and Mines.
255. Concerning the implementation of emergency supply of electricity to the Gambia, Mali and Sierra Leone, following a financing request submitted by the Governments of the three countries, the Commission started to fully finance the emergency programmes by way of grants at a total cost of 108 million US dollars distributed as follows:
  - A grant of US\$ 31.8 million towards the assistance programme for electricity supply to the Grand Bajul, in The Gambia;
  - A grant of US\$ 54.43 million for the emergency supply of electricity to Mali;
  - A grant of US\$ 21.8 million for the emergency supply of to Freetown, Sierra Leone.

256. The grant agreements for The Gambia and Sierra Leone were signed in December 2013 in Abidjan on the margins of the Council of Ministers Meeting whilst the final signing of the agreement for Mali took place during an official ceremony organized in Bamako in February 2014.
257. The Commission and the Ministers of Energy of the respective countries officially launched the implementation of these three programmes in the various capitals between 30th April and 11 May 2014. As part of the implementation of these programmes, the Commission started transferring close to 50% of the amounts while WAPP, the implementing agency of the above programmes, recruited resident engineers in the concerned countries during the first quarter of the year. The implementation of these programmes is progressing steadily; however, as a result of the health situation particularly in Sierra Leone, the completion of the work is expected to delay.
258. **Concerning the studies**, the following activities were implemented:
- Regarding the update of the Regional Energy Policy, the Terms of Reference were prepared and the competitive bidding process for the selection of a consultant is ongoing.
  - In the area of the extension of the West African Gas Pipeline, a consultancy firm has been selected to carry out a study on the extension which is expected to be completed in the first quarter of 2015, with financing from the PPDU.
  - A consultancy firm has been selected for the formulation of a regional rural electrification programme. The implementation of this programme, which will be financed by the PPDU, is expected to be completed by the first quarter of 2015.
259. In collaboration with the Authority and the West African Gas Pipeline Company, the Commission organized a forum on the security of the West African Gas Pipeline in Accra, Ghana. This forum provided the opportunity for experts to hold discussions on steps to be taken for a better protection of the Gas Pipeline from damage. This forum also created a platform for collaboration among the Maritime Military Authorities of Nigeria, Benin, Togo and Ghana.
260. Also, the Commission supported the organisation of the third edition of the International Exhibition on Energy, Mines and Quarries (SEMICA) which was held in Ouagadougou in May 2014. This forum, which was sponsored by ECOWAS, was a kind of collaborative dialogue between the stakeholders in the Energy and Mines sector. It was held under the theme "Contribution of the Mining Sector to the Emergence of ECOWAS States: Current Situation and Prospects".
261. Finally, within the context of coordinating activities of agencies and institutions in the Energy sector, the Commission took part in the statutory meetings of WAPP and ECREEE (General Assembly, technical committee and Board of Directors meetings) and organized a coordination meeting of agencies of the Energy sector in Accra in July 2014.

#### **2.4.4 ECOWAS Regional Electricity regulatory Authority (ERERA)**

262. The Supplementary Act A/SA.2/01/08 of 18 January 2008 of the Authority of Heads of State and Government and Regulation C/REG.27/07/12/ of 15 December 2007 by the ECOWAS Council of Ministers, were enacted to set up ERERA with the mandate to establish the rules of the regional electricity market in West Africa and monitor its operations, including preventing and sanctioning anti-competitive practices, resolving disputes among market participants, as well as supporting and assisting national regulators of the electricity sector in Member States.
263. As part of implementation of its programmes for 2014, ERERA undertook the following activities:

✓ ***Development and adoption of Internal Operating Procedures***

264. ERERA held a special retreat on 25 and 26 February 2014 in Accra, Ghana to discuss and finalize the closing report of its AFD funding, its strategic plan, the terms of reference for its technical audit, as well as its internal operating procedures, namely the human resources, administrative and financial procedures; ICT policies and draft Communication Strategy and Action Plan. After the retreat, the Regulatory Council adopted the human resources, administrative and financial procedures manual.

✓ ***Adoption of a strategic plan and a five-year business programme***

265. ERERA also reviewed and finalized the five-year strategic plan developed by the PPA Energy/ARTELIA Group of Consultants recruited for this purpose. The study enabled the preparation of a strategy for regional regulation for the period 2014-2018, in consultation with national regulators and stakeholders. In addition, ERERA developed a strategic plan and a programme of activities for the next five years. These activities are derived from five key objectives, namely:

- Development of the regional electricity market
- The regulation of the regional electricity market
- Strengthening the capacity of institutions
- Mobilizing and securing funding, and
- Institutional development.

266. The total cost of implementation of these programmes is estimated at \$13,558,102.

✓ ***Organization of the Regional Electricity Market***

267. The draft Regional Market Rules were submitted by the WAPP General Secretariat to ERERA for approval. ERERA called for comments from all stakeholders and organized a consultation meeting at the end of which the proposed amendments and additional inputs were collected. These proposals have been incorporated in the revised Market Rules which will be presented to ERERA's Consultative Committees before final adoption by the Regulatory Council. This process is being finalized.

268. Also in the context of establishing the regional electricity market, ERERA, in collaboration with the WAPP General Secretariat and with the support of GIZ, undertook to :

- finalize and validate the tariff methodology for regional electricity transmission and related procedures; and
- develop a model Power Purchase Agreement and transmission services contracts and provided training to key stakeholders on best contractual practices.

269. In consultation with WAPP, ERERA has finalized the Terms of Reference (TOR) for the recruitment of consultants to carry out these two activities. The study on best contractual practices is scheduled for the last quarter of 2014, while that for the validation of the tariff methodology has been fixed for 2015.

✓ ***Preparations for the 5th Forum on Regional Regulation***

270. A delegation led by the Chairman of the institution, made a working visit to the Electricity Regulatory Authority of Burkina Faso (BF-ARSE) on 17 and 18 February 2014 to formalize the partnership between the ARSE-BF and ERERA as part of preparations towards the Fifth Forum on Regional Electricity Regulation scheduled for 13 and 14 November 2014 in Ouagadougou. During

the visit, both sides agreed on roles and responsibilities of each party and on a time-table for the implementation of tasks relating to the forum.

271. However, following the decision by the Burkinabe Government to suspend all international conferences in the country due to the outbreak of the Ebola Virus Disease in some countries in the region, the Forum has been postponed till next year.

✓ ***Support to the creation of a regulatory body in Guinea***

272. ERERA had several working sessions with officials and staff of the Ministry of Energy and Water Resources of the Republic of Guinea on 10, 12 and 13 February 2014. At the sessions, the terms and provisions required to be implemented for the effective operationalization of the Regulatory Authority for Electricity and Water (ARSPEE), the Guinean regulator, were discussed.
273. Following these meetings, an action plan was agreed with the Ministry that required ERERA to propose a draft text for the establishment, organization and operation of a regulatory body. A national validation workshop will be organized in which all Guinean stakeholders would review the draft text before its submission to the Government and the Guinean Parliament.

#### ***2.4.5 ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE)***

274. The ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) was established to improve energy security, increase access to modern energy services and support the region's economic and social development in an environmentally benign manner through the promotion and use of renewable energy and energy efficient technologies in ECOWAS Member States. Activities carried out by the Centre during the period under review fell under the following priority areas of intervention:
- Tailored policy, legal and regulatory frameworks;
  - Capacity development and training;
  - Knowledge management, awareness raising, advocacy and networks; and
  - Project Preparation and Investment Promotion.

#### ***Tailored policy, legal and regulatory frameworks***

275. The programme aims at the development of tailored policies, as well as appropriate regulatory and legal frameworks to promote renewable energy and energy efficiency technologies and services in the ECOWAS Member States.
276. In response to a mandate by the ECOWAS authorities to coordinate the implementation of the regional policies (ECOWAS Renewable Energy Policy and ECOWAS Energy Efficiency Policy) as well as the Sustainable Energy For All (SE4ALL) Initiative in West Africa, ECREEE is currently assisting ECOWAS Member States to develop their respective National Renewable and Energy Efficiency Action Plans and SE4ALL Action Agenda. In this regard, the Centre has engaged national consultants in each country and a pool of international experts to support the development of the three Action Plans. It is envisaged that in all the fifteen Member Countries the Action Plans will be finalized by the end of 2014.
277. Also, ECREEE has successfully established the SE4ALL Unit in Praia with an SE4ALL Coordinator engaged by UNIDO/ECREEE. Within the SE4ALL Initiative programme, the Centre has developed the Regional Rural Electrification programme, which is a direct outcome of ECREEE's membership of the SE4ALL Energy Access Committee and the High Impact Opportunities – (HIO) project of Clean Energy Mini Grids.

### ***Capacity development and training***

278. The ECREEE Capacity Building Programme aims at building the capacity of market enablers and players to develop and implement renewable energy and energy efficiency investment programmes in the ECOWAS Region. It also seeks to promote research, development, demonstration and dissemination of renewable energy and energy efficiency technologies and services, as well as facilitate academic exchange between research centres and universities in Members States.
279. The centre is currently implementing several train-the-trainer (TTT) programmes for a number of relevant renewable energy tools, such as RetScreen and the hybrid optimization model for electric renewable (HOMER). Follow-up training programmes have been undertaken across the ECOWAS Member States.
280. Also, ECREEE, in collaboration with the International Renewable Energy Agency (IRENA), developed and implemented the initiative for Promotion of a Sustainable Market for Photovoltaic Systems in ECOWAS Region (ProSPER). Through this initiative, policymakers, regulators and utilities, financial institutions, educational institutions and renewable energy entrepreneurs were equipped with relevant skills to accelerate deployment of renewable energy particularly, solar photovoltaic (PV) systems. These included theoretical training and field visits for West African entrepreneurs, and were conducted in Ouagadougou (Burkina Faso), Bangalore (India), and Lome (Togo).
281. Furthermore, ECREEE is currently partnering with UNIDO, Columbia University and the University of Cape Verde to implement an E-learning programme on Sustainable Energy Solutions. The 12-months programme commenced in January 2014 and aims at training experts employed by utility companies, regulators or independent power producers (IPPs) in areas of renewable energy technologies, energy efficiency and energy policy planning.
282. In partnership with the Canary Island Institute of Technology (ITC) the Centre organized, in July 2014, an International Conference and Training on Electrical Systems with high RE penetration for engineers of public administration and stakeholders of the energy sector in Canary Islands, Spain. The conference brought together over 25 experts from Ministries of Energy and utility companies of ECOWAS Member Countries.

### ***Knowledge management, awareness raising, advocacy and networks***

283. The programme aims at mitigating existing knowledge and information barriers that hinder the development of the energy sector in West Africa. To this end, ECREEE developed and continues to improve the ECOWAS Observatory for Renewable Energy and Energy Efficiency (ECOWREX) which is a web-based portal that provides decision-makers, project developers, investors and other market enablers with tailored information, data and planning strategies. The ECOWREX also serves to boost knowledge management, networking, advocacy and strengthening of capacities on renewable energy and energy efficiency. The project is being implemented by ECREEE and UNIDO under the GEF Project "Promoting Coordination, Coherence and Knowledge Management under Energy Component of the Strategic Programme for West Africa (SPWA)" with support from the Austrian Development Cooperation (ADC) and the Spanish Agency for International Development Cooperation (AECID). The project will support business activities, business partnerships and pre-investment activities.
284. In 2014, ECREEE won a Call for Proposals by the ACP-EU Co-operation Programme in Science and Technology (S&T II) and is currently implementing a project - *"Promoting Sustainable Energy Access Through the Use of Geospatial Technologies in West Africa"*. The project aims at enhancing

the functionalities of the ECOWREX platform by incorporating new technologies, compliant with international standards, for aiding data interoperability, extraction, sharing and transfer of scientific knowledge. It also seeks to develop new maps, improve existing ones, include other information relevant for planning and incorporate energy access dataset. In particular, the project is focused on strengthening the use of scientific technology and innovative ideas for effective knowledge transfer and networking.

### ***Project preparation and Investment Promotion***

285. The programme aims at mitigating financial barriers to investments in small, medium and large-scale renewable energy projects and energy efficiency projects and businesses in the ECOWAS region. It assists Member States to exploit their RE&EE potentials by providing support in the development of technical and economically feasible project pipelines as well as funds mobilisation. The programme is being implemented within two major initiatives: ECOWAS RE Facility (EREF) and ECOWAS Renewable Energy Investment Initiative (EREI).
286. The EREF makes available grant-based co-funding for small and medium sized RE&EE projects and businesses. The first call for proposals was successfully launched in 2011 and had an overall funding volume, including co-funding, of 3 million Euro. Over 40 projects were selected for the grant award and are currently at various stages of completion. A publication and a video documentary on the experience and lessons learnt is being developed.
287. During the period under review, ECREEE launched the second EREF call for proposals. The call, which has a special focus on green mini-grids, currently has funding of 1 million Euros (efforts are being made to mobilise additional financing). Over 50 proposals were received and 19 shortlisted for the second phase of the appraisal process. ECREEE National Focal Institutions (NFIs) will be invited to review country specific proposals and provide no-objections or objections to the proposed projects. Final contracts are expected to be signed before the end of the year.
288. ECREEE also won an Energy Facility project from the European Union (EU) to implement an ambitious rural electrification programme in 40 villages with solar mini-grids in the southeast of Senegal, particularly in Ziguinchor, Kolda and Tambacounda, over the next four years. The project is of high importance to the Senegalese government as it will go a long way to increase access to electricity and boost socio-economic development in a region that has the lowest income and electrification rates in Senegal. The 8.9 million Euro project is being co-financed by the EU at a cost of 6.4 million Euros.
289. ECREEE also serves as the implementing agency for the GEF-UNIDO project "Promoting market-based development of small to medium-scale renewable energy systems in Cape Verde". The project supports sustainable development in Cape Verde through the creation of market conditions conducive for the development of small to medium-scale renewable energy systems in line with the national energy policy objective of making the country less dependent on imported fossil fuels. Similarly, a UNIDO/ECREEE-GEF project was established to increase renewable energy in the electricity sector of Guinea Bissau. The project will support efforts of the government to promote socio-economic and industrial development of the country. The project will promote the installation of 2.5 MW renewable energy generation capacity and foster the development of a National Renewable Energy Investment Plan. Moreover, it aims at developing and bringing the 18MW Saltinho Hydropower project to financial close. A Memorandum of Understanding between the Government of Guinea Bissau, OMVG, UNIDO, African Development Bank (AfDB) and ECREEE is under preparation



## 2.5. Human Development

### 2.5.1 Humanitarian Affairs and Social Affairs

#### ✓ Social Actions

- *Creation of an Information System on the ECOWAS labour market;*

290. During the year, the Commission embarked on the process of setting up a database and an Information system for the Public employment Service within the ECOWAS area. This will involve the establishment of a regional information service for employment using the Labour Market Information System, LMIS, to identify skill gaps and skill surpluses.

- *Implementation of the social and work policy adopted by ECOWAS;*

291. In 2014, the Commission began the process of harmonizing labour laws within the community with the launch of the study on the harmonization of labour laws in the region. The harmonization aims to:

- Initiate convergence and create a for regional integration channel, particularly in the priority areas.
- Implement the ECOWAS Protocol on the free movement of persons and goods, (an opportunity for workers to relocate, work and be established economically in the other countries of the region;
- Implement the legal basis for the harmonization of labour laws within the ECOWAS region as per Articles 60 and 61 of the ECOWAS Revised Treaty.

#### ✓ Humanitarian Activities

##### - *Disaster Risk Reduction*

292. Disaster risk reduction actions were achieved in collaboration with OCHA (Office for the Coordination of Humanitarian Affairs, AU and UNISDR. The Commission, in collaboration with OCHA, organized the General Assembly on disaster response and disaster management in member countries, held last June in Burkina Faso. From this GA, the African Working Group (AWG) on risk reduction convened a meeting in Abuja in March 2014, with the support of the African Union Commission (AU) and the United Nations International Strategy for Disaster Risk Reduction.

293. With a view to implementing the recommendations of the AWG, the Commission in April 2014 and under the FOREWARN Initiative programme embarked on an experience sharing mission to disaster-prone regions, such as the ASEAN (Association of Southeast Asian Nations) in Jakarta Indonesia, with focus on risk management and humanitarian issues.

294. At Member State-level, the Commission continued the task of harmonizing the systems of disaster risk intervention and prevention. In that regard, a technical workshop for the creation of a national platform for risk reduction was organized last July in Liberia.

##### - *Humanitarian Interventions*

295. During the period under review, the Commission, as part of the implementation of the Kampala Convention, endorsed the study fielded by the HCR in 3 countries on persons in situations of statelessness. An ECOWAS/HCR joint action plan is currently being developed within a broad intervention framework for the period 2015-2017.

296. The Commission made arrangements during the year to provide humanitarian response in the wake of the spread of the Ebola Virus Epidemic. A humanitarian action plan was developed to complement the Action Plan proposed by WAHO at the end of its technical meeting to develop a

response strategy to Ebola last September in Accra. The Solidarity Fund set up in that regard has recorded the financial contribution of Nigeria, UEMOA and Cote d'Ivoire.

297. During the period under review, the Commission carried out post-human crisis interventions such as the repatriation of Malian refugees to their original abode in collaboration with the HCR, and in Niger, with the implementation of the humanitarian response to a flooding programme in March 2014.

*- Establishment of a humanitarian reserve "Humanitarian depot";*

298. *During* the course of the period under review, the Commission began the process of setting up a humanitarian depot by drafting the terms of reference for the recruitment of a Consultant Engineer. The recruitment process for the consultant engineer is ongoing. This depot should enable the Commission develop the capacity to effectively undertake humanitarian actions that would help assuage the suffering of people and restore normalcy in case of crises, conflict and disaster. It is therefore part of the unified humanitarian response mechanism towards strengthening ECOWAS objectives in the area of provision and coordination of humanitarian interventions in the region as part of humanitarian aid.

*- Human trafficking and Child protection*

299. ***In the area of human trafficking***, the Commission, during the course of the period under review, endorsed a communication plan which has been added to the ECOWAS action plan for the fight against human trafficking. In addition, the Commission validated the Free Movement and Migration technical report on the impact of the ECOWAS Action Plan to combat human trafficking (1<sup>st</sup> impact evaluation phase) and the survey report on the training and capacity building of Member States to combat human trafficking, held in April 2014.
300. Furthermore, as regards the fight against human trafficking and the application of the ECOWAS action plan at Member State level, Ghana underwent the peer review exercise of its anti-child labour policy. It was an opportunity for the anti child labour units of Member States to develop and endorse the guidelines for future peer review candidates.
301. ***On child protection***, the Commission, in collaboration with the International Labour Organization, worked on the set up of a framework for « Protection » and the guidelines for supporting the ILO International Training Centre (ILO-ITC) in order to develop a training framework and strategy for the fight against human trafficking in West Africa in August 2014.
302. Last July in Dakar, the Commission, alongside partner organizations in the sub region, also organized an important meeting on coordination and planning for Child Protection. This meeting focused on ECOWAS priorities regarding Child protection.

## ***2.5.2 Gender, Child Development, Youth/Sports, Civil Society, Employment and Drug Control***

### ***Gender and child***

303. The Commission participated in the meeting of the United Nations Commission on Status of Women (CSW) which was held in New York, United States of America in March, this year. The meeting provided a forum for taking stock of lessons learnt and sharing experience on issues relating to gender equity as contained in the Millennium Development Goals (MDGs).
304. The draft Memorandum of Understanding between ECOWAS and Save the Children was finalized and the Work Plan for three years funding under the ECOWAS Conflict Prevention

Framework's Women Peace and Security Plan of Action was submitted to DANIDA. Also the Memorandum of Understanding between ECOWAS and United Nations Fund for Population Activities (UNFPA) was signed, and both parties are currently collaborating on development activities such as Treatment for Victims of the Female Genital Mutilation and the Sahel Development Project. The Commission also participated actively in the UNFPA coordinated meetings held on the sidelines of the 2014 United Nations General Assembly meeting in New York.

305. The implementation of the project to support the establishment of Business Incubator for African Women Entrepreneurs (BIAWE) in two pilot countries, Sierra Leone and Burkina Faso, commenced. A technical meeting was held on 22 July, 2014 with partners to define the roadmap and methodology for executing the project.
306. Other key activities undertaken during the review period were the preparation of draft ECOWAS Gender and Trade Plan of Action, review of the draft ECOWAS Gender and Migration Plan of Action as well as the organisation of a gender experts and women affairs ministerial meeting in Ouagadougou in June.

### ***Youth, Employment and Sports***

307. In furtherance of the outcome of a workshop organized in 2013 to develop the capacities of ECOWAS Member States to prepare National Youth Employment Action Plans, a study was launched to assess the degree of compliance with the recommendation on collecting data on youth employment and implementation of the ECOWAS Labour and Employment policies in Member Countries. The study was also intended to develop the capacities of Member States to enable them address the challenges of youth unemployment.
308. The process of recruiting a consultant to undertake a study on best market-oriented private sector initiatives in universities and other tertiary institutions in the region reached its final stage. The technical bids submitted by the consultants have been reviewed and the letter for the contract award is ready for signature. When completed, the study will pave the way for the holding of a roundtable meeting of private sector operators and universities where the study will be discussed and private sector initiatives for universities and tertiary institutions adopted.
309. The Commission participated in the Special Session of the Labour and Social Affairs Commission held in Windhoek, Namibia, from the 20 – 24 April, 2014. With the theme : *Employment, Poverty Eradication and Inclusive Development*, the session discussed, reviewed and made recommendations on several topical issues including the Ouagadougou Plan of Action on Employment, Poverty Eradication and Job Creation, and the Declaration of Heads of State and Government on the Ouagadougou Plan of Action.
310. In addition, the Commission participated in the Gender Pre-Forum organized by the African Union within the African Governance Architecture Annual Dialogue series on Democratic Governance, in collaboration with the Government of the Republic of Rwanda from the 6-7 in Kigali, Rwanda. The forum examined trends, challenges and opportunities for enhancing the role of women in contributing to ending conflict and attaining sustainable development.

### ***Drug Control And Civil Society***

#### ***- Drug Control***

311. The 10<sup>th</sup> Inter-Ministerial Drug Coordinating Committee (IMDCC) meeting was held in Cotonou from 28 to 31 January, 2014. The meeting reviewed national and regional reports on the implementation of the 2008-2014 ECOWAS Drug Action Plan. The reports indicated that although not all financial needs of ECOWAS in the achievement of the goals outlined in the Regional Action

Plan were met, ECOWAS, with the support of UNODC, INTERPOL, the EU and other leading partners, has made important efforts towards implementing key aspects of the Action Plan. As a result, Member States in the region have taken intelligence-based action to identify and act upon drug trafficking and other organized criminal activities, including improving border security.

312. Member States have also taken action to align domestic legislation with international legal standards and have initiated actions to raise awareness on drug abuse among particularly vulnerable groups. At the Summit of February, 2013, the ECOWAS Heads of State and Government directed the ECOWAS Commission to re-validate the Drug Action Plan in view of the present realities and challenges posed by the heightened level in drug trafficking, drug abuse and organized crime in the region. In this respect, ECOWAS Drug Control Technical Experts and UNODC technical partners met in July 2014 and reviewed the Draft 2015 -2019 ECOWAS Action Plan on Drugs. The new Draft Drug Action Plan is being finalized for the consideration of Experts and Ministers in 2015.
313. In addition, considerable progress was made in the process for the recruitment of staff for the ECOWAS – European Union project “EU Support to the Implementation of the ECOWAS Drug and Crime Action Plan” for which a Financing Agreement was signed between the two institutions in November 2013.
314. The recruitment of four (4) legal consultants to undertake a review of drug laws and related legislations is at an advanced stage. The objective of the review is to assess the existing national drug laws and related legislations and institutional structures to identify areas of convergence, differences, gaps/shortcomings with a view to assisting Member States to update drug laws and related legislations to comply with a common minimum standard that will ensure sufficient deterrent against illicit trafficking and enhance the use-demand reduction strategies

*- Civil Society*

315. The West African Civil Society Forum, (WACSOF) executed the first phase of its National Platform Strengthening Programme with the support of the ECOWAS Commission. The aim of the programme is to properly restructure WACSOF National Platforms towards a more results-oriented and pro-active contribution to the ECOWAS Regional Integration agenda. In addition, WACSOF Thematic Groups on Democratic Governance and Peace and Security, Agriculture and Food Security, Health, Women and Gender Equality, and Youth and Employment held consultations and commissioned desk studies in their respective thematic areas with the support of the ECOWAS Commission. The studies were aimed at broadening the knowledge base of civil society with a view to enhancing their participation in the ECOWAS integration programme.

### **2.5.3 ECOWAS Gender Development Centre (EGDC)**

316. For the year under review, the Gender Centre continued the pursuit of its goal to reposition itself strategically in order to respond adequately and effectively to the changing needs of women and men in the social, economic and political spheres, within the context of the ECOWAS integration process and Vision 2020 .
317. To achieve this goal, the Centre focused on two main programmes drawn from its strategic plan, namely i) Programme on the Institutional and Organisational Capacity Building of National Gender Machineries; and ii) Programme on Human Capital Development, Economic Empowerment of Women, Peace, Security, Democracy , Good Governance and Human Rights.

### ***Institutional and Organisational Capacity Building of National Gender Machineries***

318. The following activities were carried out under this programme:

*- National Gender Training Workshops in ECOWAS Member States*

319. Two (2) National Gender Training Workshops were held in Nigeria and Senegal with the main objective of building the knowledge and skills of key gender actors and stakeholders to undertake gender analysis and gender mainstreaming in the national policies, strategies and programmes of the Member States

320. Together, the two workshops trained a total of seventy-two (72) participants drawn from the sector ministries, national parliaments, security and law enforcement agencies, women groups, civil society organisations, private sector operators, youth groups, the ECOWAS National Units and the media.

*- Adoption of the Supplementary Act on Equality of Rights between Women and Men for Sustainable Development in West Africa*

321. The EGDC, in collaboration with relevant partners initiated processes for the adoption of an ECOWAS Supplementary Act on Equality of Rights between Women and Men for Sustainable Development in West Africa. The principal aim of this initiative is to adopt a legal instrument that both addresses the existing gaps in the legal instruments relating to women's rights and takes into account the new challenges and issues relating to women's participation in the sustainable development of the West African region. In relation to this, a technical review meeting and a taskforce meeting were held to review and improve the adequacy and quality of the draft Supplementary Act.

322. During the period under review, the Commission also reviewed the ECOWAS draft action plan on Gender and Migration. In addition, the Commission updated the report on the implementation of the ECOWAS Gender policy as well as the Gender and Trade action plan through internal workshops organized in that regards. The two action plans will be submitted for approval at the same time as the supplementary act on gender equality in various ECOWAS bodies.

*- Provision of Technical Support to the Network of Young Female Leaders of West Africa (ROAJELF)*

323. The EGDC is in the process of providing technical support to the Network of Young Female Leaders of West Africa (ROAJELF) to prepare a three-year strategic plan. The purpose of this support is to assist the network to consolidate its activities and enable it play a leadership role in the promotion of human rights, gender equality, women's empowerment and capacity building.

*- Human Capital Development, Economic Empowerment of Women, Peace, Security, Good Governance and Human Rights*

324. Within the framework of this programme, the EGDC aims at contributing to the creation of an enabling environment for building the capacity of women and empowering them economically and also for ensuring a peaceful and secure society in which gender equality and human rights are guaranteed.

325. The following activities were carried out under this programme:

- *Award of Scholarships of Excellence to Girls in Specialised Technical and Professional Education in ECOWAS Member States.*

326. Aimed at contributing to the promotion of gender equity and equality in the education sector in ECOWAS Member States through the award of scholarships of excellence to brilliant but needy girls in technical and professional training institutions, the Gender Centre is currently supporting a total of one hundred and eighty-three (183) brilliant but needy girls undergoing specialised technical and professional training in all 15 ECOWAS Member States under this programme.

- *Provision of Medical and Financial Support to Women and Girls suffering from Obstetrics Fistula.*

327. With the objective of improving the sexual and reproductive health of women and girls suffering from obstetric fistula, the programme which has been on-going was extended to fourteen (14) ECOWAS Member States, with the exception of Cape Verde where fistula is reported to be non-existent.

328. A total of two hundred and ninety-two (292) women suffering from obstetrics fistula have so far been treated under the programme.

329. Similarly, a total of two hundred and sixty-eight (268) women who have been cured of fistula have been successfully re-integrated socially and economically. .

- *Provision of Technical and Financial support to Women engaged in the Processing of Agricultural and Handicraft Products.*

330. This economic empowerment activity is aimed at building the capacity of women engaged in the processing of agricultural, fishery and handicraft products to enable them establish and manage profitable businesses in a sustainable manner.

331. A total of one hundred and fifty (150) women from eight Member States have been trained within the framework of this activity, on techniques of food processing and basic business management skills.

332. The EGDC has provided financial support to these women to invest in their economic ventures and is in the process of providing them with technical support in the form of agricultural equipment to enable them intensify their processing activities.

- *Provision of support to the Network on Peace and Security for Women in the ECOWAS Region (NOPSWECO)*

333. The EGDC provided financial support to the Network on Peace and Security for Women in the ECOWAS Region (NOPSWECO) in order to build its capacity to contribute to the implementation of the ECOWAS Plan of Action on UN Security Council Resolutions 1325 and 1820 on Women, Peace and Security. This activity seeks to create the framework for women to play a more active role in peace mediation and conflict resolution processes at the national and regional levels.

#### **2.5.4 Education, Culture, Science and Technology**

##### **Education**

334. Key activities implemented during the period under review include the following:

**- *Regional Meeting of Experts***

335. An expanded meeting of regional experts in the fields of Education Management Information Systems, E-learning, Education of Girls and other vulnerable groups and Equivalence of Certificates was held in Banjul, The Gambia in December 2013. The meeting was used as an avenue for advocacy on the ratification of the ECOWAS Protocol on Education and Training, other initiatives such as Education for the Culture of Peace and education as a social vaccine for the prevention and management of HIV/AIDS and other health challenges. At the end of the meeting, the following resolutions were agreed upon for adoption by the Ministers of Education and Training:

- Validation of the ECOWAS Regional Capacity Building Strategy that addressed six major components, namely: political and legal framework; statistical processes and methods; EMIS sub-sectors development; improvement in data quality and scope; resource availability, adequacy and use; preparation of an information report on the education sector ;
- Conclusion of discussions on the recommendations of the feasibility study on the recognition and equivalence of degrees, diplomas, certificates and other qualifications in ECOWAS Member States ;
- Deepening of synergy between ECOWAS, Member States and partners on education of girls and other vulnerable groups in order to improve on the gains of access, retention and completion of education at the basic level and transition to senior secondary and higher levels ;
- Validation of the ECOWAS e-learning policy, the Policy Implementation Framework (PIF) and Project Implementation Documents (PIDs) that is expected to contribute to quality education that could promote employment, wealth creation and the quality of the workforce in general.

**- *Revitalization of Technical and Vocational Education and Training (TVET)***

336. As a step towards curbing youth restiveness, unemployment and the various desperate attempts being made by youths to earn a living, ECOWAS embarked on series of capacity building sessions for TVET teachers, administrators, and practitioners since 2010. The sessions were designed to improve the pedagogical skills of TVET personnel and skills for the development and revision of curriculum and instructional materials using ICT.

337. Furthermore, surveys on TVET Management Information Systems and Delivery were held on piece-meal basis in Member States. The main objectives of the surveys were to obtain relevant information and data on the current status of TVET in each country within the context of existing policies, programmes, regulatory bodies, institutions and curriculum. It is expected that the outcome of the survey will form the basis for the development of National Qualifications Framework (NQF), Regional Qualifications Framework (RQF) and TVET revitalization in general.

**- *Higher Education and Scientific Research***

338. The Commission also organised a meeting of resource persons on Higher Education and Research in Abuja in October 2014. The key outcomes of the meeting focused on the mapping of tertiary institutions that are either established, supported or approved by ECOWAS Commission as well as a recommendation for the ECOWAS Commission to develop a regional strategy for the harmonization of Higher Education in the region in relation to the one developed by the African Union. The meeting also identified existing gaps in the delivery of higher education and research,

and developed a proposal for the revitalization of higher education and scientific research. Highlights of the proposal include: establishment of specialized satellite centres in every country of the region to supplement the various Pan African University Institutes; sensitization on the ratification and implementation of the Arusha Convention and the ECOWAS Convention on Equivalence of Certificates; and emphasis on establishment and strengthening of research centres to address the existing gaps in the numerous but poorly equipped universities in the region.

- **Teacher Development**

339. A meeting of key stake actors was convened in Abuja in October 2014 which availed ECOWAS the opportunity of obtaining information on the training, certification, professionalism, and welfare of teachers. The meeting was attended by the relevant stakeholders in charge of Teacher Development. They were encouraged, based on their strategic positions, to ensure advocacy, resource mobilization, and implementation of the roadmap for teacher development adopted by the Oslo Declaration. The key recommendations of the meeting will be presented to the forthcoming Education Ministerial Meeting scheduled to hold in November 2014.

- **Conference of Ministers**

340. A meeting of Ministers in charge of Higher Education and Scientific Research was convened at the Commission in November 2014. The Ministers endorsed the current efforts being made by the Commission to promote mobility of students and teachers through research centres that can be adequately equipped to meet the needs of visiting professors and students for research purposes.
341. For a more effective implementation of this agenda, the Ministers expressed the need for speedy ratification of the Arusha Convention and ECOWAS Convention on equivalence of certificates. The Ministers also generally agreed on promotion of teacher professionalism in all ramifications and curriculum development and revision that will accommodate cross-cutting thematic areas like peace and security, environment, climate change, emerging health challenges and entrepreneurship

✓ **Culture**

342. **Copyright protection:** The Commission implemented the following programmes:

- **Production of the ECOWAS hologram:** As part of the implementation of the ECOWAS/RCO 'Cahier des Charges', the Regional Copyright Observatory (RCO) began the implementation of the production of the ECOWAS hologram in November, 2013 and the process was completed in February 2014. The ECOWAS hologram is a technical means of control which will serve as a common identifier of regional cultural productions of Artists and creators of work and assist the region in the control of fraud and piracy in the use and distribution of audio and video discs, cassettes, literary works, crafts, etc. The hologram will be presented to the 5<sup>th</sup> Assembly of the RCO in Bamako and later to the Conference of Ministers of Culture.
- **5<sup>th</sup> Meeting of the Regional Copyright Observatory (RCO):** The 5<sup>th</sup> Meeting of the Regional Copyright Observatory was held in Abuja from 17 to 20 November 2014 under the theme '**ECOWAS Regional Copyright Observatory (RCO) – the way forward**'. The meeting sought to examine how the protection of the region's cultural industries could be maximized for economic development, employability and poverty alleviation. The major recommendation ensuing from the meeting to ECOWAS authorities was in the area of transforming the RCO into an ECOWAS Regional Intellectual Property



Organization with proposal to establish a Secretariat to be domiciled at the Commission. These recommendations will be presented to the meeting of the Technical Committee of Culture Experts for examination and onward transmission to the meeting of Ministers of Culture and ECOWAS Council of Ministers for adoption

343. **Training and sensitization workshops:** Training and Sensitization workshops to strengthen the capacity of Copyright offices to sensitize Intellectual property and Copyright related workers and the general public on the protection of cultural works from piracy and fraud, were conducted in The Gambia and Niger Republic in January 2014. Eighty (80) participants from each of the countries benefited from the workshops. Beneficiaries included, Administrators of Copyright Offices and their teams, officers from Ministries of Culture and Ministries of Commerce, Tourism and Hospitality workers, Customs and other border control workers, Collective Management Societies, Writers and Publishers, Art promoters, Theatre and Drama Producers, bar operators, Media House operators and Parliamentarians.
344. **Cultural Exchanges: With respect to cultural exchanges** the following programmes were implemented during the period under review:
- **20<sup>th</sup> Edition of the Moroccan Book Fair:** At the invitation of the Moroccan Ministry of Culture the ECOWAS Commission and Member States participated in the 20<sup>th</sup> Edition of the Book Fair of Morocco, which was held in Casablanca from 10<sup>th</sup> to 19 February 2014. The Fair brought together ECOWAS Member States and the Moroccan Government for a renewal of friendship and bilateral ties. The Fair offered participants a comprehensive and varied programme revolving around the consolidation of cultural exchange between Moroccan Literary Artists, Publishers and Lecturers and their West African counterparts.
  - **National Culture Week – *La Semaine Nationale de la culture* (SNC) 22-29 March:** The President of the Commission, as the 2014 Patron of the **National Culture Week – *La Semaine Nationale de la culture* (SNC)**, attended the national culture week from 22 to 29 March 2014.. The SNC, which is a biennial event, takes place every two years at Bobo Dioulasso, Burkina Faso and is one of the cultural events on the ECOWAS Cultural Agenda. The exhibition depicted documentations, pictures and films from the Culture Division, Education Division, Agriculture, Communications, Free movement, and other sectors as well as Institutions like the ECOWAS Youth Center and Water Resources.
  - **2<sup>nd</sup> Edition of the Atlantic Music Expo (AME):** The Commission participated in the promotion of the Atlantic Music Expo (AME) which was held in Praia, Cape Verde from 7 to 12 April 2014. The event brought together West African, African and World renowned Musicians and musical works, Producers, Directors, Copyright and various genres of culture professionals, the business community, the media, advert gurus and tourists under one umbrella of cultural identity to promote peaceful cultural exchanges, creativity, sustainable development, business and economic activities, regional integration and bilateral and multilateral exchanges.
345. **ECOWAS Festival of Arts and Culture (ECOFEST) Preparatory Meeting :** A preparatory meeting to discuss the modalities for the successful organisation of the ECOWAS Festival of Arts and Culture (ECOFEST) was held in October 2014. The meeting examined and discussed all the issues necessary for the successful organisation of the festival. Key issues discussed included the identification of the major event organisers, the project's strengths and weaknesses, relevance and propose and general theme, organisational framework, action plan and estimated budget. The festival is expected to be part of the activities marking the 40<sup>th</sup> Anniversary of ECOWAS

346. **The Forum of Education for the Culture of Peace through Interreligious Dialogue** The Forum of Education for the Culture of Peace through interreligious dialogue was conceptualized as a major broker for peace in the ECOWAS region that would be launched as part of the programmes for the celebration of the 40<sup>th</sup> anniversary of ECOWAS. Thereafter, the Forum will be an annual event that will consolidate progress made in the area of peace through conflict prevention, good governance, democracy and human rights. The meeting, which took place in October 2014, examined and validated the report of the consultants and discussed relevant issues relating to the successful organisation of the forum. The issues included examination of clear modalities for the organization of the Forum, thematic areas for the Forum, list of major religions and their sub-groups in the region, a list and profile of existing inter-religious groups in the ECOWAS region.

✓ **Science and Technology**

347. The main activities implemented by the Commission during the period under review in the area of Science and Technology are as follows:

- Assistance was provided by the Commission to the West Africa Institute (WAI) for the organization of the Innovation Africa Summit (IAS) held in Praia in February 2014. This Summit provided a platform for cooperation between professionals, entrepreneurs and innovators of Africa. The objectives were to explore and engage in exchanges on best practices for the promotion of innovation in Africa. It also provided an opportunity to develop capacities and explore ways and means of collaborating with competent institutions to contribute to the development of the continent.
- The ECOWAS Commission participated in the Conference and General Assembly of the West and Central African Research and Education Network (WACREN) held in Lomé in March 2014. The Conference focused on access to the optimum cost of high capacity bandwidth on connectivity and services. It offered the opportunity to obtain information on the inventory of fixtures (infrastructure, interconnection and other technical topics) of the different Communities of the region.
- Organization of a National Training Workshop on Writing Research Projects in Science, Technology and Innovation (STI) in Abidjan in March 2014 in response to international competitive tendering procedures. This workshop brought together participants from Universities, Research Centres, Institutes and Bodies from Côte d'Ivoire as well as competent resource persons. The objective was to train the participants in the methods (tools and instruments) in writing research proposals and sourcing of funds, and communicating directly with researchers in the region.
- A panel of judges was put in place by the Commission for the selection of Award Winners of the Kwame Nkrumah Prize for Women Scientists in the area of Basic Science and Life and Natural Sciences. In terms of results, the Commission was not happy about the absence of almost all the candidates from the Basic Sciences (Mathematics, Physics, Chemistry, etc.) whilst in the Natural and Life Sciences, there were only four candidates.

### **2.5.5 ECOWAS Youth and Sports Development Centre**

348. The role of the CDJS is to promote youth development and empowerment and to develop sports as instruments for fostering peace in the region. In 2014, the following activities were undertaken:

**Sports**

349. In the area of sports, the implementation of programmes approved for 2014 culminated in the achievement of the following results: (i) extension of the geographical coverage of African

wrestling as a sport ; (ii) capacity building of referees/umpires ; (iii) institutionalization of the ECOWAS Games as a mark of the commitment of the Community authorities to involve the youth in developing community identity and impart ECOWAS ideals to them ; and (iv) involvement of stakeholders of the sports sector in the integration process.

350. Furthermore, the Center provided financial support to some regional and local partners in the area of sports. They include, among others, the Association Béog Biiga of Burkina Faso which is promoting the development of the girl child; the International Judo Tournament of Saint Louis, Senegal; the Union Sportive des Sourds de l'Afrique de l'Ouest (USSAO); and Region 2 of the African Fencing Confederation for the organisation of fencing championship in West Africa.
351. However, it must be noted that the implementation of sports programmes by the CDJS/ECOWAS was seriously hampered by two major factors, notably : (i) the lack of financial resources during the first half of 2014; and (ii) the restrictive health environment as a result of the outbreak of the Ebola epidemic for which reason implementation of activities involving gathering of people was suspended, and thus affected particularly, African wrestling tournaments and the scheduled Abidjan 2014 3<sup>rd</sup> ECOWAS Games, which was expected to bring together more than 3000 participants.

### **Youth**

352. Concerning youth programmes, the Commission undertook the following activities during the period under review:
353. The Commission initiated a training programme in Refrigeration-Air Conditioning and Auto-Mechanics for sixty (60) young persons drawn from 10 countries in the ECOWAS region from 4 August 2014 to 2 September 2014 at the Ziniaré Reference Vocational Training Centre (Burkina Faso). The general objective of this youth training programme was to empower the youth and enhance their employability within the ECOWAS region, thereby contributing to the reduction of the rate of unemployment among the youth in the Member Countries of the Community.
354. Another training session in agro-sylvopastoral education is scheduled for 90 young persons from the ECOWAS region starting from 17 November and ending on 17 December 2014 at the Songhai Center, Porto-Novo (Benin).

### **ECOWAS volunteers programme**

355. As part of the implementation of the ECOWAS Volunteers Programme in three of the four pilot countries - Guinea, Liberia and Sierra Leone\_ the Commission initiated the ECOWAS Volunteers Programme (EVP) in 2004 within the framework of the ECOWAS project " Support of Peace and Development (PADEP)" by deploying a total of 96 volunteers from 12 ECOWAS Member States to Liberia, Guinea and Sierra Leone, with the financial and technical support of the African Development Bank (AfDB) and the United Nations Volunteers Programme (UNV). The twenty (20) volunteers deployed to Liberia completed their missions in December 2013 while the remaining seventy-six (76) volunteers, (36 in Sierra Leone and 40 in Guinea) are still at post in their various duty stations. Sixty-nine (69%) of these volunteers were posted to the education sector, 30% to the health sector and 1% to the youth sector.
356. Guinea-Bissau and Liberia expressed the desire to receive 20 volunteers each. A technical mission from the regional office is expected to initiate the deployment process in Guinea Bissau before the end of November 2014.
357. The year 2014, which marks the end of four (4) years of the pilot phase, has been a particularly difficult one for the programme for various reasons. The financial assistance provided by the

African Development Bank ended in 2013 and the ECOWAS Commission single-handedly financed the project with a budgetary outlay of US \$3.2 million. However, the delays in making funds available to the programme and the health crisis confronting the three pilot countries have impacted negatively on programme implementation, thus leading to the postponement of some activities, in particular the evaluation of the pilot phase, the formulation of the strategic plan, the end-of-mission training for volunteers in Guinea and the awareness raising campaign in the region.

358. During the period under review, the programme attracted the attention of potential partners, including, among others, CONFEJES, the African Union, France Volontaires, and the National Volunteers Programme of Colombia. The programme is also in the process of reviewing the Memorandum of Understanding (MoU) with the United Nations Volunteers Programme for the period 2015-2020.

### **2.5.6 Malaria Elimination Programme**

359. As part of the malaria campaign programme, a communication and mobilisation plan was prepared at an Experts' meeting held in Abuja in December 2013 to ensure community and military participation.
360. Indeed, community ownership for behavioural change and support by the armed forces are central to the ECOWAS Malaria Elimination programme. In that regard, the ECOWAS Committee of Chiefs of Defence Staff (CCDS) expressed unflinching support for the ECOWAS Malaria Elimination campaign at their meeting held in Bissau (Guinea Bissau) in February 2014. This commitment was confirmed by the Mediation and Security Council in Yamoussoukro in March 2014.
361. A sensitisation meeting was held in Abidjan (Côte d'Ivoire) from 31st March to 1st April 2014 for the 15 Member States. The meeting was attended by representatives of the Ministries of Health, Finance, Information and Communication, Environment and Sanitation, the Armed Forces, Parliaments and ECOWAS National Units, as well as the national focal points for the Malaria Elimination Campaign.
362. This meeting was followed by the first training for trainers' workshop for the military under the transfer of know-how by the Cuban technical partner, for implementation of biolarvicides. The meeting was held at the "Kofi Annan Peace Keeping Training Centre" in Accra from 12th to 16th May 2014. This first training laid the foundation for the commencement of ground operations on 28th May 2014, ECOWAS Day, which included coordinated sanitation operations by the armed forces, in conjunction with the communities, for an ECOWAS of people.

## **2.6. Political Affairs, Regional Peace and Security**

### **2.6.1 Political Affairs**

363. The activities and programmes implemented under Political Affairs during the period under review fell within the mandate spelt out in the extant Normative Frameworks. In the area of Political Affairs and International Cooperation, the Commission facilitated the conceptualization of reform measures for the long-term stability and development of Guinea Bissau. Through the 3<sup>rd</sup> Joint Assessment Mission to Guinea Bissau, the Commission played a pivotal role in the harmonisation of partners' priorities for the reform programme. This contributed immensely to the resuscitation of the International Contact Group on Guinea Bissau (ICG-GB) as one of the platforms for mobilising partners' support for the implementation of the reforms, thus ensuring the consolidation of peace, stability and development.

364. On Mali, the Commission mobilised stakeholders to review the regional interventions, particularly in the areas of preventive diplomacy and rapid deployment. The recommendations of the Mali After-Action Review were endorsed by the ECOWAS Authority and the Commission has commenced their implementation. Also, the Commission mobilised Malian local stakeholders to participate in the Algiers Inter-Malian Dialogue and ensured that the series of talks in Algiers were conducted in line with the Ouagadougou Preliminary Agreement.
365. The Commission's participation in multilateral programmes, including the UN General Assembly and the AU Summits, enhanced international consensus on strategies to support the stability of Mali and Guinea Bissau, address resurgent challenges on maritime security and terrorism, and articulated measures aimed at tackling problems such as the Ebola Virus Disease (EVD), genocide, bad governance and underdevelopment. The Commission also contributed to the finalization and adoption of the Mano River Union (MRU) Peace and Security Strategy and the Sahel Strategy, as well as to their Operational Plans. Regarding the ECOWAS Conflict Prevention Framework (ECPF), it facilitated resource mobilization for 7 Priority Components, based on a revised 3-Year Priority Matrice. It also concluded recruitment of the pioneer staff of the Mediation Facilitation Division (MFD).
366. In the area of Democracy and Good Governance, the Commission developed an ECOWAS Manual for Reporting on Human Rights according to specific thematic issues. The Manual, which placed specific Human Rights and Rule of Law reporting obligations on Member States, was adopted by the Executive Committee and General Assembly of NNHRI and CSOs. The Commission also ensured the utilisation of the ECOWAS Training Modules on Mainstreaming Youth and Women in Party Activities and Media Relations and Effective Campaign Strategies for Political Parties developed in December 2013, through Pilot Training Programmes for leaders of political parties in Liberia.
367. In the area of Electoral Assistance, activities undertaken during the review period revolved around comprehensive support to the Electoral Institutions in Guinea Bissau. Specifically, this involved technical support for voters' registration, capacity-building for the Electoral Commission, financial assistance for election logistics, deployment of long-term Election Observation Mission, and a Short-Term Mission for the conduct of the Elections, as well as national sensitization and local mediation to rally stakeholders for the peaceful conduct of the elections.
368. The Commission also contributed to the enhancement of technical knowledge of staff of National Electoral Commissions in the area of Election Dispute Resolution through a BRIDGE Training Session in Cotonou. Finally, the Commission took proactive measures through 2 Pre-election Fact-Finding Missions and 2 Early Warning Missions (jointly with UNOWA) for elections slated for 2015 in Burkina Faso, Cote d'Ivoire, Guinea, Nigeria and Togo.

### **2.6.2 Peacekeeping and Regional Security**

#### **✓ ECOWAS Standby Force (ESF)/Mission Management and Planning Cell**

369. The ECOWAS Standby Force (ESF) and the Mission Planning and Management Cell (MPMC) undertook series of training-related activities. They included :
- The planning and execution of Exercise Western Accord 14 in Thies – Senegal, on 27-28 June 2014;
  - Hosting of the Committee of Chief of Defence Staff (CCDS) meeting in Accra, Ghana, from 9 to 12 September 2014;
  - Mil/Mel Planning Conference (AFRICA AMANI II) hosted by the African Union in Ethiopia from 9 to 15 September 2014; and

- Participation in a course in Protection of Civilians in Armed Conflicts at the National Defence College, Abuja from 28 September to 10 October 2014 by the 3 components of the ESF.

370. **Police Component:** In line with the doctrine of the ECOWAS Standby Force, a strategic workshop was organised in March 2013, with financial support from the German Agency for International Cooperation, for the purpose of building the capacity of the Police Component of the ESF. Training had been identified as a key element of the programme, and a road map had been developed under which a Training Needs Assessment was to be carried out on the police personnel of ECOWAS countries in African Peacekeeping Missions. This activity was initially carried out on a pilot basis for the ECOWAS Mission in Guinea Bissau and the UN Mission in Liberia in 2013. The large scale exercise was carried out this year in Nigeria and Senegal.
371. **Civilian Component:** As part of the Integrated Planning Element of the ECOWAS Standby Force, the Civilian Component coordinated the participation of 10 civilians from ECOWAS Member States in Exercise Western Accord 2014. The Exercise was designed to train the ESF Rapid Deployment Capability comprising of military, police and civilians. Also, a review of the Draft Civilian Dimension Policy Framework was undertaken at a stakeholders' consolidation and validation workshop.
372. To enhance the work of this component of the ESF, a good working relationship was established with the ECOWAS Training Centers of Excellence with regards to the development of the civilian dimension in Peace Support Operations (PSOs), Roster and Database. Towards this end, a training circular was elaborated which contributed to the standardization of the pre-deployment foundation course.

#### ✓ *Small Arms and Light Weapons (SALW)*

373. On Small Arms and Light Weapons the Commission continued implementation of activities and programmes within the framework of the ECOWAS Convention on Small Arms and Light Weapons, Their Ammunition and Other Related Materials. Based on the approved 5-Year Priority Plan, the focus continued to be on sensitization, capacity building, management of the exemption procedure, harmonization of legislation, marking of weapons and resource mobilization. Hundreds of persons were sensitized directly through training and millions through the media.
374. **The ECOWAS – European Union Small Arms Project:** In order to deepen the campaign against illicit proliferation of SALW, the ECOWAS Commission, in partnership with the EU, developed a pilot arms-for-development project which was launched by the President of the Commission in August 2014. The project is expected to enhance community security through the mopping out of arms in the Mano River Union and the Sahel Region. The beneficiary countries for this pilot project are Cote d'Ivoire, Guinea, Liberia, Niger, Mali and Sierra Leone.
375. **Technical and Financial Support to Member States :** In accordance with Article 25 of the ECOWAS Convention on Small Arms, the Commission maintains support to Member States by providing financial resources to enable them implement the priority activity plan. In this respect, all the 15 National Commissions on Small Arms were provided with the appropriate funding during the year to support implementation of key priority activities of the Convention.
376. **Meeting of National Commissions on Small Arms:** The Commission organized the annual meeting of National Commissions on Small Arms, hosted by Cape Verde, from 9 – 11 June 2014. It was an avenue for peer review as well as evaluation of the activities implemented by each country within the framework of the 5-Year Priority Plan of the ECOWAS Convention and Small Arms. The forum was also used to share experiences, best practices and emerging international events in the field of small arms and light weapons.

377. **The Arms Trade Treaty (ATT):** Technical support was provided to Member States to engage in the global negotiations of the Arms Trade Treaty and this ensured that the region's interest was reflected in the final document. Of prime importance was the inclusion of Small Arms and Light Weapons as the eighth in the categories of Conventional Arms within the scope of the ATT. As a result of the proactive interventions during negotiations, most of which took place at the UN, the profile of ECOWAS Member States and in particular, the ECOWAS Commission, was greatly boosted. Further to this, five Member States (Burkina Faso, Sierra Leone, Mali, Nigeria and Senegal) are among the 53 ratifications globally that has made the forthcoming entry into force of the ATT on 24 December 2014 a reality.

#### ✓ **Regional Security**

378. **Maritime Security:** ECOWAS adopted the ECOWAS Integrated Maritime Strategy (EIMS) at the 44<sup>th</sup> Summit of Heads of State and Government which took place in Yamoussoukro, Cote d'Ivoire on 28 and 29 March 2014. Also, the first and second working sessions of the Interregional Working Group (IWG) comprising ECOWAS, ECCAS, GGC and the Government of Cameroun took place from 22 to 26 April and 10 to 15 May 2014 respectively, while the ICC was inaugurated on 11 September 2014 in Yaounde, Cameroun at which the Head of Regional Security Division of ECOWAS Commission was appointed the Interim Executive Director of the Centre.
379. **Counter-Terrorism:** The 3<sup>rd</sup> National Counter-Terrorism Training of Law Enforcement Agents was held from 10 to 21 March 2014 in Dakar, Senegal. Also, the 4<sup>th</sup> Regional Counter-Terrorism Training course on the ECOWAS Counter-Terrorism Manual was held from 14 to 25 July 2014 in Banjul, The Gambia.
380. **Security Sector Reform and Governance:** Inter-governmental Experts Meeting on the Review and Validation of the Draft ECOWAS Security Sector and Governance Concept was held on 22 and 23 May 2014 in Banjul, The Gambia.
381. **WAPCCO Activities:** Inauguration of the West African Police Chiefs Committee (WAPIS) Office was held on 22<sup>nd</sup> January 2014 in Abuja. Other related activities that were undertaken during the review period were: conduct of the 2<sup>nd</sup> Regional Capacity Building Training for ECOWAS Law Enforcement Agents on Transnational Organized Crime in West Africa from 24 February to 3 March 2014 in Abidjan, Cote d'Ivoire; organisation of the meeting of WAPCCO Sub-committee on Training and Operations on 9 and 10 April 2014 in Bamako, Mali; meeting of WAPCCO Sub-committee on Harmonization of Legislation from 25 to 27 June 2014 in Abuja; and organisation of WAPCCO Annual General Assembly from 9 to 11 October 2014 in Lome, Togo.

### **2.6.3 Early Warning**

#### ***The ECOWARN Field Reporter:***

382. **The ECOWARN Field Reporter,** deployed in 2005 as a web-based field monitoring, interactive analysis and visualization tool with content customized for the ECOWAS region continued to function effectively during the review period. On daily basis several comprehensive early warning reports were produced, which appeared as Daily Highlight, weekly and monthly situation reports, situation briefs or other thematic reports and distributed among the hierarchy and partners according to established Early Warning data sharing protocols.

#### ***Study on Current Security Challenges***

383. A study was conducted to highlight the risks and vulnerabilities of the region. The study revealed that despite the considerable progress made in socio-economic development and peace consolidation in some parts of the region, structural deficiencies exist which make the region

more susceptible to emerging threats. The vulnerabilities have been identified as weak border control systems (leading to porous territorial boundaries), the inability of criminal justice systems to ensure effective operation of the rule of law, inadequate coordination and information-sharing among relevant national agencies, as well as limited institutional cooperation across borders with neighbouring countries. As a consequence, the emerging security threats identified in the region include:

- Drug Trafficking and Organised Crime;
- Terrorism (Boko Haram, MUJAO, ANSAR DEEN, etc.) ;
- Challenges to Democratic Governance (The Conundrum of Democratic Elections based on “Winner Takes All” principle, renewed propensity to unconstitutional changes of Government);
- Piracy (Benin-Nigeria and Ghana-Cote d’Ivoire axes)
- The Ebola Syndrome ;
- Climate change related menaces (coastal erosion, flooding, bush fires and desertification which has caused an increase in conflict between nomadic cattle breeders and local farmers all over the Region).

#### ✓ ***Resolving the gap between alert and response***

384. ECOWARN is in the process of implementing ‘proximity policing’ by deploying the mechanism at the grassroots level through the extensive networks of Government and Civil Society peace actors. The initiative, termed ‘linking early warning to rapid response’, will be conducted in collaboration with UNOWA and other UN Agencies operating in the region.
385. In order to seek inputs and convergence through a participative approach for implementation, the Commission conducted a consultation tour with partners from civil society around the region, the AU in Addis Ababa, the UN offices in New York, UNOWA in Dakar, and various experts from the local and international fora.

### **2.7. Information and Communication Technology (ICT)**

386. The Community Computer Centre (CCC) functions as a knowledge tool at the service of all users of the Community Member States and to pursue the Community policy on Information and Communication Technologies (ICTs). Since its establishment the CCC has helped to strengthen the capacity of Member States and ECOWAS Institutions for the effective use of purchased and installed ICT equipment; improved access of National Units and Community Institutions to the Internet; and strengthened Information Systems on trade and market opportunities available at national and regional levels, e.g. ECOBIZ. Key achievements realised by the Commission during the period under review were as follows:
387. Strengthening the Business Information System (ECOBIZ); The following initiatives were undertaken to broaden the scope of sensitisation activities on the ECOBIZ system:
- Desk review and update of registered company data on the web site by ECOBIZ Implementation Assistants. The total number of registered companies to date is 7608.
  - Continuation of the process to introduce the electronic payment module into the ECOBIZ platform in collaboration with the Federation of West African Chambers of Commerce. A meeting was also organized to review a prototype electric payment module developed by a consultant that will subsequently be validated at a meeting of stakeholders.



- Continuous updating of the ECOBIZ database particularly during trade events taking place in Member States. In Nigeria 85 new companies were registered during the Kaduna International Trade Fair held from 24 February to 2 March 2014 while 550 existing ones were updated in the data base.

388. ECOWAS Network Modernisation : The main activities implemented included: implementation of the first and second phases of the Network Infrastructure Modernization project leading to the deployment of VOIP communication between the Commission Headquarters at Asokoro and the two annexes at River Plaza and Niger House respectively; (ii) commencement and on-going work on the Data Modernization project; (iii) support to all Departments/Directorates of ECOWAS Commission in the acquisition installation and maintenance of their IT systems; and (iv) sustained support of the IT Service Management to the SAP project.

389. Office Systems Skills Training for All Institutions: Training on Microsoft Office Suite 2013 was organised for all IT staff of ECOWAS institutions, agencies and projects in line with the policy to harmonise office systems skills for staff in all institutions. The train-the-trainers programme was meant to facilitate the conduct of IT skills training courses for staff in all ECOWAS institutions.

### ***The ECOWAS CET***

390. As part of the programme of activities for the commencement of the ECOWAS CET, the CCC, in collaboration with the Customs Directorate, has started the preparation of the CET files to be integrated into the customs computer systems in operation in the region in order to make the tariff applicable across board from January 2015.

### ***Trade Facilitation***

391. With regards to trade, the CCC has begun preparations for the development of the data and information exchange software for the regional transit system, ALISA, for which the Centre has already validated the procedures manual with the regional group of experts.

## ***2.8 Legal and Institutional Matter***

### ***2.8.1 Legal Affairs***

392. Within the frame work of the mandate of the Legal Affairs Directorate in providing the necessary support services to the institutions of the Community and especially technical Directorates of the Commission through the creation of Legal frameworks for all regional integration programmes and activities, the Commission has facilitated the adoption of some Community Legal texts. These important instruments include the following:

- The amendments to the Protocol on the Free Movement of Persons, Right of Residence and Establishment. The Protocol is the centre-piece of the integration process and the amendments took into cognisance elements to hasten the realization of the vision of a borderless region.
- The Legal instruments appointing the Commissioners and Director- Generals of ECOWAS institutions.
- The Agreement between the Governments of Cameroun, the Economic Community of the Central Africa States (ECCAS), ECOWAS and the Gulf of Guinea on the establishment of an inter-regional Coordination Centre in Yaoundé, Cameroun. The establishment of the centre is in fulfilment of the Declaration of Heads of States and Government of Central and West African States on Maritime safety and security on the Gulf of Guinea.

393. Also, the Commission facilitated the process of the recruitment of Judges of the Community Court of Justice from the shortlisting stage to the swearing-in stage.
394. Currently, the Directorate has facilitated the harmonization of about eleven (11) instruments in the business sector which will be presented for further consideration to a multi- sectoral experts of trade and Legal experts in the last quarter of 2014. These Legal instruments include the following:
- Draft Supplementary Act Adopting Community Rules on the Establishment of the ECOWAS Accounting Standards Agency;
  - Draft Supplementary Act on Community Principles on Agency;
  - Directives on Community Rules on Hire Purchase and Conditional Sales Transactions;
  - Directives on the Sales of Goods;
  - Directives on the Principles of Commercial Contracts;
  - Draft Supplementary Act, on the Uniform Rules on Carriage of Goods by Sea;
  - Draft Supplementary Act, on the Uniform Rules on Carriage of Goods by Road;
  - Draft Supplementary Act, on the Uniform Rules on Carriage of Goods by Air;
  - Draft Supplementary Act, on Security of Tenure for Local and Foreign Nationals Relating to Business Premises in ECOWAS;
  - Draft Supplementary Act, on insurance.
395. Overall, the legal Affairs Directorate provides support in the development of all legal Agreements between the Commission and third parties including Cooperation Agreements between the Commission and Partners and ensures the proper implementation of these Agreements.

### **2.8.2 Strategic Planning**

396. During the period under review, the Commission focused its efforts on the preparation of the successor plan to the Regional Strategic Plan (RSP), 2011 – 2015 and the implementation of the programmes derived from the current RSP. As the implementation of the RSP comes to an end in 2015, the lessons learnt from its implementation and changes in the internal and external environments suggests that the successor plan be formulated as a Community Strategic Framework (CSF), 2016 – 2020.
397. The preparation of the Community Strategic Framework (CSF), 2016 – 2020, commenced during the year. A number of activities to support the development of a comprehensive, practical and implementable CSF were undertaken. Some of these activities include:
- The eighth (8<sup>th</sup>) meeting of the Strategic Planning Coordinating Committee (SPCC), took place in the first quarter of the year to deliberate on and endorse the Roadmap and Terms of Reference (TOR) for the consultants that will support the Commission in the development of the Community Strategic Framework (CSF) and the Community Institutions and Agencies in preparing their Strategic Action Programmes;
  - The ninth (9<sup>th</sup>) meeting of the SPCC also took place in the fourth quarter of the year to review the draft CSF;
  - Annual meeting of the ECOWAS National Units and West African Civil Society Forum (WACSOF) was also held with the primary objective of mainstreaming ECOWAS strategic documents both at the design and conceptualization levels and ensuring buy-in and harvesting inputs for the Community Strategic Framework (CSF).
398. In the area of implementation of the RSP (2011 – 2015) and the ECOWAS Commission Strategic Plan (2011 – 2015), the Commission conducted working sessions to develop the annual work plan

which provided guidance on action plans, implementation timelines, budgets and results for the Directorates of the Commission.

399. Work on the automation of strategic planning process of the Commission and the associated annual planning and budgeting processes commenced during the year under review. A web portal for the management of the annual planning and budgeting process in the Commission has been developed.
400. Also the Commission engaged in technical collaboration with capacity building organisations and other Regional Economic Communities (RECs) for capacity building on the development of the CSF and effective day-to-day operation of the Commission. Considering the importance of capacity building for the development of the CSF, a working visit to the African Institute for Economic Development and Planning (IDEP) was undertaken from the 28<sup>th</sup> April to 2<sup>nd</sup> May, 2014. During the visit, IDEP pledged its full support for the preparation of the CSF.
401. The report on the Mapping and Scoping Exercise on the Capacity Development Initiatives and Intervention for ECOWAS which commenced in 2013 was finalised during the year. The report spelt out areas for urgent support for capacity strengthening at the Commission. These include:
  - Support to the institutional reform process
  - Support for selected priority areas – Strategic Planning, M&E, Human Resources and Knowledge and Learning Mechanism.
  - Support to enhance soft and hard skills
  - Support for the enhancement of systems and work processes
  - Support for emerging areas of strategic strengthening – Security and Conflict Management, Negotiation, etc.
402. The Commission also participated in the 2014 thematic workshop and final conference support to Regional Economic Communities (RECs) peer-to-peer in Brussels, Belgium from 16 – 19 June, 2014. The aim of the workshop was to discuss the methodology for improving organisational development and the design of the processes in the field of regional integration and cooperation in selected partner regions in Asia, Africa and Latin America.

### **2.8.3 Monitoring and Evaluation System**

403. The 2014 actions of the Commission in the area of monitoring and evaluation were mainly geared towards the implementation of the Community performance report framework and the evaluation of the current Regional Strategic Plan 2011-2015. To that effect, the activities undertaken during the year include:
  - Preparation of 2013 Annual Performance Report of the Commission;
  - Preparation of the draft 2014 annual performance reports of directorates and services based on the submission of quarterly reports;
  - Preparation of detailed Terms of Reference and identification of consultants to be engaged for the mentoring of stakeholders toward the adjustment of their reporting frameworks to the Community performance reporting framework;
  - The detailed terms of reference were prepared and contract awarded for the evaluation of the Strategic Plan;
  - The detailed terms of reference were prepared and consultants recruited for the development of the ECOWAS M&E System IT Application for reporting on programme performance

#### **2.8.4 External Relations**

404. The year 2014 was generally marked by the continuation of efforts aimed not only at ensuring ownership of regional programmes by the Member States but also at strengthening the coordination of resource mobilization for the implementation of the regional agenda.

##### **✓ *Cooperation with Member States,***

405. In an attempt to ensure greater visibility of community programmes at the national level, the Commission particularly supported the Republic of Benin during its ninth edition of the integration week. Furthermore, the Commission, in collaboration with the Office of the President's Special Representative in Conakry contributed to the popularization of Community programmes in the Republic of Guinea. During the period under review, apart from the awareness raising campaigns, the Commission consistently ensured that experiences were shared among the different stakeholders responsible for monitoring the implementation of ECOWAS integration projects. Above all, ECOWAS facilitated the participation of certain officials of the National Units (Gambia, Liberia, and Guinea Bissau) in activities organized by other Member States. This facilitation specifically falls within the context of operational capacity building of the National Units in charge of coordinating the implementation of regional programmes. This capacity building approach is based especially on the National Units' Operational Manual adopted by the ECOWAS Council of Ministers, the contents of which require that ongoing actions are designed for popularisation and ownership by the Member States.
406. Moreover, the Commission continued with the process of consolidating synergies with the permanent representatives of Member States. Towards this end, the first consultation meeting held in March 2014 particularly set out the modalities for a more effective coordination and a greater involvement of permanent representatives in the Commission's activities. To be precise, the 8th edition of the joint retreat held in July 2014 in Calabar agreed on certain measures likely to strengthen the platform for coordination, and they include, inter alia : (i) regular consultations between the Commission and the Permanent Representatives, (ii) strengthening of the mechanism for exchange of information and the channels of communication between the stakeholders, (iii) the systematic interaction between the National Units and the Special Representatives of the Member States where they exist .

##### **✓ *Coordination and Mobilization of Resources***

407. The period under review was marked by the actual inception of different mechanisms of thematic coordination established to ensure regular consultations in relation to the regional agenda and development partners' accompanying strategies. In addition to the half year meeting with all the partners, the thematic groups, particularly those on peace and security, infrastructure, agriculture and regional integration held their first yearly meetings on themes central to each sector. The 10<sup>th</sup> edition of the annual meeting with development partners held in September 2014 in Abuja reviewed the consolidation of political dialogue focused on the ECOWAS Vision and the need to earn the loyalty of the partners for the strategic choices of ECOWAS. This annual meeting especially provided the platform to reinforce the various coordination mechanisms and to determine the prospects for enhancing partnerships in view of the issues involved in deepening the integration process
408. On cooperation with the European Union, all the financing agreements have been signed for the commencement of the implementation of the RIP under the 10th EDF. The areas covered by these agreements specifically concern the enhancement of economic governance, financial reforms,

combating drug trafficking, economic integration and trade, private sector development, peace and regional security as well as rural development.

409. With regard to the RIP 11th EDF, the period under review was marked by an in-depth ownership of the programming process both internally and on the regional front. The various internal consultations and the external ones with UEMOA culminated in fine-tuning the detailed policy guidelines of the major focal sectors, namely: (i) Peace, Security and Regional Stability, (ii) Economic and Regional Trade Support; and (iii) Resilience and Natural Resources. This refers, in particular, to the regional consultations held in April 2014 in Abidjan that brought together experts from the EDF National Authorizing Officers of Member States and Mauritania, ECOWAS Specialized Agencies and Inter-governmental Organizations. This forum created the platform for consensus-building around the priority areas including a clear definition of the roles of the various stakeholders, identification of cross-sector consistency and complementarity between national and regional programming. At its first meeting held in Ouagadougou in July 2014, the Strategic Orientation Committee was established as part of the new RIP governance framework, validated the broad outlines and approved the drafting process of the RIP 11th EDF. Furthermore, steps were taken in anticipation of the inclusion of infrastructural projects and the possibilities for additional financing by way of blending mechanisms. The technical dialogue held in Abidjan in October 2014 between ECOWAS, UEMOA and the EU, together with regional banking institutions (EBID and BOAD) reviewed Member States' projects and finalized the draft RIP document to be signed in the first few months of 2015.
410. In addition to following these traditional bilateral relationships characterized by the signing of some financing agreements, the Commission continued with its mobilization efforts for the development of strategic partnerships. A regional consultation was organized with the African Development Bank (AfDB) to strengthen the institutional cooperation for the implementation of integration in West Africa. The connectivity of the regional market and capacity building were identified as major thrusts for this cooperation. Moreover, sustained dialogue was maintained particularly with Japan and China respectively for continued monitoring of the Yokohama Action Plan and the commitments for the implementation of the Trans-West African Coastal Highway. The Commission also took steps to foster cooperation with the Maghreb countries in respect of the coordinated implementation of ECOWAS' Sahel strategy. It is within the same context of cooperation that the Commission continued with its actions towards strengthening the platform of cooperation with the World Bank on structural and integration projects.
411. Generally, during the period under review, the various Summits in which the Commission took part, especially the France-Africa Summit (December 2013), the 4th EU-Africa Summit (April 2014), the USA-Africa-Summit (August 2014), strengthened the position of ECOWAS and the incorporation of regional priorities in the development of partnerships. In the same vein, the Commission, in collaboration with EBID, supported round table meetings with donors organized, especially by Guinea and Senegal, to mobilize the necessary financial resources for the implementation of their economic development plans.

### **2.8.5 Finance**

#### **✓ Community Levy**

412. The Community Levy Protocol adopted in 1996 by the Authority of Heads of State and Government to address the funding challenge of an ambitious Regional Integration agenda has over the years become a source of pride to the Community, and reference point and benchmark for other Regional Economic Communities (RECs). Proceeds from the Community Levy finance over ninety percent of the ECOWAS budget.

413. However, no Member State is currently fully complying with the Community Levy Protocol and such partial compliance is linked to practices in assessment, collections and deposits of Levy proceeds resulting in indebtedness to ECOWAS by Member States and limited availability of financial resources earmarked for the implementation of Community programmes.
414. To improve compliance, the Council of Ministers established the Community levy Management Committee whose role, among others, is to report regularly on the implementation of the Community Levy Protocol. The Committee has consistently and regularly drawn the attention of the Council, through its reports to the Administration and Finance Committee (AFC), to the status of the implementation of the Community Levy Protocol. Unfortunately, this has had little impact on the level of compliance. In addition, the Commission uses high-level and technical Levy missions to Member States as another mechanism for dialogue on observed challenges and issues relating to non-compliance. For its 2014 activities, the Community Levy Management Committee adopted a schedule of mission to Member States with a view to addressing issues related to the implementation of the Levy Protocol at a very high-level in Member States. Unfortunately, due to the outbreak of Ebola Virus Disease in the sub-region and the unavailability of the relevant authorities in Member States, the Committee was only able to visit one Member State. However, the Community Levy Technical Committee embarked on its scheduled missions to five (5) member states and regrettably, the issue of non-compliance with the Community Levy Protocol continues to be a major area of concern.

✓ ***implementation of SAP in ECOWAS institutions***

415. ECOWAS has launched an SAP-ERP Project to enhance an integrated Administrative and Financial management system across the ECOWAS Institutions (ECOWAS Commission, Community Parliament, Community Court of Justice, WAHO, GIABA and ECOWAS Agencies and Offices). The Systems, Applications and Products (SAP) is an Enterprise Resource Planning (ERP) solution which captures common organizational databases for seamless processing with integrated business applications for real-time reporting.
416. The main objective of implementing the SAP-ERP solution in ECOWAS is borne out of the need to improve the financial management systems and the realization that all the institutions are operating on stand-alone systems and do not present real-time information for the Community. This real-time information is needed to address various concerns of the Council of Ministers and development partners with strong demands for a more robust, transparent and comprehensive reporting system for ECOWAS Community Institutions.
417. This compelled management to undertake needs assessments in all ECOWAS Institutions and set processes to identify an appropriate software to address the concerns of all stakeholders. Thus, an evaluation of major ERP software packages was made leading to the choice of SAP as a viable technology platform capable of addressing the needs of an Integrated Management System of the Institutions.
418. To ensure effective implementation of the SAP-ERP solution in ECOWAS, Management has set up a project governance structure which comprises a Project Steering Committee (PSC), chaired by the Commissioner for Finance, and a dedicated Project Team with members drawn from technical staff in all institutions. The PSC which is comprised of the Commissioner for General Administration and Conferences, Commissioner for Human Resources, Heads of Finance of ECOWAS Institutions, Directors of Administration, Human Resources and Community Computer Centre from the Commission as well as the Financial Controller and the Chief Internal Auditor, is the body that provides the Project Team with policy direction and reports to Management on the project progress.

419. The SAP project continued to make steady progress during the second half of the year. With the supply and installation of Software, Hardware Equipment, upgrade of Network Infrastructure, renovation of Data Centre and Data Recovery Centre in progress as well as the arrival of the SAP Consultants and Implementers, the implementation phase of the project began in earnest.
420. However, the outbreak of the Ebola virus disease and security concerns in the region affected the travel plans of some implementers hence, the project delivery has been split into two phases. Phase One targets the preparation and delivery of the first set of modules namely, Finance and Procurement and Go-Live in all institutions scheduled for January/February 2015. The remaining modules, in Phase Two, cover Human Capital Management and Travel which are expected to Go-Live by the end of the first quarter of 2015 with on-site support, and project closure processes by end of June 2015.
421. The SAP Enterprise Information System will have tremendous benefits in facilitating well-organized, coordinated and stress-free work processes in ECOWAS. It is expected that the management and accounting systems of all ECOWAS Institutions and Agencies will be fully integrated leading to the preparation of Consolidated Financial Statements, among others, by the end of 2015.
422. In an effort to align the Project with this laudable ECOWAS initiative, Management approved the Project name "ECOLink" as it aims primarily, to link all ECOWAS work processes and activities across all its Institutions, Agencies and Offices. .

✓ ***Financial Situation of ECOWAS Community Institutions***

423. Community Institutions continue to be confronted with the serious challenge of resource availability due mainly to the paucity of Community Levy proceeds received from Member States. The situation reached a climax during the 2014 financial year, and which regrettably resulted in the prioritisation of programmes, leading to the non-implementation of some critical programmes, projects and activities. If this situation is not addressed now, at both technical and political levels, the operational effectiveness of Community Institutions would reduce considerably.
424. In addition, the expansion of the Commission's management team from nine (9) to fifteen (15) in 2014 resulted in increased administrative and programme expenditure whilst extra-ordinary commitments as directed by the Community further depleted the limited resources.
425. If this current declining financial situation is not addressed, as a matter of utmost urgency, the Community's ability to respond to the urgent needs of Member States in the future would be severely constrained.

### ***2.8.6 Human Resources***

426. The main activities of the Commission in the area of Human Resources revolved around the following:
- The appointment of the successful candidates in the recruitment exercise in respect of the fifty-two (52) critical positions;
  - Recruitment into the remaining eighteen (18) out of the fifty-two (52) critical positions for which there were no suitable candidates in 2013;
  - Recruitment into other donor-funded positions (Spanish , Swedish and EU);
  - Recruitment of Statutory Staff : Commissioners and Judges
  - Institutional Reform Process

✓ **Appointment of successful candidates in respect of the fifty-two (52) critical positions**

427. It will be recalled that subsequent to the special dispensation granted to the Commission by the Council of Ministers at its 68<sup>th</sup> Ordinary Session held in Abidjan, Côte d'Ivoire on 11 and 12 June, 2012, to recruit fifty-two (52) critical positions, the recruitment process for these positions was launched on 1 October, 2012 and concluded with the interview of candidates in November/December, 2013.
428. Out of the fifty-two (52) critical and nine (9) donor-funded positions that were advertised, a total of forty-two (42) candidates were recommended for appointment while the other remaining positions had to be re-advertised as there were either no suitable candidates for some positions or not enough candidates for the others. Out of the forty-two (42) candidates recommended for appointment, forty (40) were effectively appointed while two (2) were rejected following the conclusion of the background check conducted on all the candidates. The appointed candidates all assumed duties during the course of the year under review

✓ ***Recruitment into the remaining eighteen (18) out of the fifty-two (52) critical positions for which there were no suitable candidates in 2013***

429. The remaining eighteen (18) critical and one (1) donor positions that were advertised in March/April and which are at various stages in the recruitment process, are expected to be completed by the end of the first quarter of 2015.

✓ ***Recruitment into other donor-funded positions (Spanish, EU and Swedish***

430. Processes are also far advanced for the recruitment of staff into positions funded under the Spanish, Swedish, and EU funds. While some of the positions under the Spanish-funded projects have been completed with the assumption of duty of the successful candidates, those remaining as well as those funded under the Swedish, EU and DANIDA funds are expected to be completed during the course of 2014.

✓ ***Recruitment of Statutory Staff: Commissioners, Heads of Institutions and Judges***

431. It will be recalled that at its 43<sup>rd</sup> Ordinary Summit held on 18<sup>th</sup> July, 2013, the Authority of Heads of State and Government expanded the ECOWAS Commission from a nine (9) member to a fifteen (15) member Commission. The resultant effect of such an expansion has been the creation of six new departments and the recruitment of six new Commissioners to head the departments.
432. As the institution responsible for secretarial services for the recruitment of Statutory Appointees, the Commission coordinated the recruitment process which culminated in the interview and appointment of the following successful candidates as Commissioners, Heads and Deputy Heads of Institutions and the Financial Controller of ECOWAS Institutions:
- Commissioner for Human Resources Management;
  - Commissioner for Social Affairs and Gender;
  - Commissioner for Telecommunications and Information Communication Technology;
  - Commissioner for Industry and Private Sector Promotion;
  - Commissioner for Education, Science and Culture;
  - Commissioner for General Administration and Conference
  - Financial Controller;



- Director General of the Inter-Governmental Action Group against Money Laundering (GIABA);
- Deputy Director General of GIABA;
- Director General of the West African Health Organisation (WAHO);
- Deputy Director General of WAHO.

433. While the above Statutory Appointees assumed duty in February, 2014, the seven (7) new Judges of the Community Court of Justice assumed function in June 2014.

#### ✓ **Staffing the New Departments**

434. The expansion of the Commission from a nine (9) member to a fifteen (15) member Commission as indicated resulted in the following:

- The appointment of six (6) new Commissioners and the creation of a corresponding number of new departments to be headed by the Commissioners;
- The creation of new directorates and divisions;
- The development of additional programmes and activities; and
- The need for additional manpower to run the new directorates and divisions.

435. In this regard, there is an urgent and absolute need to recruit staff to man the new departments. It is hoped that the ECOWAS Council of Ministers, will take a critical look of the resultant effects of the expansion and approve the urgent recruitment of staff to ensure the smooth take-off of the new departments.

#### ✓ **Staffing Situation**

436. As at the end of September 2014, the ECOWAS Commission had a total of (716) Staff. Out of this figure, three hundred and eight (308) are professional Staff, three hundred and seventy three (373) are General Service Staff, nineteen (19) are Auxiliary Staff and sixteen (16) Staff are in the Statutory Appointee cadre.

437. A total of forty- seven (47) new staff assumed duty at the Commission during the period under review of which thirty four (34) were recruited under the 52 critical positions advertised in 2012 and positions for the ECOWAS Standby Force, while twelve (12) were existing permanent staff of the Commission who, upon successful performance at the interview for the fifty two (52) critical positions, were offered appointments into higher positions. Two staff exited from the services of ECOWAS Commission during the same period, one (1) being permanent staff and the other a contract staff.

#### ✓ **Laissez Passer**

438. A total of two hundred and sixty-six (266) requests for issuance and renewal of ECOWAS Laissez Passer for staff of ECOWAS Institutions were processed during the 3<sup>rd</sup> quarter of 2014. One hundred and ninety-three (193) of the requests were for issuance of new Laissez Passers while seventy three (73) were for renewal of ECOWAS Laissez Passer.

**✓ Leave Application**

439. The 3<sup>rd</sup> quarter of 2014 also witnessed a total of three hundred and ninety five (395) leave applications, while 21 requests for leave regularization were treated.

**✓ Training and Development-**

440. With respect to training and development, more than 194 staff of the Commission were scheduled for training in various courses during the period under review. The criteria for selection of staff and courses were drawn from the outcome of the Training Needs Analysis Template designed by the Human Resources Department. However, due to budget constraints staff were unable to attend the training programmes.
441. The Commission witnessed an increase in the number of applications for internship. A total of 100 applications for internship were received from graduates and undergraduates. However, due to unavailability of space in the Commission, sixty (60) applications were kept in view while forty (40) were processed. In addition, acceptance letters were issued to 16 members of the National Youth Service Corps (NYSC) who were posted to the Commission to perform the one year mandatory national service.

**✓ Ebola Virus Disease Sensitization Meeting**

442. Following the outbreak of the Ebola epidemic in West Africa, the Commission organized series of sensitization meetings for staff on Ebola Virus Disease. The meetings highlighted the nature of the disease, the various modes of transmission as well as its prevention and management in case of an infection.

**✓ Staff End of Year Performance Appraisal**

443. Performance appraisals are essential for effective management and evaluation of staff. Appraisals help develop individuals, improve organisational performance, and feed into organisation planning. Appraisal exercises at the Commission are generally conducted annually for all staff. Each staff member is appraised by a line manager or director while managers and directors are appraised by the Commissioners.
444. During the period under review, about 70% of the 2013 appraisal forms submitted were by the contract staff, staff on fixed term appointment and consultants.

**✓ Promotion and Step Increment**

445. The Committee on Appointments and Promotions of Professional Staff of the ECOWAS Commission met on Monday 15<sup>th</sup> of September, 2014 to set the criteria for promotion of professional and locally recruited staff in the Commission.

**2.8.7 ECOWAS Peace Fund**

446. Activities carried out by the Commission under the ECOWAS Peace Fund (EPF) during the period under review centered on four (4) areas: i) Core Peace Fund; ii) PADEP Project; iii) Africa Peace and Security Architecture (APSA) Support Programme; iv) Project Support to Training Institutions.

**✓ Core Peace Fund**

447. Under the Core Peace Fund (annual allocation of funds from the Community Levy), the following activities were implemented:

- *Support to the preparation of the Forum on the education and culture of peace through the inter-religious dialogue*, spearheaded by the Department of Education, Science and Culture. Both the feasibility study and the regional expert workshop were supported by EPF. The outcomes of the forum planned for 2015 will enrich the existing curricula on the culture of peace ;
- Support to “Psychological intervention to break the cycle of violence and accelerate regional security and development in West Africa”, a project defined in partnership with a civil society organization, the Agency for African Families in Distress (AAFID). The project aims at developing a regional policy that will address and break the cycle of violence and conflicts derived from post traumatic stress disorder affecting civilian, police and military personnel from combat and violent conflict zones ;
- Examination of projects submitted to the ECOWAS Peace Fund to ascertain their eligibility, relevance and feasibility in order to retain and support the most important ones for the peace agenda of ECOWAS and Member States;
- The development of EPF website which is functional and accessible at [www.peacefund.ecowas.int](http://www.peacefund.ecowas.int) ;
- Development of seven (7) projects stating ECOWAS early response to the political situation in seven Member States (Burkina Faso, Cote d’Ivoire, Guinea, Liberia, Niger, Nigeria, Togo). This was done in synergy with civil society organizations and relevant special representative offices of the President of the Commission.

✓ **PADEP project conclusion**

448. The implementation of PADEP (Support to ECOWAS for Peace and Development Project), supported by the African Development Bank which started in 2006, reached its full completion stage in 2013. The Project conclusion report was produced and discussed with the African Development Bank to seek support for a new project. This project will consolidate the achievements and impacts of PADEP Project (Peace Fund, ECOWAS Volunteers Programme, Humanitarian assistance to returnees and internally displaced persons and culture of peace) and expand the spectrum to address relevant challenges on stabilization, peace and development in the region.

✓ **APSA Support Programme**

449. Africa Peace and Security Architecture (APSA) Support Programme is supported by the African Union and the European Union under the Africa Peace Facility (10th EDF). The direct beneficiaries of this project are the units under the Department of Political Affairs, Peace and Security (ECOWAS Liaison Office at the African Union Commission, the Directorates of Political Affairs, Early Warning, Peace Keeping and Regional Security). Under this scheme, various activities such as training/capacity building, exchanges and purchase of equipment were undertaken. The outcomes achieved so far include the strengthening of ECOWAS Peace and Security Architecture, improvement of collaboration/relationship of ECOWAS Commission with the African Union and sister Regional Economic Communities and the European Union.



***Support to West Africa Training Institutions and Centers of Excellence on Peace and Security***

450. A total of nine (9) Training Institutions and Training Centers of Excellence (TI-TCE) operating in the area of peace and security in West Africa are being supported by the ECOWAS Commission and the Africa Peace Facility with a view to developing the capacities of the ECOWAS Standby Force. The TI-TCE conducted trainings for civilians, police and military from Member States, and acquired equipment and training materials that strengthened their capabilities. Moreover, the Commission organized in March 2014 a meeting with the Nine (9) Training institutions, involving their commandants and Directors.
451. Furthermore, the Commission organized in April 2014 in Abuja the Commandants and Directors meeting to enhance collaboration and synergy for capacity development. The meeting gathered the aforementioned institutions and Kofi Annan International Peacekeeping Training Center (KAIPTC), Accra, Ghana..

✓ ***ECOWAS Regional Peace, Security and Stability Mandate Programme (EU-ECOWAS/PSS)***

452. The signing of the Financing Agreement between the ECOWAS Commission and the European Union in November 2013 prompted the Commission to undertake the recruitment of technical assistants who will assist both the PAPS Department and the ECOWAS Peace Fund to implement the ECOWAS Regional Peace, Security and Stability Mandate Programme (EU-ECOWAS/PSS). Three specialists- Team Leader/Institutional Development, Project Management, Finance/procurement - have been recruited. A multi-stakeholders retreat involving various departments and directorates of the Commission was organized in September 2014 to prepare both the 2015 work plan and the implementation of PSS project in 2015.

***2.8.8 Communication***

453. During the period under review, the Commission's activities in the area of communication concentrated around its core mandate of providing visibility for regional integration activities using a variety of platforms; developing partnerships with the media and journalism practitioners to improve their professional capacity to discharge their mandate in working mainly with the West African Journalists Association (WAJA). Moreover, the capacity of the Commission has been strengthened to enhance awareness and participation of Community citizens in the integration project.
454. Progress is also being made towards the realization of the long held dream of an ECOWAS radio and television programme that would expand the scope of reach to the citizens in responding to the directives of the Council of Ministers.
455. The Commission also started the process for revising the ECOWAS web-site to enhance its efficiency and ensure a more effective communication with community citizens.
456. In order to improve internal communication, the Commission initiated the process of reviewing the operations of the electronic display boards and extending them to the two annexes of the Commission with a view to boosting internal communication.
457. The Act on freedom of information and right to information, which has been approved by Ministers of Information, is being revisited with a view to developing a regional framework that contributes to an environment more amenable to professional media practice and democracy and good governance.

458. The Commission is sustaining efforts in monitoring ECOWAS-related news through a platform to monitor stories and articles pertaining to ECOWAS from other global platforms and sources, and update the ECOWAS website with real time newsfeeds as well as assess public perception and sentiments regarding matters in the sub-region.
459. The process of printing Volume 63 of Official Journal started during the period under review. The volume contains Regulations of the Seventieth Ordinary (70th) Session of the Council of Ministers held in June 2013 and the Forty -Third Session of the Authority of Heads of State and Government held in July 2013.

### **CHAPTER III: SOCIOECONOMIC IMPACT OF THE 2014 EBOLA OUTBREAK IN WEST AFRICA**

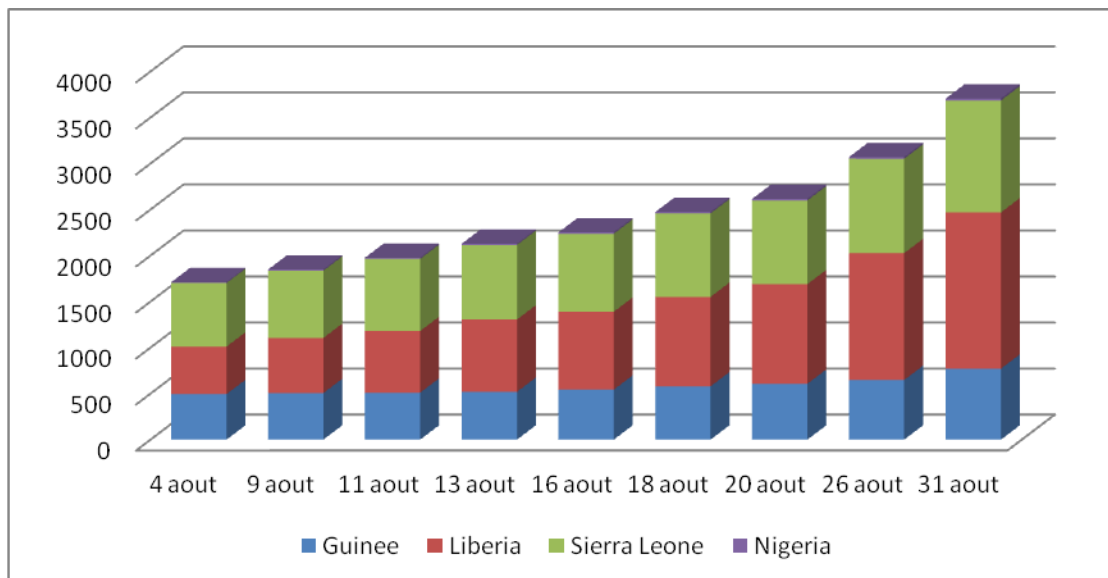
460. The 2014 Ebola outbreak in West Africa has been widely described as one of the most devastating outbreaks in history and the first ever witnessed in West Africa. As at end August 2014, various cases of Ebola virus infections had been reported in four West African countries: Guinea, Liberia, Nigeria and Sierra Leone. What is more scaring is that a high proportion of those infected by the Ebola outbreak in West Africa included health workers who are even grossly inadequate to handle the increasing number of cases across the affected countries. The acute shortage of protective equipment as well as their improper use amounted to the high death toll amongst health workers, particularly doctors and nurses. According to a World Health Organization (WHO) situation assessment report, as at end August 2014, more than 240 health care workers had developed the Ebola virus disease in Guinea, Liberia, Nigeria, and Sierra Leone, and more than 120 eventually died (i.e. 50% death rate). According to the WHO, in the three Ebola hardest-hit countries of Guinea, Liberia and Sierra Leone, only one to two doctors were available to treat 100,000 people, and that these doctors were mostly concentrated in urban areas. This situation created the stage for the disease to rapidly spread to the capital cities of the three countries as people affected by the virus sought for medical attention in cities where they could find the few available doctors.
461. On account of the increasingly devastating effects of the outbreak of Ebola virus disease, mining activities in Sierra Leone have significantly declined, resulting in the reversal of projections of 2014<sup>6</sup> economic growth rate from 11.3% to 4.0%. In Liberia and Guinea the World Bank revised its projections of 2014 economic growth rate from 5.9% and 4.5% to 2.2% and 0.5% respectively. In all the three hardest hit countries, whilst fiscal revenues are declining, government spending has significantly increased in trying to contain the spread of the disease. This resulted in widening the fiscal deficits of governments in these countries. This development has raised some level of skepticism as to whether the region's good growth prospects will be maintained as earlier projected. In view of this ugly development, the general objective of this study, therefore, aims at evaluating the socioeconomic impact of the 2014 Ebola outbreak in West Africa, most particularly those hardest hit by the outbreak. The specific objectives are to assess the relative effects of the 2014 Ebola outbreak on economic growth, commodity prices and the fiscal deficits of those countries affected by the outbreak.

#### **3.1 Overview of the 2014 Ebola Outbreak in West Africa**

462. The Ebola virus disease garnered a serious momentum during the month of August, 2014. Between 4 and 31 August, 2014 the number of Ebola virus infection cases in the affected West African countries cases rose from 1711 to 3685 (an increase of 115.4%), whilst the number of deaths from the disease rose from 932 to around 1841 (an increase of 97.5%). A better understanding of the dynamics of the Ebola virus disease infection amongst the affected countries of Guinea, Liberia, Nigeria and Sierra Leone during the month of August could be appreciated as presented in Figure 17 below. As shown in Figure 1, it could be observed by end August, 2014 Liberia alone accounted for about 46.1 percent of the total infection cases amongst the four West African countries affected by the Ebola epidemic. This was followed by Sierra Leone which accounted for about 33.0 percent of the total infection cases by end August 2014. Guinea and Nigeria only accounted for about 21.0 percent and 0.6 percent of total infections cases respectively.

<sup>6</sup> The Growth forecasts for the three countries were again revised downward in December 2014 (Sierra Leone 4.0% ; Liberia 2.2% et Guinea 0.5%)

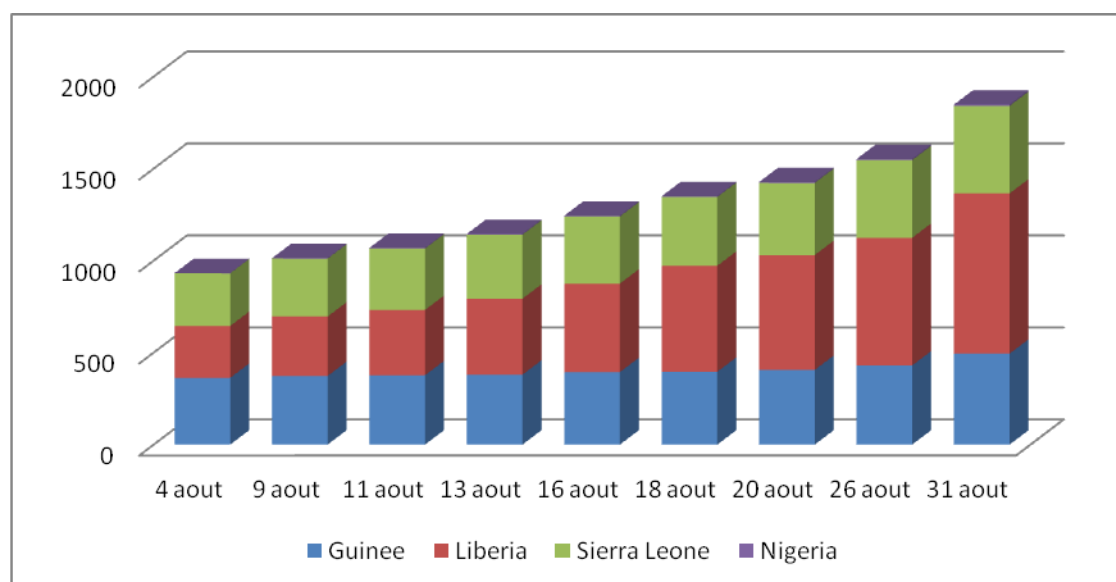
Figure 17: Ebola Virus infection cases by Country in August, 2014 .



**Source:** WHO updates on Ebola outbreak in West Africa  
<http://www.who.int/csr/don/archive/disease/ebola/en/>

463. With regards to death related cases, Figure 18 shows that Liberia also recorded the highest number of deaths related to the Ebola virus infection by end August, 2014. As at 31<sup>st</sup> August, 2014 the distribution of Ebola-related death cases for Guinea, Liberia, Sierra Leone and Nigeria were 26.8%, 47.3%, 25.9% and 0.38% respectively.

Figure 18 : Ebola related Deaths cases by Country in August , 2014 .



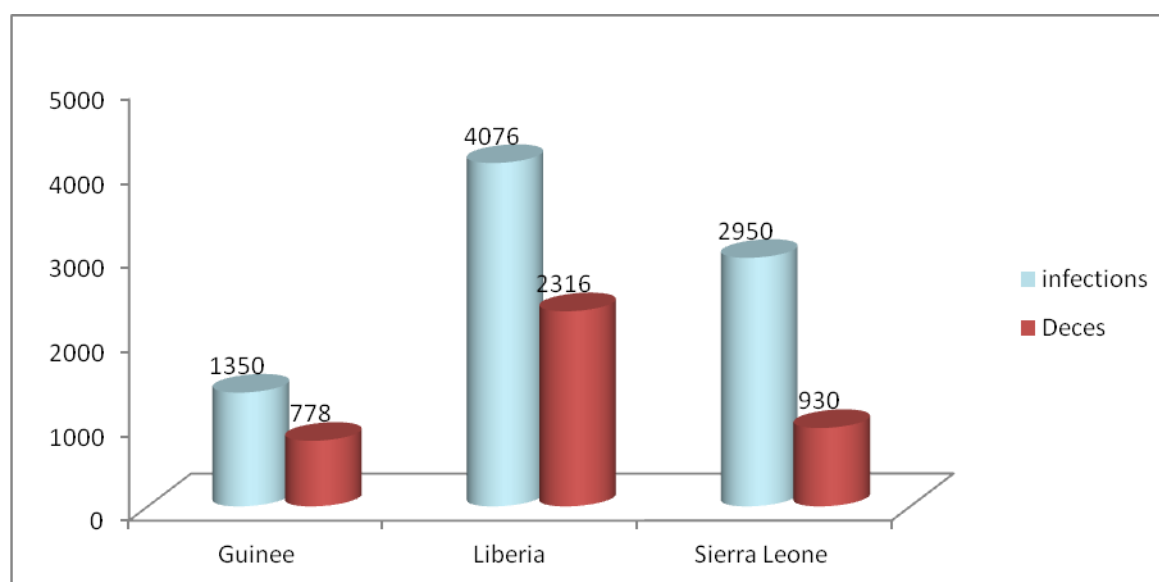
**Source:** WHO updates on Ebola outbreak in West Africa  
<http://www.who.int/csr/don/archive/disease/ebola/en/>

464. The gravity of the Ebola outbreak in West Africa during the month of August became so frustrating that those countries that were hardest hit were better described by Reuters' publication of 2<sup>nd</sup> September, 2014 which states that - "Doctors in Liberia were out on strike as they struggled to cope with the worst outbreak of Ebola on record, while the global aid organization Medecins Sans Frontieres (MSF) said 800 more beds for Ebola patients were urgently needed in the Liberian capital Monrovia alone, while in Sierra Leone highly infectious bodies were rotting in the streets".

Furthermore, WHO warned that- *“The Ebola epidemic in West Africa could infect more than 20,000 people and spread to more countries. With a fatality rate of 52 percent, the death toll stood at 1,552 as of Aug. 26”*.

465. As at 7 October, 2014 the number of Ebola infection cases in the three hardest hit West African countries of Guinea, Liberia and Sierra Leone rose to 8,373 with a total of 4,024 deaths. The cases were distributed as follows: Guinea 1,350 infection cases with 778 deaths, Liberia 4076 infection cases with 2316 deaths, Sierra Leone 2950 infection cases with 930 deaths.

Figure 19 : Ebola Infections and Death related cases as at 7 October, 2014.



Source: WHO updates on Ebola outbreak in West Africa <http://www.who.int/csr/don/archive/disease/ebola/en/>

### 3.2 Socioeconomic Impact of the 2014 Ebola Outbreak

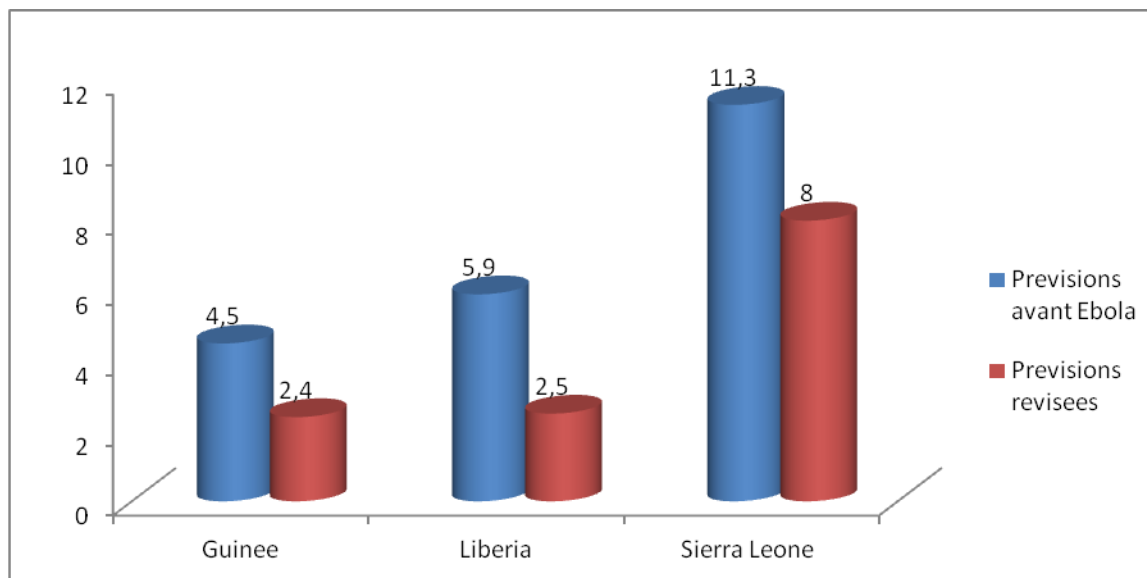
#### 3.2.1 Impact on Economic Activities

##### ✓ Real GDP Growth

466. The 2014 Ebola outbreak has inflicted adverse effects on economic activities in the three hardest hit countries of Guinea, Liberia and Sierra Leone. Real GDP growth has been adversely affected in these countries. According to the World Bank (2014), real GDP growth in Guinea has been revised downwards from 4.5 % to 2.4 %. For Liberia and Sierra Leone, the revised estimates for real GDP growth went down from 5.9 % and 11.3 % to 2.5 % and 8.0 % respectively. The estimated forgone output in these three West African countries is estimated at around US \$359 million in 2014 prices.



Figure 20: Real GDP growth Projections for Guinea, Liberia and Sierra Leone



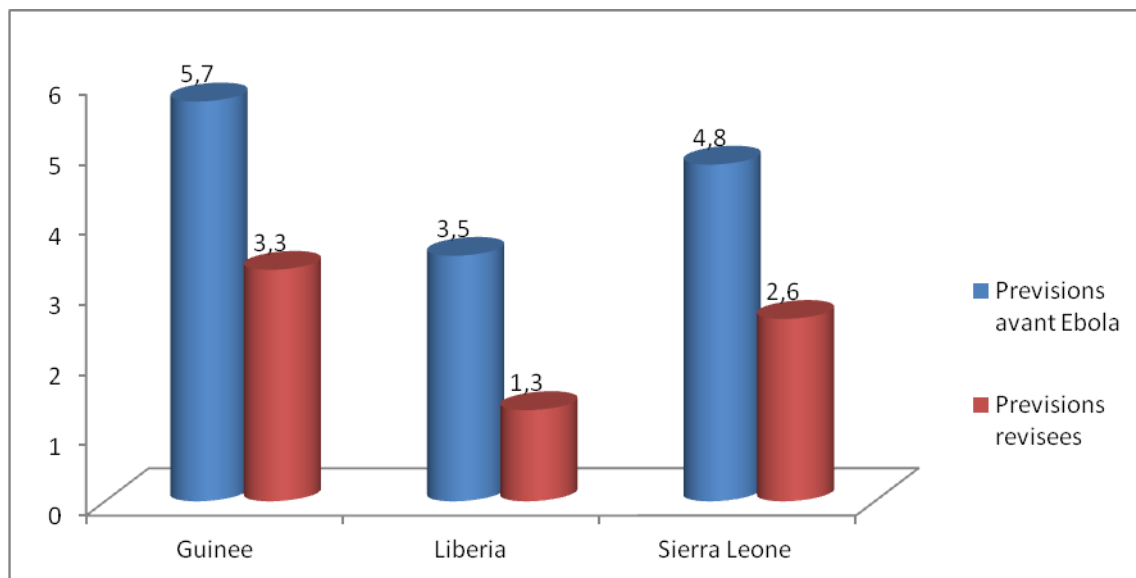
Source: World Bank and IMF Staff Estimates

#### - Agricultural Output

467. In Guinea, projected growth in agricultural output for 2014 has been revised downward from 5.7 % to 3.3%. Owing to the mass exodus of people from the agriculturally productive areas affected by the Ebola outbreak, coffee production in Guinea has fallen by almost 50% (from 5,736 tons to 2,671 tons between the first six months of 2013 and the first six months of 2014); cocoa production fell by 33% (from 3,511 tons to 2,296 tons during the same period). Palm oil production also fell by 75.0%.
468. The key food growing areas in Liberia are those most affected by the outbreak of Ebola. Consequently, many farms were abandoned. In addition, quarantine zones and the restrictions on movement of persons have adversely affected food transport and marketing, resulting in food shortages and price increases. According to the World Bank<sup>7</sup>, production and shipments of rubber have been severely disrupted by both the reduced mobility of the workforce, and by difficulty in getting the products to the ports due to the implementation of quarantine zones. Rubber exports, which were initially expected to be about US \$148 million in 2014, could be as much as 20 percent lower.
469. The Ebola-affected regions in Sierra account for the largest cash crop production (cocoa and coffee) in Sierra Leone. Although exports from agriculture accounted for US\$12.1 million in 2013, its contribution to output remains high. Whilst the numerical figures of the impact on the real sector are yet to be estimated by the Ministry of Finance and Economic Development, Statistics Sierra Leone - i.e the national statistical office - believes that real sector growth would receive a significant decline of around 6.12 % in 2014.

<sup>7</sup> The Economic Impact of the 2014 Ebola Epidemic: Short and Medium Term Estimates for West Africa. The World Bank Group, October 17 2014.

Figure 21: Agricultural growth projections for Guinea, Liberia and Sierra Leone.

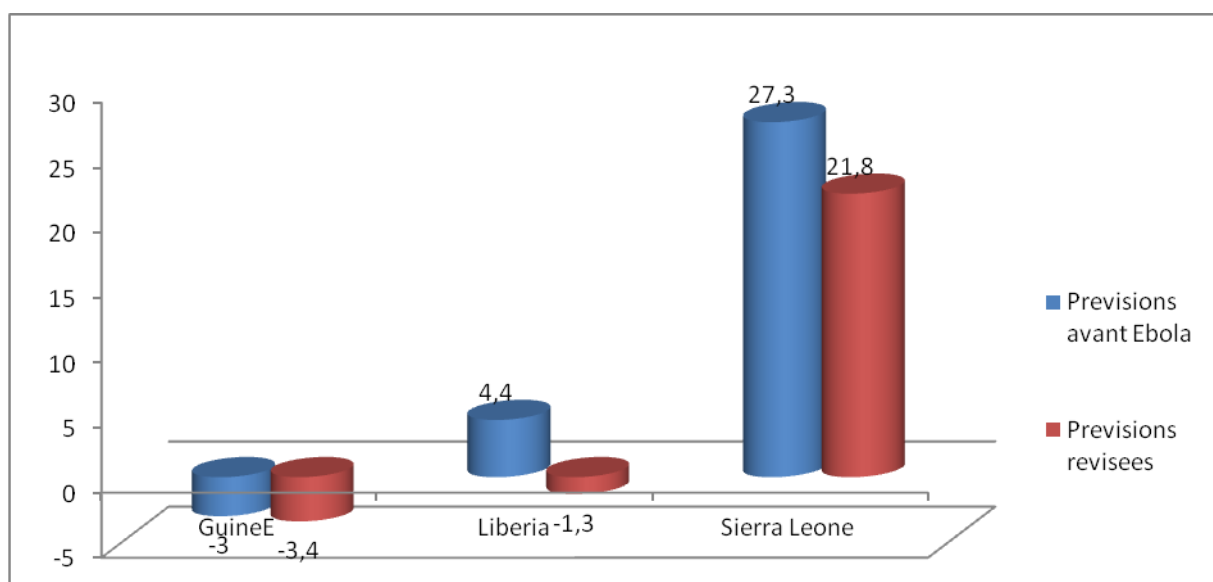


Source: World Bank and IMF Staff Estimates

#### - Mining Activities

470. Mining activities are estimated to decline, though slightly, in all the three countries hardest hit by the Ebola outbreak. According to the World Bank and IMF estimates, mining activities in Guinea, Liberia and Sierra Leone are revised downwards from -3.0% , 4.4 % and 27.3% to -3.4 % , -1.3% and 21.8% respectively. In Guinea, mining activities are not severely affected by the outbreak because the main mining sites are located in areas not affected by the Ebola virus disease. Production at the largest mining company in Liberia (ArcelorMittal) continue to hold steady with production of approximately 3.3 million tonnes up to August on track to achieve planned production of 5.2 million tonnes by the end of 2014. In Sierra Leone, the World Bank reports that there has been little effect of Ebola on mining production and the companies involved have indicated that they intend to maintain their originally planned production levels to the extent possible.

Figure 22: Mining Sector projections for Guinea, Liberia and Sierra Leone.

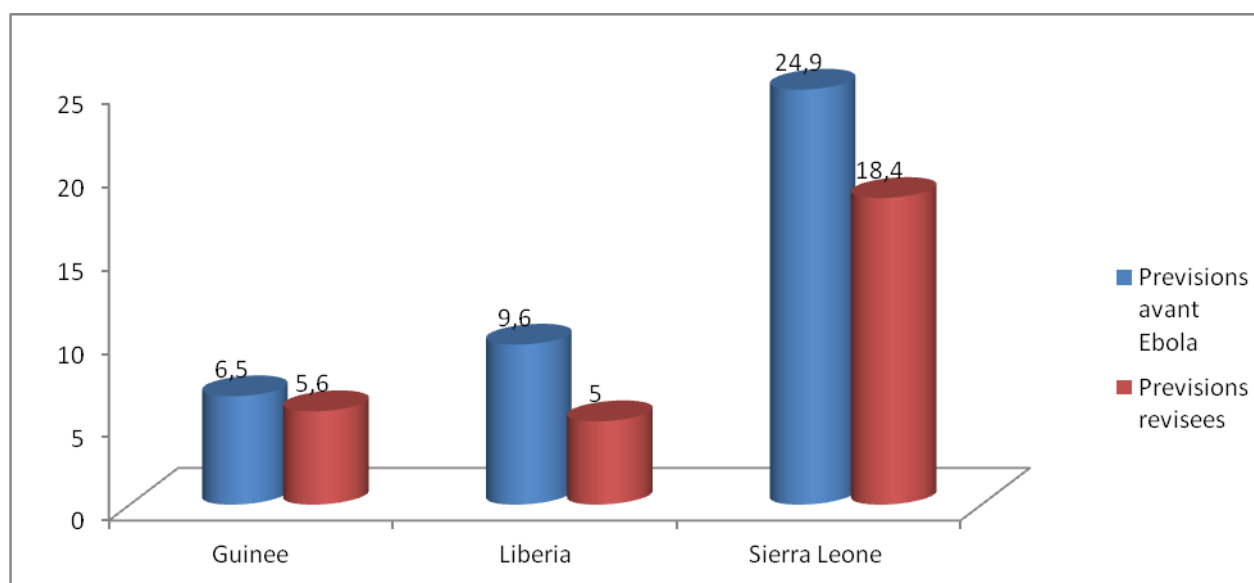


Source: World Bank and IMF Staff Estimates

### - Manufacturing

471. The manufacturing sector is also projected to suffer in terms of declining activities in all the three countries. According to the World Bank and IMF estimates, growth in manufacturing activities in Guinea, Liberia and Sierra Leone were revised downwards from 6.5%, 9.6% and 24.9% to 5.6%, 5.0% and 18.4% respectively. In Guinea, the Ebola outbreak made it extremely difficult for key manufacturing firms to obtain imported raw materials owing to port delays and logistic challenges. Consequently, importation of cement has declined by 50.0% relative to 2013.
472. In Liberia, the manufacturing sector accounts for about 4.0% of GDP. The sector is adversely affected by the Ebola outbreak which resulted in low demand. The sharp decline in the demand for cement as a result of the country-wide quarantine adversely affected construction activities. The crisis has also weakened the beverage sub-sector which witnessed a 30% decline during the first quarter of 2014.

Figure 23: Manufacturing Sector growth projections for Guinea, Liberia and Sierra Leone



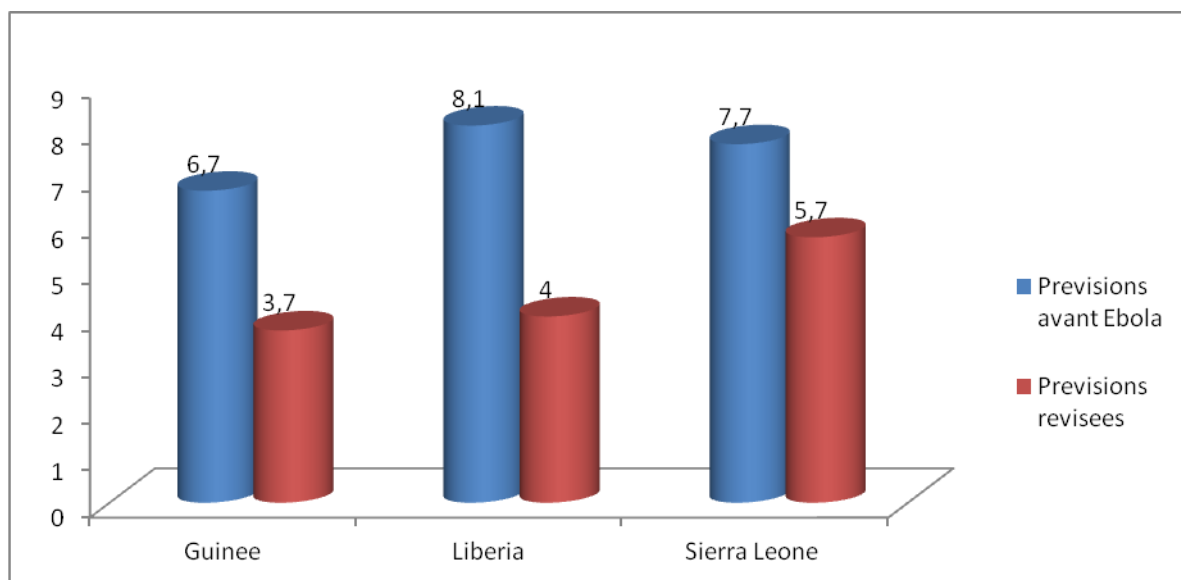
Source: World Bank and IMF Staff Estimates

473. Sierra Leone's manufacturing sector accounts for around 2.0% of GDP. A good number of the manufacturing enterprises operate as small scale firms in the production of beer, soft drinks, paint, soap, cement, foam mattresses, etc. The Ebola outbreak, which has resulted in sharp declines in demand, has severely affected this sector.

### - Service Sector

474. According to the World Bank and IMF estimates, projected growth rates in the service sector for Guinea, Liberia and Sierra Leone have been revised down from 6.7%, 8.1% and 7.7% to 3.7%, 4.0% and 5.7% respectively. For Guinea, Hotel occupancy rates in Conakry has plummeted by half, to less than 40% compared with an average occupancy rate of 80% prior to the Ebola outbreak. Airlines have also reduced their services significantly as many companies ceased operations during the outbreak. In Liberia average hotel occupancy rate plummeted from 70% prior to the crisis to around 30% as at October, 2014.

Figure 24: Services Sector growth projections for Guinea, Liberia and Sierra Leone



**Source:** World Bank and IMF Staff Estimates

475. Sierra Leone's service sector accounts for 30 percent of the economy. The cancellation of international flights resulted in a decrease in hotel occupancy from 80% to around 13% as of September this year. This also led to most airlines laying off staff and maintaining a skeleton crew of one or two employees.

### Food Prices

476. Price data as at August, 2014 suggest little effect to date of lower agricultural production on food prices in Guinea. Prices fell between April and June, with an uptick since July. Guinea's annual inflation for 2014 is still projected at 8.5 percent. According to the Food and Agriculture Organization (FAO), the price of the staple crop cassava in some places in Liberia has more than doubled (increased by 150 percent). Consequently, Liberia's inflation rate is expected to hit 13.1% in 2014 from 7.7 % before the Ebola crisis. In Sierra Leone, the price of rice - the country's staple – has been reported to rise by 30% in some markets in the affected areas. The consumer price index has also recorded an upward trend in food inflation for both June and July, attributed in part to the Ebola-related market closures, and to the depreciation of the currency as well as to seasonal effects.

### External Sector

477. The Ebola outbreak has had substantial impact on regional and international travel to Guinea, Liberia, and Sierra Leone, thereby, inflicting direct effects on the hotel, transport and restaurant sub-sectors in particular. In Guinea, there has been a slight trend of exchange rate depreciation. According to the Central Bank of Guinea, part of this is supply-related. While this is in large part explained by seasonal fluctuations, Ebola is also contributing to capital flight as many expatriates (as well as some Guineans who could afford to leave) left the country.
478. Whilst exports of rubber and iron ore in Liberia have not been seriously affected, the reductions in imports (including capital goods owing to delayed investments) have resulted in an improvement in the balance of payments as reflected in the modest appreciation of the exchange rate in July. For sea transport, the volumes of containers coming into Liberia are down by 30% from normal levels in August.

479. Sierra Leone's balance of payments financing gap continues to widen as imports – related to emergency health and food products – expand in the face of falling export earnings from minerals and agriculture. According to the Bank of Sierra Leone (the country's central bank), the Leone exchange rate had been relatively stable this year until June, when it began to depreciate against the U.S. dollar, altogether by about 6 percent. The parallel market rate has seen a similar gap. Remittances have, however, remained steady. International reserves have been stable during the year and were equivalent to about 2.5 months of imports as at end August, 2014.

### ***Fiscal Impact***

480. The fiscal impact of the Ebola crisis in the three hardest hit countries of Guinea, Liberia and Sierra Leone is already being felt quite substantially. For Liberia, the World Bank and the IMF estimated the fiscal impact of the Ebola crisis at around US\$100 million (5.1 percent of GDP) for 2014. On the revenue side, available statistics up to the first week of September indicate total revenue collection of US\$80.4 million, representing a shortfall of about US\$10 million relative to pre-Ebola forecasts. Consequently, the government of Liberia has so far revised its revenue target for September down from US\$41.7 million to US\$26.3 million, the lowest revenue collection since 2012. With the slowing of economic activity and weakness in tax administration (due to curfews and quarantines), total revenues for the year are likely to be about US\$46 million below the initial forecast. Consequently, the overall budget deficit was revised from US\$158.6 million (or 7.1% of GDP) to around US\$251.5 million (or 11.8% of GDP).
481. In Guinea, the fiscal impact of the Ebola outbreak is estimated at US\$120 million, of which US\$50 million are attributed to revenue loss and US\$70 million to increased government spending on the Ebola response. This is due to lower revenues from mining sector royalties, taxes on international trade, and taxes on goods and services. So far, the government has adopted a US\$70 million response plan to fund logistics, health centres, food and equipment purchases, and salaries. This led to an upward revision of the overall budget deficit from US\$ 260.0 million (or 4.0% of GDP) to US\$380.0 million (or 5.8% of GDP).
482. In Sierra Leone, revenues are anticipated to plummet sharply during the second half of the year by around US\$ 46.0 million as a result of reduced economic activity following the acceleration of the Ebola crisis. An emergency Ebola response plan will require increased recurrent spending of US\$37.0 million (mostly for the health sector). Some of this is to be financed through a reallocation of capital spending which still leaves an unfinanced gap of US\$77 million. Consequently, the overall fiscal deficit is revised upwards from US\$194.0 million (or 4.2% of GDP) to around US\$271.0 million (or 6.0% of GDP).

### ***3.2.2. Impact on Other West African Countries***

483. So far, the World Bank and IMF note that, although there have been some ripple effects, the Ebola epidemic has not had a major effect on economic activity outside the three hardest hit countries - Guinea, Liberia and Sierra Leone. However, both Cote d'Ivoire and Senegal have sealed their borders with Guinea, and other West African countries have taken similar actions. Such action has adversely affected trade flows between these countries. According to the World Bank, preliminary reports from shopping centers and many commercial businesses in Lagos, Nigeria indicate significant recent declines in demand, sometimes in the range of 20 to 40 percent. This decline in commerce likely reflects initial shock, fear, and uncertainty following the appearance of Ebola in Lagos and Port Harcourt. The World Bank and IMF estimated that GDP growth in Nigeria will be close to 6.0% in 2014, and the general government budget will also be close to balanced.

484. In Senegal, recent economic estimates by the World Bank are nearly in line with the pre-Ebola GDP growth projection of 4.9% for 2014. Based on the index of general activity (excluding agriculture), GDP growth is estimated at 4.7% for the first two quarters of 2014, driven mainly by services (up 6.6%) and public administration (up 7.3%). In The Gambia, tourism is a key economic sector whose annual receipts alone accounts for about 11.4 % of GDP. It is also an important economic sector for direct and indirect employment, with many linkages to other services as well as a significant contributor to government revenue. Since the onset of the Ebola crisis in Liberia, Sierra Leone and Guinea, it is estimated that 65 % of hotel reservations in Gambia have already been cancelled, which will have a profound impact on the economy. Should the crisis persist, then there may be second round effects through the deferral or cancelation of Foreign Direct Investment (FDI), most of which is tied to tourism or the hospitality sector more broadly, and which has been averaging nearly 7.0% of GDP annually.

### ***3.2.3: Social Impact of the 2014 Ebola Outbreak in West Africa.***

485. The 2014 Ebola crisis inflicted significant impact on the cultural and traditional practices in West Africa. Being a highly contagious disease, outbreak affected the cultural practice of hand-shaking in greeting. Most West Africans have a deep rooted culture of hand-shaking when exchanging greetings. This practice has been highly prohibited since hand-shaking is believed to aid the transmission of the disease from an infected person to a non-infected person. Besides, owing to the contagious nature of the disease, burial of diseased persons by family members is being highly prohibited in all areas hit by the outbreak. In some places, there have been evidences of confrontations between family members who lost their relatives to the Ebola disease and burial teams.
486. Many traditional activities that involved social gatherings like weddings, naming ceremonies, initiations into traditional societies, local market gatherings and the likes have also been affected by the outbreak of the Ebola virus disease. The quarantining of areas affected by the disease also made it very difficult for family members to travel from one location to another to attend such ceremonies. During certain periods of the year, new members are usually initiated into traditional societies as a way to prepare the young for adulthood. The outbreak of the Ebola virus disease has, to a very large extent, disrupted such traditional practices in the affected countries since governments place a ban on all forms of social activities as a means of controlling the spread of the disease.
487. The way and manner in which people spend their social life has also been affected in areas affected by the Ebola outbreak. In most places, social entertainment centers like clubs, restaurants, cinema halls, stadia and the likes are all closed down following the outbreak of the Ebola virus disease. The closure of such entertainment centers was also based on the belief that such places could aid the spread of the disease by bringing people with asymmetric information on their health status together. For those that have been deriving pleasure in going to such public places, the prohibition of such places by governments in Ebola affected countries is being perceived as an act of social disruption.
488. The Ebola virus outbreak has also impacted adversely on religious beliefs. The two most popular religions in West Africa – Islam and Christianity –strongly believe in life after death. Thus, it is a common practice amongst followers of these two religions to prepare deceased persons very well before burial ceremonies. This involved proper washing of the deceased before burial. Special prayers are also offered for deceased persons prior to their burial. Owing to the highly contagious nature of the Ebola virus disease, the usual practice of properly washing and offering prayers for deceased persons before burial no longer holds in Ebola affected areas since deceased persons are now being handled by special burial teams that don't perform such rites. Consequently, most

people have the feeling that their beloved ones have been denied the rights to a befitting burial process consistent with their religious belief. In Nigeria, transportation of dead bodies from one town to another is prohibited unless with a permit from the Federal Ministry of Health.

489. As regards education, the Ebola outbreak has had a very severe impact in the hardest hit countries. Schools, colleges and universities remained closed in these countries. Students, particularly those preparing for external examinations including the Junior Secondary School Certificate examination, General Certificate of Education (GCE) examination, the West African School Certificate Examination (WASCE) and many others were unable to take their examination owing to the Ebola crisis. Whilst their counterparts in other West African Countries were able to take their external examinations, re-open schools and tertiary institutions, those in the Ebola affected areas couldn't do so for fear of the spread of the disease. If the situation continues for the next three months, it could have a total disruption of the academic calendar in these countries.

### ***3.3. Measures Put in Place by ECOWAS Member States and the International Community to Address the Ebola Outbreak in West Africa***

490. In an attempt to check the rapid spread of the outbreak in the sub-region, Cote d'Ivoire, Mali, Guinea Bissau and Senegal closed their borders with the hardest Ebola hit countries of Guinea, Liberia and Sierra Leone. Other West African states also instituted more rigorous measures like screening of passengers and cancellation of flight to and from Guinea, Liberia and Sierra Leone. In addition to financial support, Nigeria pledged a total of 600 medical volunteers to assist in combating the Ebola outbreak. In addition to earlier financial support provided to the Ebola hardest hit West African countries, the ECOWAS Commission also signed a grant agreement of US\$300,000 with the African Development Bank (AfDB) towards the coordination of Ebola response. In October, ECOWAS released additional US \$3 million for the three affected countries and delegated in affected countries medical staff to assist the Ministry of Health in strengthening coordination of the action in the ground. Besides, ECOWAS is organizing the training of 140 health workers in collaboration with the Nigerian Government. The West African Economic and Monetary Union (UEMOA) has offered FCFA 60 million for each of the 8 countries for preparedness and additional US \$1.5 million for the three affected countries.
491. During the 45<sup>th</sup> Summit of the Heads of State and Government, an Ebola special fund called ECOWAS Solidarity Fund for Ebola response was created to fight the outbreak. Some Member States have made donations (Nigeria - \$3.5m; Cote d'Ivoire - \$1m) or have pledged (Sierra Leone \$250,000) to the ECOWAS Solidarity Fund. The amount of US \$4.5 million is allocated as follow : Guinea \$1.0 million ; Liberia \$0.5million ; Sierra Leone \$0.5 million; ECOWAS Commission \$1.0 million with \$0.5 million given to WAHO to support some countries (Senegal, Mali, Niger, The Gambia, Bissau Guinea) ; WAHO : \$1.5 million used for meetings, field missions and direct support to Member States (trainings, materials, equipment, logistics, monitoring, coordination, communication and social mobilisation).
492. Outside West Africa, many countries have provided both financial and material support in a bid to combat the Ebola virus disease in West Africa. According to the WHO a good number of countries have pledged a total of \$951.546 million in financial support to combat the Ebola disease as follows: Australia \$9.14m, Brazil \$0.45m, Canada \$35.4m, Chile \$0.1m, China \$38.89m, Colombia \$0.1m, Denmark \$5.27m, Estonia \$0.126m, Finland \$15.6m, France \$89.7m, Germany \$13.37m, India \$10.0m, Ireland \$20.42m, Italy \$7.06m, Japan \$40.0m, Kenya \$1.0m, Kuwait \$5.0m, Namibia \$1.0m, Netherlands \$38.43m, New Zealand \$0.4m, Norway \$28.0m, Romania \$0.04m, Sweden

\$32.9m, Switzerland \$6.9m, Timor-Leste \$1.0m, United Kingdom \$201.25m, and the United States of America 4,000 troops to Liberia and \$350.0m commitment.

493. International Financial Institutions as well as charitable organizations have also made a total financial commitment of \$1.104 billion to fight the Ebola outbreak as follows : African Development Bank (AfDB) \$152.8m, the European Commission \$179.41m, World Bank \$400.0m, International Monetary Fund (IMF) \$130.0m, Bill and Melinda Gates Foundation \$50.0m, Comic Relief £1.0m, Medecins du Monde £2.75m, Oxfam £22.0m, Save The Children \$70.84m, Children Investment Fund Foundation \$20.0m, Ikea Foundation \$6.58m, Open Society Foundation \$4.0m, Paul G Allen Family Foundation \$18.4m, William and Flora Hewlett Foundation \$5.0m, Silicon Valley Community Foundation \$25.0m, and GlaxoSmithKline \$0.48m

### **3.4 Conclusion and Policy Recommendation.**

494. The 2014 Ebola outbreak in West Africa has been widely described as one of the most devastating Ebola epidemic in history and the first ever witnessed in West Africa. As of 7 October, the number of Ebola infection cases in the three hardest hit West African countries of Guinea, Liberia and Sierra Leone skyrocketed to 8,373 with a total of 4,024 deaths. Following the devastating pace at which the 2014 Ebola epidemic wreaked havoc in the three hardest hit West African countries, the international community became increasingly worried as the disease continued to spread across borders. This study is, therefore, deemed necessary with a view to assessing the socioeconomic impact of the epidemic in those West African countries affected by the outbreak. In addition to providing a complete overview of the evolutionary trend of the Ebola outbreak in the four West African Countries affected by the disease, the study analyses the contemporaneous impact of the Ebola outbreak on key macroeconomic variables of interest. The results from the study revealed that the Ebola outbreak inflicted adverse economic and social effects in all the countries hardest hit by the disease. For other West African countries, the impact of the current outbreak ranged from the slowing down of cross border trade, tourism and fiscal budgets.
495. Experience so far garnered from the three countries hardest hit by the outbreak revealed the existence of very weak health care systems. This is clearly manifested by the high fatality rate especially amongst ill equipped health care workers who are highly at risk of contracting the disease. The inadequacy and ill equipment of isolation centres, the extremely poor incentives provided to an already grossly inadequate health working force, and the inadequacy of diagnostic equipment as well as the technical experts were some of the major constraints in combating the outbreak. Thus, the existence of fragile health care systems in these countries contributed significantly to their inability to contain the spread of the disease at the onset. Finally, the adverse reaction from the international community through the imposition of radical measures restricting the free movement of people and goods from Ebola affected countries accounted for the gravest action in aggravating an already worsening situation.
496. Given the aforementioned, the following recommendations would be of interest with a view to providing strategies for combating similar outbreak of epidemics in the future:
- i. There is a strong need for West African States, particularly those hardest hit by the Ebola outbreak to strengthen the currently weak nature of existing health care systems in West Africa.
  - ii. There is an urgent need for West African States to enhance the training of more health workers, particularly in the area of epidemiology to build capacity in the handling of future outbreaks of epidemics.



- iii. There is also a strong need for ECOWAS Member States to establish an epidemic emergency fund through the West African Health Organization (WAHO) to enhance the region's preparedness in combating similar outbreaks in the future.
- iv. The West African region should also think of establishing a rapid response Health Task Force that can be immediately deployed in any Member State that experiences an epidemic outbreak with a view to preventing the spread of such outbreaks to other Member States.
- v. There is a strong need for a similar study to be carried out to assess the full socioeconomic impact of the 2014 Ebola outbreak in West Africa after the current outbreak is declared over.

## **CHAPTER IV: ACTIVITIES OF OTHER COMMUNITY INSTITUTIONS**

### **4.1 THE ECOWAS PARLIAMENT**

497. The Third Legislature of the Parliament continued to discharge its mandate in 2014 which translated into various activities guided by the four (4) Strategic Objectives identified in the Parliament's Strategic Plan 2011-2015.

498. In 2014, the Parliament undertook the following activities:

- A seminar on the Enhancement of powers of Parliament in Praia;
- A Dialogue Session organised by the National Institute for Legislative Studies (NILS);
- The 2014 First Ordinary Session;
- Delocalised Joint Committee meetings;
- The 130<sup>th</sup> Assembly of the Inter-Parliamentary Union (IPU);
- ACP/EU Joint Parliamentary Assembly;
- Meeting of the Commonwealth Parliamentary Assembly (CPA);
- 30<sup>th</sup> anniversary celebration of the European Parliamentarians with Africa (AWEPA)

#### **✓ 2014 Ordinary Sessions**

499. The Parliament held its 2014 First Ordinary Session from 19<sup>th</sup> May to 3<sup>rd</sup> June 2014. The Session, which was statutory, was the main working session of the Parliament. Accordingly, Country Reports were presented by each delegation and subsequently debated. At this session, the President of the ECOWAS Commission presented the Activity Report for 2013/2014 on the state of the Community. This presentation afforded Members of Parliament the opportunity to understand and keep abreast with Community Development Programmes.

500. The opening ceremony of the 2014 First Ordinary Session coincided with the formal commissioning of the renovated building of the ECOWAS Parliament as well as the foundation laying ceremony for the construction of an office block for Members of the ECOWAS Parliament.

501. The Second Ordinary Session of the Parliament, usually held in September, could not hold as a result of the outbreak of Ebola Virus Disease (EVD) in some ECOWAS Member States.

#### **✓ Delocalised Joint Committee Meetings**

502. During the period under review, the Standing Committees of the Parliament engaged in various delocalized Committee meetings and awareness campaigns at various locations within the sub-region. It should be mentioned that as a result of the EVD pandemic, all meetings scheduled for the second half of the year could not hold. However, the following meetings were held:

- Workshop on "Budget Execution Monitoring and Final Accounts of Parliament: Responsibilities of External Auditors" which was organised by the Committee on Administration and Finance in Accra, Ghana in February 2014;
- Delocalised Committee meeting on Community Texts and Mechanisms on Security, Democracy and Good Governance on the theme: "What is the Framework for Cooperation between the ECOWAS Parliament and the National Parliaments for effective Implementation?" This meeting was organised by the Joint Committee on Political Affairs, Peace and Security/NEPAD and Africa Peer Review Mechanism/ Legal and Judicial Affairs in Cotonou, Benin Republic in March 2014;

- Delocalised Committee meeting on Air Transportation in the “ECOWAS Region: Challenges, Policies and Programmes of Intervention” organised by the Joint Committee on Infrastructure and Industrial Development/ Agriculture, Environment, Water Resources and Rural Development/ Trade, Customs and Free Movement in Dakar, Senegal in April 2014;
- Delocalised Committee meeting on “Health Care Funding in ECOWAS Member States”, organised by the Joint Committee on Health and Social Services/Administration, Finance and Budget Control/ Gender, Labour, Employment and Social Welfare in Niamey, Niger Republic in April 2014;
- Delocalised Committee meeting on “Developing the Telecommunication Sector in West Africa: Challenges and Prospects”, organised by the Joint Committee on Education, Science, Technology, Youth, Sports and Culture/Information and Communications Technology in Ouagadougou, Burkina Faso in July 2014;
- Meeting, in Abuja in September 2014, of the Adhoc Committee established by the Honourable Speaker of Parliament to prepare the 2015 budget of the Parliament. The Bureau of Parliament had since considered and adopted the report of the Adhoc Committee for onward transmission to the President of the ECOWAS Commission.

✓ ***Enhancement of Powers of Parliament***

503. In furtherance of the project on the Enhancement of the Powers of Parliament, a meeting involving all Members of the ECOWAS Parliament was held in Praia, Cape Verde from 10th to 12th March 2014 at which the leadership of the Parliament briefed the House on the outcome of the meeting of the 71st Session of the ECOWAS Council of Ministers where the Draft Supplementary Act on the Enhancement of the Powers of Parliament was considered. The Council of Ministers deferred its decision on the draft and requested Parliament to consult the ECOWAS Commission, ECOWAS Court of Justice and other stakeholders. The Praia seminar therefore addressed all the concerns raised by Council and submitted same to the 72nd Session of the Council held in June 2014.
504. On the issue of peace and security in the region, Parliament once again expressed resentments on the activities of terrorists and insurgents in the north-eastern part of Nigeria. Specifically, the Parliament condemned the abduction of more than two hundred school girls in Chibok and expressed solidarity with the Government and people of the Federal Republic of Nigeria. Parliament also welcomed the initiative by the Authority of Heads of State and Government in invoking the relevant section of the ECOWAS Counter Terrorism Strategy. In addition, Parliament welcomed the initiative by the French Government to hold a summit of Heads of State of Nigeria Chad, Cameroun, Niger and Benin. It reiterated its earlier call for a joint summit of ECOWAS and the Central African Monetary and Economic Community (CEMAC) Heads of State on security.

✓ ***Dialogue Session organised by the National Institute for Legislative Studies (NILS);***

505. The National Institute for Legislative Studies (NILS) of the Nigerian National Assembly, in collaboration with the ECOWAS Parliament, organised a Dialogue Session in Accra, Ghana, from 24<sup>th</sup> to 26<sup>th</sup> April 2014. The Session was part of the NILS Capacity Building programme for Members of the ECOWAS Parliament and Members of National Parliaments of ECOWAS Member States. The Session discussed the challenges associated with border crossing within the sub-region and Global Trade and Finance Regulatory Framework: Opportunities for ECOWAS Countries. At the end of the Session, the following recommendations were adopted:

- ECOWAS should evolve strategies to tackle the non-implementation of Community texts by Member States, particularly in relation to trade and finance;
- ECOWAS should take firm measures to address the numerous barriers to cross border trade and investment, particularly corruption;
- ECOWAS should involve more stakeholders, especially Civil Society Organisations, in its regional integration process;
- ECOWAS should pursue more vigorously the implementation of the single currency policy;
- ECOWAS should encourage the adoption of protocols of export products standards in order to improve access to global markets.

✓ ***The 130<sup>th</sup> Assembly of the Inter-Parliamentary Union (IPU)***

506. In addition, the Parliament participated in the 130<sup>th</sup> Assembly of the Inter-Parliamentary Union (IPU) held in Geneva in March 2014. The main theme addressed by the Assembly was “IPU at 125: Renewing our commitment to peace and security”. The Assembly elected a new Secretary-General in the person of Mr Martin Chungong. The Parliament also participated in the parliamentary session within the framework of the World Trade Organisation (WTO), organised by the IPU in Geneva from 1<sup>st</sup> to 3<sup>rd</sup> October 2014 on the theme “Why Trade Matters to Everyone”.

✓ ***ACP/EU Joint Parliamentary Assembly***

507. The Parliament participated in the 35<sup>th</sup> Session of the Africa, Caribbean and Pacific (ACP) Parliamentary Assembly as well as the 27<sup>th</sup> Session of the Africa, Caribbean and Pacific (ACP)/European Union (EU) Joint Parliamentary Assembly. Both events took place in Strasbourg, France, from 12<sup>th</sup> to 19<sup>th</sup> March 2014. The Joint Parliamentary Assembly (JPA) considered issues relating to Regional Integration and modernization of customs for sustainable development in ACP Countries in cooperation with the EU, mining of oil and minerals on the seabed in the context of sustainable development as well as the spread of global terrorism and the role of the internet and social media.

✓ ***30<sup>th</sup> Anniversary celebration of the European Parliamentarians with Africa (AWEPA)***

508. The ECOWAS Parliament, alongside other Regional and National Parliaments, participated in the 30th anniversary celebrations of the European Parliamentarians with Africa (AWEPA). AWEPA, a European- based Development Partner that deals with many Parliaments around the world, including the ECOWAS Parliament, marked its thirty years existence and the activities were held at the seat of the Pan African Parliament in Midrand, South Africa, in October 2014.

✓ ***Meeting of the Commonwealth Parliamentary Assembly (CPA)***

509. As part of its effort towards establishing relations with global Parliamentary bodies, the ECOWAS Parliament participated at the meeting of the Commonwealth Parliamentary Assembly (CPA). The meeting, held in Younde, Republic of Cameroun, from 2nd to 10th October 2014, focused on the theme “Unity in Diversity.” It also addressed issues of good governance, Parliamentary Oversight as well as the Role of Members of Parliament in gender empowerment.

510. In conclusion, the year 2014 will stand out as a year in which the ECOWAS Parliament was unable to accomplish its activities. It remained the only year that the Parliament was unable to hold its Second Ordinary Session due to the EVD pandemic. Several other activities could not hold for the same reason

## 4.2 COMMUNITY COURT OF JUSTICE

### ✓ *New Members of the Court*

511. An important event in the work of the Court during the year was the swearing-in of new judges on 18 June 2014 to take over from the former judges whose tenure ended on that date. The Chairman of the Authority of Heads of State and Government of ECOWAS and President of the Republic of Ghana, His Excellency John Dramani Mahama, swore in these new Members of the Court in Accra, Ghana. They include: **Hon. Justice Maria Do Ceu Silva Monteiro** (Guinea Bissau), **Hon. Justice Friday Chijoke Nwoke** (Nigeria), **Hon. Justice Jérôme Traoré** (Burkina Faso), **Hon. Justice Yaya Boiro** (Guinea), **Hon. Justice Micah Wilkins Wright** (Liberia), **Hon. Justice Hameye Founé Mahamadane** (Mali), and **Hon. Justice Alioune Sall** (Senegal). **Hon. Justice Maria Do Ceu Silva Monteiro was subsequently elected** President of the Court, while **Hon. Justice Friday Chijoke Nwoke**, as the Vice-President and **Hon. Justice Jérôme Traoré** as Dean.

### ✓ *Judicial Activities*

512. The Court held forty-eight (48) sessions from 1<sup>st</sup> January to 30<sup>th</sup> September 2014, and delivered eighteen (18) judgments, six (6) rulings and two (2) decisions on applications for review of judgments. In addition, twenty-one (21) new cases were filed. At the end of the period, forty (40) cases were pending before the Court.
513. Furthermore, an external court session was held at the Supreme Court of Togo from 10th to 14th February 2014, at which the Court heard eighteen (18) cases on the cause list. At the end of the external court hearings, 3 final judgments, 3 rulings and 1 final judgment on an application for revision were delivered.
514. The Court published Notice of Registration of new applications filed before it in Volumes 62 (CCJ) and 63 (CCJ) of the Official Journal of ECOWAS. The Court also published the English edition of the 2011 Law Report, while preparing the publication of the 2012 Law Report. The Court has not been able to publish the French and Portuguese versions of the reports due to translation difficulties. In this regard, the Court draws the attention on the inadequate number of Translators and Revisers, a situation that causes delays in the translation of court processes. This challenge is further compounded by the fact that the Court lacks capacity in Portuguese language translation.
515. On 12th June 2014, a valedictory court session was held in honour of the outgoing Judges of the court. Members of the diplomatic corps and officials from other ECOWAS Institutions graced the event.

### *External relations and co-operation with international institutions*

516. In terms of external relations, the Court took part in the Conference on ECOWAS Vision 2020, organised by Oxfam International. During the same period it also received a delegation from Oxfam International who were at the Court to share information on Regional Good Governance Programme (RGGP) for West Africa initiative.
517. The Court also hosted several dignitaries including the United Nations High Commissioner for Human Rights, Her Excellency, Madam Navi Pillay.
518. The International Women's Day was marked at the Court. The female staff of the Court adopted the United Nations theme for the year 'Equality For Women Is Progress For All.'

✓ **Inter-institutional relations**

519. ECOWAS Court participated actively in the 8<sup>th</sup> edition of the Joint Retreat of ECOWAS Institutions, Permanent Representations and National Units held in Tinapa, Cross River State from 22nd to 24th July, 2014. The retreat focussed on strengthening the platform for integration among all stakeholders in the regional integration process, through an integrated implementation of Community programmes. The Court also participated in a workshop of experts held in Abuja in March 2014 for the preparation of a concept note and draft Terms of Reference for feasibility studies on the establishment of an ECOWAS Radio and Television.
520. As part of efforts to strengthen the capacity of the Court, staff of the Procurement Unit, Administration and Finance Department were trained on the 'ECOWAS Tender Code and Procurement Manual' from the 19th to 21st February 2014 by GIABA and ECOWAS Commission.
521. In March 2014, the new Financial Controller of the Community paid a courtesy visit to the Court.
522. ECOWAS Court took part in the 39th ECOWAS anniversary event held simultaneously at the ECOWAS headquarters in Abuja, Nigeria, and in Addis Ababa, Ethiopia in furtherance of the good working relationship between ECOWAS and the African Union.
523. On 19 June 2014, the President of the Court, Hon. Justice Maria Do Ceu Silva Monteiro, administered the oath of office on the new Commissioners of the ECOWAS Commission during the 72nd Ordinary Session of the ECOWAS Council of Ministers Meeting held in Accra, Ghana.
524. The new Members of Court paid a courtesy visit to the new Speaker of the ECOWAS Parliament in July 2014, while the Bureau of the Court paid a courtesy visit on His Excellency, the President of ECOWAS Commission in early October 2014.

✓ **Capacity building**

525. Members of staff from the three departments of the Court were given training locally and internationally in various disciplines in order to enhance their capacity. The translators, who play a significant role in the functions of the Court, went through a training session on the applications of Multitrans Translation Software at Brussels, Belgium, from 6<sup>th</sup> to 12<sup>th</sup> April 2014. The training was to enable the translators at the Court to produce work whose quality would be comparable to that of similar international organizations.

### 4.3 WEST AFRICAN HEALTH ORGANISATION (WAHO)

526. The main activities implemented by the West African Health Organisation (WAHO) during the course of 2014 fell within the framework of the 2009-2013 Strategic Plan and the 2014-2015 Interim Plan. The thrust of programme implementation was focused on (i) support to quality upgrading in the health systems of the ECOWAS region; (ii) support to improving health coverage in the ECOWAS region; (iii) support to the development of sustainable health financing; and (iv) WAHO's institutional development.

527. Key activities and achievements realised during the period under review were as follows:

**528. In terms of epidemic control:**

- Stationing of two mobile laboratories in Nigeria and The Gambia;
- Provision of technical and financial support to Member States, affected by epidemic, namely : Guinea ( Measles), Nigeria (cholera), Benin (cholera) and Burkina Faso (meningitis);
- Provision of technical and financial support to Ebola affected and non affected Member States, namely :Guinea Liberia, Sierra Leone, Senegal, Benin, Cote d'Ivoire, The Gambia, Guinea Bissau, Mali and Niger;
- Development of a regional action plan as well as the establishment of a technical working group for controlling and monitoring of the Ebola epidemic in the region.
- Strengthening capacity building in Cape Verde, The Gambia, Sierra Leone, Burkina Faso, Ghana, Guinea Bissau, Nigeria and Senegal in health information through the development of DHIS2 and the training of national trainers.

**529. In terms of communicable and non-communicable disease control:**

- The ECOWAS regional Buffer Stock of anti- retroviral was set up;
- The Regional Strategic Plan for the control and elimination of malaria was developed;
- The programme officers responsible for tuberculosis control in Nigeria, Ghana, Sierra Leone, The Gambia and Liberia were trained in the management of the Tuberculosis/HIV co-infection;
- Financial and technical support were provided to Benin, Ghana and Guinea Bissau for the control of Non Communicable Diseases and in Togo for scaling up nutrition activities;
- Eighteen (18) professional officers from Francophone countries were trained in nutrition leadership.

**530. In terms of medicines:**

- Preparation of the preliminary draft of the ECOWAS Regional Pharmaceutical Plan;
- The guide on the implementation of TRIPS agreement flexibilities was produced and validated by the ECOWAS Member States;
- A draft bill on the control of counterfeit and illicit trade of medicines was passed.

**531. In terms of maternal and child health:**

- Support to the Benin, Côte d'Ivoire, The Gambia, Guinea, Mali and Senegal for the setting up and functioning of the National Immunization Technical Advisory Groups;
- Training of trainers in Emergency Obstetrical and Neonatal Care in Togo.

**532. In terms of human resources for health:**

- Pursuit of the harmonisation of training curricula and practices of health professionals;
- Strengthening capacity building in health for fifteen (15) young professionals
- Commencement of the Internship of the 10<sup>th</sup> set of Young Health Professionals;

- Data collection and analysis on the training institutions for health workers in seven countries , namely Benin, Cape Verde, Côte d'Ivoire, Guinea, Guinea Bissau, Liberia and Sierra Leone.
- Provision of training for Eight (8) professional officers from Benin, Burkina Faso, Cote d'Ivoire, Niger, Togo and Senegal in National Health Accounts (NHA).
- Provision of training for Twenty (20) professional officers from Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal and Togo, trained in Universal Health Coverage (UHC)

**533. In terms of traditional medicine:**

- Capacity building of traditional medicine trainers in the management of six (6) priority diseases.

**534. In terms of health systems strengthening:**

- Training of members of the National Networks of Champions for Adequate Health Financing through resource mobilisation;
- Production of the private sector health profile in fifteen (15) Member States .



#### **4.4 INTERGOVERNMENTAL GROUP AGAINST MONEY LAUNDERING IN WEST AFRICA (GIABA)**

535. The Intergovernmental Action Group against Money Laundering in West Africa (GIABA) is a specialized institution charged with the mandate of assisting countries of the Economic Community of West Africa States (ECOWAS) to adopt policies and take actions in establishing an effective anti-money laundering and counter terrorism financing (AML/CFT) regimes. The review period marks the final year for the implementation of the existing Strategic Plan (2011 – 2014). Below is a summary of the accomplishments recorded in 2014.

##### **4.4.1 GIABA 21<sup>ST</sup> Technical Commission / Plenary**

536. The 21<sup>st</sup> Technical Commission /Plenary Meeting of GIABA was held in Niamey, Niger, from 5-9 May 2014 during which the following decisions are taken:

- Adoption of the Activity Report by the Director General;
- Adoption of the GIABA 2nd Round Mutual Evaluation Calendar;
- Approval of the engagement by the Secretariat with Comoros Island on the country's Application for full Membership of GIABA;
- Endorsement of the GIABA 2013 Monitoring and Evaluation Report;
- Review and contribution to the research report titled "Review of the State of Implementation of AML Measures in Relation to Financial Inclusion in GIABA Member States";
- Approval of the report of the Co-Chairs of the Working Group on Risks, Trends and Methods (WGRTM);
- Approval of the conduct of a typologies exercise on "Money laundering through electronic counterfeiting and intellectual property theft in West Africa";
- Approval of the memorandum on the reconstitution of the Membership of the Working Group on Mutual Evaluation and Implementation (WGMEI);
- Approval of the report of the Co-Chairs of the WGMEI.

537. The 13th GIABA Ministerial Committee (GMC) Meeting held on 10th May, 2014 approved the decisions of the 20th and 21st GIABA Technical Commission / Plenary Meetings held from 4 to 7 November 2013 in Cotonou, Benin and 5 to 9 May, 2014 in Niamey, Niger, respectively.

538. The key outcomes of the GMC were the approval of the GIABA 2nd Round of Mutual Evaluations Calendar and the Director General's Activity Report. The GMC also approved a proposal for the Secretariat to undertake a typologies exercise on "Money Laundering Using Electronic and Intellectual Property counterfeiting" and a Road Map for the exercise. Approval was also granted on the application of the Comoros Islands for membership of GIABA.

##### **4.4.2 Mutual Evaluation**

###### **✓ GIABA 2nd Round of Mutual Evaluation Calendar**

539. The GIABA Secretariat presented a Calendar for the 2nd Round of Mutual Evaluations of Member States, as directed by the 20th meeting of the Technical Commission/Plenary. The Plenary commended the Secretariat for a well-structured calendar that has taken into consideration acceptable parameters for reaching consensus on the schedule. The Plenary accepted the proposed calendar commencing in the first quarter of 2016 and directed the Secretariat to assist Member States to initiate their National Risk Assessment (NRA), which is a major requirement in the next round of evaluations. The Plenary recommended the calendar for the GMC's approval.

✓ ***Follow Up Actions in the Framework of Mutual Evaluations***

540. In order to address the deficiencies identified in their MERs and based on recommendations of their Follow-Up Reports (FURs), Member States with GIABA's assistance, took the following actions to improve on their AML/CFT regimes: (i) Third follow-up reports of Liberia and Togo, (ii) Fourth follow-up report of Benin, (iii) Sixth follow-up reports of Nigeria and Senegal, (iv) Seventh follow-up reports of Guinea Bissau and Cape Verde, (v) First follow-up report of Guinea, (vi) Eight follow-up report of The Gambia, and (vii) Tenth follow-up report of Sierra Leone.

#### **4.4.3 Typologies**

✓ ***Evaluation of Status of Implementation of Anti-money Laundering and Financial Inclusion Measures in GIABA Member States***

541. Considering the importance of financial inclusion in successfully implementing AML/CFT measures and the need to ensure that the implementation of such measures is not counter-productive in terms of regulation and monitoring of operations for the purposes of AML/CFT, GIABA conducted an evaluation on the status of implementation of AML/CFT and financial inclusion measures in its Member States. Furthermore, a regional research study on the Vulnerability of DNFBPs to Money Laundering and Financing of Terrorism and the Appropriateness of Monitoring Measures in West Africa was undertaken.

#### **4.4.4 Technical Assistance Programmes**

542. In line with its mandate to provide technical assistance to Member States, GIABA continued to offer the needed support and assistance in the form of capacity building and strengthening of stakeholder institutions, particularly the FIUs in the region. To this end, the following training programmes were executed:

✓ ***National Workshop on Investigative Techniques on Money Laundering and other Financial Crimes***

543. The workshop was held in February 2014 in Dakar, Senegal and focused on the challenges facing investigators, prosecutors and judges in conducting investigations relating to money laundering and other financial crimes. Participants also learnt about best practices in financial investigations. The workshop was attended by 29 participants from the Police, the Gendarmerie, Customs, the FIU and the judiciary..

✓ ***GIABA Activity Programming Seminar***

544. As part of its annual planning strategy, the GIABA Secretariat organized its activity programming seminar from 10-11 March 2014, at its headquarters in Dakar, Senegal. The aim of the seminar was to improve planning through better participation and contribution of FIUs in the definition of priority actions in order to optimize results. The seminar was attended by the Secretariat staff and National Correspondents in accordance with the recommendation from the mid-term review of the implementation of the GIABA's 2011-2014 Strategic Plan.

✓ ***National Workshop for the Development of The Gambia AML/CFT Strategy***

545. GIABA organized a 3-day Stakeholders' Workshop for the Development of National AML/CTF Strategy for The Gambia in Banjul, in April 2014. The overall objective of the workshop was to assist the Gambia to prepare and develop a comprehensive AML/CFT National Strategy, which

would identify priorities, assign responsibilities to various stakeholders and identify the resources required to achieve the targets set based on a time frame. The workshop was attended by about forty (40) middle and senior level officials drawn from the Central Bank, law enforcement agencies, financial intelligence unit, financial institutions, DNFBPs and civil society organisations.

✓ ***National Training Workshop on Financial Intelligence for the Liberia Financial Information Unit,***

546. The workshop which was held in April 2014 in Liberia, was aimed at strengthening the FIU's capacity in providing credible financial intelligence that would lead to investigation and prosecution of money laundering and terrorist financing as well as facilitate the recovery of proceeds of crime. The workshop was attended by some twenty participants consisting of senior officials from the Liberia FIU, law enforcement agencies and regulatory authorities responsible for financial analysis.

✓ ***Regional GIABA/UNCTED Workshop on the Obligation to Freeze Assets in Accordance with Resolution 1373 of the United Nations Security Council***

547. The United Nations Counter-Terrorism Committee Executive Directorate (UNCTED) and GIABA co-organized a regional workshop for English-Speaking Member States of West Africa on the Asset-Freezing requirement of Security Council resolution 1373 (2001) in April, 2014 in Accra, Ghana. The main objective of the workshop was to assist Member States to implement an effective asset-freezing system in accordance with their obligations pursuant to the resolution. The workshop provided a platform for participants to discuss their respective legislative, institutional and operational challenges and identify practical solutions to cope with them; reinforce coordination among national entities involved in the freezing of assets; and promote and strengthen international and regional cooperation to ensure a swift response to foreign requests to freeze assets.

✓ ***UNCTED/GIABA/CCCT Regional Workshop on Efficient Monitoring of Alternative Remittance Systems to prevent their use for terrorist financing, for West African Countries, Dakar, Senegal***

548. The Counter Terrorism Executive Directorate (CTED) in collaboration with GIABA, the Centre for Cooperation on Counter-Terrorism (CCCT), Germany, and the Netherlands, jointly organized a regional workshop in March, 2014 in Dakar, Senegal, on the efficient monitoring of alternative remittance systems to prevent abuse of terrorist financing for West African countries. The objective of the workshop was to identify potential areas where alternative remittance systems are vulnerable to terrorist financing and to facilitate discussions on ways to strengthen the existing regulatory framework by sharing best practices and promoting both financial inclusion and dialogue among regulatory and law enforcement entities, as well as the private sector. The workshop was attended by 44 people, including country representatives (Burkina Faso, Chad, Ghana, Mali, Mauritania, Niger, Nigeria and Senegal) and intergovernmental organizations, private sector organizations, as well as representatives of the United Nations.

✓ ***ONUDC/GIABA Regional Workshop on Seizing, Confiscation and Management of the Proceeds of Crime***

549. On the invitation of the United Nations Office against Drug and Crime (UNODC), GIABA took part in a workshop on seizing, confiscation and management of the proceeds and instruments of crime held in Saly, Senegal in March 2014. Participants in this workshop included investigation

authorities, prosecution authorities and other structures involved in AML/CFT, Criminal Investigating Officers, Magistrates from the Law Officers' Departments, Judiciary staff of the Treasury and members of the Financial Intelligence Units in West Africa. The major objective of this Workshop was to introduce participants to the techniques of financial investigations to trace, identify, seize, confiscate, recover and manage assets within the framework of combating money laundering and terrorism financing.

✓ ***Training Seminar of BNP PARIBAS Group***

550. GIABA took part in the Session of Experts for the training of Compliance Officers from the BNP-PARIBAS branches, operating in Sub-Saharan Africa and the Indian Ocean, held in April 2014, in Saly, Senegal. The workshop was organized under the supervision of the senior officials from the "Conformité du Métier International- Retail Banking", based in Paris. At the request of the Group, GIABA Experts made two presentations; one on "Typologies on Money Laundering and Terrorist Financing in West Africa", and the other on "Risks of Money Laundering and Terrorism Financing in West Africa". The exercise provided an opportunity for the participants to know the specific ML/TF-related risks to which the banking system in West Africa is exposed.

✓ ***Technical Assistance to Sierra Leone for the Conduct of National Risk Assessment***

551. Support for GIABA member States to conduct of National Risk Assessment (NRA) has been prioritized in the provision of technical assistance by GIABA. GIABA and the World Bank are cooperating to assist GIABA member States who opted for the World Bank tools in conducting their NRAs. In this regard, GIABA and the World Bank organised the first workshop under the World Bank NRA process in May 2014 in Freetown, Sierra Leone. The workshop which brought together middle and senior level officials from 22 agencies, provided initial findings, identified missing data and proposed milestones with timelines for the entire process. The second phase of the NRA process will last for ten months to enable the various technical groups complete their data collection and analysis. The second workshop will be held in early 2015.

✓ ***National Workshop on Detecting Illicit Cross-border movement of cash and negotiable bearer instruments (NBI)***

552. GIABA organized a national workshop on detecting illegal cross-border movement of cash and negotiable bearer instruments for law enforcement agencies at the borders in July 2014 in Lagos, Nigeria. The workshop aimed at providing technical assistance to law enforcement agencies in the implementation of a comprehensive and effective AML/FT regime by building the capacity of law enforcement officers to investigate, deter and put an end to money laundering, terrorist financing and other major financial crimes in the country.

✓ ***National Training Workshop on Investigative Techniques in Money Laundering and Financing of Terrorism***

553. GIABA, in collaboration with the FIU-Mali, organized a training workshop on investigative techniques in money laundering and financing of terrorism in June 2014 in Bamako. The workshop was designed to help investigators get accustomed with the concepts of money laundering and terrorist financing and build their capacity to act effectively during proceedings. The workshop also aimed at empowering staff and officials in charge of criminal investigations and prosecutions to take ownership of the new techniques of financial investigation in AML/CFT with a view to improving efficiency of the FIUs on this matter.

✓ ***Technical Assistance to Ghana for the Conduct of National Risk Assessment***

554. Ghana is the second GIABA Member State to benefit from GIABA's support to Member States in relation to the conduct of National Risk Assessment (NRA). GIABA and the World Bank are cooperating to assist GIABA Member States who opted for the World Bank tools in conducting their NRAs. In this regard, GIABA and the World Bank conducted the first workshop under the World Bank NRA process in September 2014 in Accra. The workshop provided initial findings, identified missing data and proposed milestones with timelines for the entire process. The workshop brought together about eighty (80) middle and senior level officials drawn from various MDAs including regulators, law enforcement, financial institutions, DNFBPs, FIU and civil society organizations. The second phase of the NRA process will last for eight months to enable the various technical groups complete their data collection and analysis. The second workshop is expected to be held in June 2015.

#### ***4.4.5 Promoting Partnership With Civil Society And Professional Organisations***

✓ ***GIABA Open House for Youth Sensitization***

555. As part of GIABA's ongoing efforts to ensure that national stakeholders are more involved in the fight against money laundering and terrorist financing in West Africa, an Open House was held for youths of Liberia on 7th April, 2014 in Monrovia. The forum aimed at mobilizing and sensitizing youths from universities and colleges, civil society and the media in the fight against the laundering of proceeds of crime and financing of terrorism.

✓ ***Regional Sensitization Workshop on AML/CFT for Civil Society Organizations (CSOs)***

556. In the continuous effort to strengthen the partnership with CSOs in the fight against ML/TF, a regional sensitization workshop on AML/CFT was organized in Abidjan, Cote d'Ivoire in March, 2014. This was the 2nd regional programme to sensitize CSOs on ML/TF issues in the region to get CSOs to be actively committed to disseminating information on AML/CFT to the grassroots; establish links and a solid network of CSOs engaged in the fight to share experiences and knowledge; and to enhance their capacity and take ownership of the fight against ML/TF. The workshop was attended by fifty two (52) participants representing the different CSO platforms.

✓ ***National AML/CFT Sensitization Workshop for DNFBPs – Niamey***

557. GIABA, in its effort to support Member States to comply with international AML/CFT standards, organized a national sensitization workshop for the DNFBP sector in Niamey, Niger in collaboration with CENTIF-Niger, in May 2014. The objective of the workshop was to sensitize and build the capacity of participants from the sector in recognizing, detecting and reporting suspicious activities to the FIU. The event saw the active participation of over 40 practitioners from the liberal professions (lawyers, notaries, bailiffs, accountants, real estate agents, travel agents and agencies, gaming institutions and car hire services) as well as their regulators/supervisory authorities and members of CENTIF-Niger.

✓ ***National Sensitization Workshop for Designated Non-Financial Businesses and Professions (DNFBPs) in the fight against money laundering and terrorist financing***

558. In June 2014, GIABA in collaboration with the FIU-Mali jointly organized a national sensitization workshop for DNFBPs in the fight against money laundering and terrorist financing. The workshop's main objectives were to assist staff of DNFBP and self-regulatory agencies to get accustomed to the revised FATF standards and capacity building in the effective implementation

of the said standards on one hand, and also to provide an opportunity for DNFBP officers and staff to know and take ownership of the new guidelines on AML/CFT due diligence measures.

#### **4.4.6 Regional and International Cooperation**

##### **✓ Roundtable for the Leaders of the Africa Mobile Policy Initiative (AMPI)**

559. The GIABA Secretariat attended the Roundtable for the Leaders of the Africa Mobile Policy Initiative (AMPI) held in Naivasha, Kenya in February 2014. The meeting was organized by the Alliance for Financial Inclusion in partnership with the Central Bank of Kenya. The meeting was attended by representatives of Central Banks and Ministries of Finance and Economic Development from African countries who are members of AMPI and the AFI network, representatives of the private sector, commercial banks, microfinance institutions, telecommunications companies and electronic card service providers, as well as development partners (among others: CGAP, AFRITAC, AfDB, GIABA and ESAAMLG).

##### **✓ Meetings of the Egmont Committee and Working Group**

560. The GIABA Secretariat attended the meetings of the Egmont Committee and Working Group held in Budapest, Hungary, from in February, 2014 with a view to enhancing its role in strengthening and promoting GIABA Member States' FIUs memberships to the Egmont Group. Applications from three FIUs in the region (Ghana, Cape Verde, and Niger) were reviewed during the meeting. The Ghana FIC was admitted at the June 2014 Egmont Group Plenary. In addition, the Group agreed in principle for Cote d'Ivoire to host the 2018 Egmont Group Plenary. The Director General also advocated for official visits of the Group to some GIABA Member States and to engage Parliamentarians and Government officials.

##### **✓ Franc Zone Anti-money Laundering Liaison Committee (CLAB) Meeting**

561. The GIABA Secretariat attended the annual CLAB meeting that was held on February 21<sup>st</sup>, 2014 in Yaoundé (Cameroon), under the presidency of the Bank of Central African States (BEAC). The Committee noted recent positive developments such as more effective functioning of Financial Intelligence Units (FIUs), increasing membership in the Egmont Group, extending the AML/CFT mechanism to new categories of reporting entities, access to the status of FATF observer. However, progress in the implementation of AML/CFT should be fast-tracked and intensified. The provisions applicable in the Franc Zone that contain weaknesses might be prejudicial under the reviewed FATF recommendations.

##### **✓ National and Regional Workshops on Methodological Approach in Combating Fraud in the Diamond Sector**

562. On the invitation of the European Union Commission and the Secretariat of the Kimberley Process for Côte d'Ivoire, GIABA attended the "National and Regional Workshops on methodological approach in combating fraud in the diamond sector" held in Grand Bassam, Côte d'Ivoire, from 2nd to 3rd March and from 4th - 6th March, 2014 respectively. Both workshops were part of the transition strategy developed by Cote d'Ivoire for the lifting of the rough diamond export embargo. The objective of the national workshop was to develop a methodological approach which would involve all stakeholders in combating fraud in the production and marketing of Ivorian diamonds. The regional workshop's objective was to develop a comprehensive strategy for the harmonization of policies and procedures in combating smuggling and illicit financial flows relating to diamonds produced in the Mano River Union Member States namely, Côte d'Ivoire, Guinea, Liberia, and Sierra Leone.

✓ ***Eighth Meeting of the Coordinating Committee of the ECOWAS Strategic Planning (CCSP)***

563. The 8th Meeting of the Coordinating Committee of the ECOWAS Strategic Planning (CCSP) was held in Freetown, Republic of Sierra Leone, from 3rd to 8th March 2014. The meeting's objectives were to review the CCSP's Technical Sub-Committee's reports. The Technical Sub-Committee, responsible for coordinating the preparation of the Conceptualization of Community Strategic Framework (CSF) and the study on the institutional architecture of ECOWAS, produced the final versions of the documents below for consideration by the larger CCSP: Roadmap for the development of the CSF and strategic plans for institutions; Request for consulting services for the development of the CSF; Budget for the CSF and Strategic Plans for Institutions; and Terms of Reference and Budget for the study on the institutional architecture of ECOWAS. Under the Chairmanship of the Vice-President of ECOWAS, the CCSP reviewed and adopted the reports, subject to amendments to be incorporated.

✓ ***Private Sector Advisory Forum***

564. The FATF invited FSRBs and relevant private sector entities to participate in the above forum which was held in March 2014 in Brussels, Belgium, to address issues regarding updating FATF risk based approach guidance papers, primarily to take into account the changes in the February 2012 FATF Recommendations. The main objectives of the Forum was to get an update on the current AML/CFT issues for the private sector (money service businesses, banking and legal professionals), and to have an initial exchange of views on issues to consider for the future revision of the existing RBA Guidance for the relevant professionals.

✓ ***Franc Zone Finance Ministers' Meeting***

565. GIABA attended the biannual meeting of the Ministers of Finances of the Franc Zone held in Malabo, Equatorial Guinea on 03-04 April 2014. The objective of the meeting was to validate the report of the Anti-money Laundering Liaison Committee (CLAB) on the "anti-money laundering situation in the Franc Zone".

#### **4.5 ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)**

566. In line with its mission, the ECOWAS Bank for Investment and Development (EBID) undertook activities that sought to increase its interventions in Member States, improve upon governance and strengthen initiatives for resource mobilisation to finance its operations.
567. This report covers activities of the Bank for the first half of the year and includes: (I) the activities of the decision-making bodies; (II) administrative activities; (III) loan operations; (IV) resource mobilisation initiatives; and (V) interim financial situation as at the end of June 2014.

##### **4.5.1 Activities Of Decision-Making Bodies**

###### **✓ Board of Governors**

568. During the period under review, the Board of Governors held its 12th ordinary session on 16<sup>th</sup> June, 2014 in Monrovia, Liberia. The activity report was adopted at this session. Furthermore, the accounts of the Bank for 2013 were approved. The meeting also examined and approved:
- Directives to offer the shares of EBID for subscription by non-regional partners;
  - Request for equity participation in EBID by Arcode Europe;
  - Request for the renewal of the mandate of EBID's External Auditor;
  - Request to review the conditions of service of the President of EBID;
  - Revision of the allowances and conditions of service of members of EBID's decision-making bodies;
  - Appointment of Directors;

###### **✓ Board of Directors**

569. In the first two quarters of 2014, the Board of Directors of EBID held its 44th and 45th meetings on 24th April and 2nd June, 2014 respectively, in Lome, Togo.
570. At these sessions the Directors approved the financing of four (4) projects in three (3) Member States namely: Benin, Niger and Ghana.

##### **4.5.2 Administrative and Modernisation Activities of the Bank**

###### **✓ Human Resource Management**

571. As at 30<sup>th</sup> June, 2014 the full complement of Bank staff were 144 employees of which 94 were permanent staff.
572. The main staff movements during the period under review were six departures, of which four were retirements, and five recruitments, of which one was the Vice President for Operations. These movements are summarized in the table below.



Table 2: EBID Staff Complement as at 30<sup>th</sup> June, 2014

Socio-Professional Category	Staff			
	31/12/2013	Recruitment	Departure	30/06/2014
President	1	0	0	1
Vice-President	1	1	0	2
<b>Management Staff</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>3</b>
Professional Staff (D & P)	48	0	3	45
Support Staff (G & M)	50	2	3	49
<b>Total Permanent Staff</b>	<b>98</b>	<b>2</b>	<b>6</b>	<b>94</b>
				0
Staff Obtained through Outsourced Arrangements	42	2	0	44
Contract Staff	3	0	0	3
<b>Total Contract Staff</b>	<b>45</b>	<b>2</b>	<b>0</b>	<b>47</b>
				0
<b>Total</b>	<b>145</b>	<b>5</b>	<b>6</b>	<b>144</b>

Source: EBID (Department of Administration)

573. Regarding the "capacity building" component, six (6) members of staff took part in training on the following:

- legal and commercial aspects for successful PPPs;
- social service management;
- optimal management of archives in the digital age;
- practice of documentary credit;
- practice of the fight against money laundering.

#### ✓ *Status of the EBID Building Rehabilitation Works*

574. With respect to the rehabilitation of the Bank's headquarters building, the Board of Directors' meeting held on 21<sup>st</sup> December, 2010, approved a budget in the amount of UA 4.7 million, equivalent to FCFA 3.7 billion. In view of the increase in works resulting from the time lapse between studies and implementation of works on the one hand, and the improvement of techniques considered to be relevant to the project, taking into consideration environmental concerns, savings in energy consumption, water and optimisation of the building's functionality on the other hand, a supplementary budget in the amount of FCFA 500 million was granted by the 43rd session of the Board of Directors held on 20th December, 2013 which brought the overall package to FCFA 4.21 billion.

575. Works to be implemented were organized into four (4) phases, namely:

- Phase 1: general studies and design of works to be implemented and preparation of dossiers relating to the call for tenders;
- Phase 2: publication of the call for tenders, reception of tenders, processing of tenders and awarding of contracts;
- Phase 3: implementation of works, supervision of works implemented;

- **Phase 4:** reception of works and handing over of the documentation required for the use of the building and technical management of the building.

576. The first two stages were completed at the end of June 2014 and works (phase 3) which commenced in March 2013 have reached 33.60% of completion.

#### ✓ **Modernisation of the Information Technology System**

577. In order to equip EBID with an efficient, reliable, secured and upgradable information system in conformity with relevant international standards, the decision-making bodies approved the initiative of Management to implement an innovative master plan.

578. The implementation of the master plan started in 2010 and, among other things, enabled the migration to a new information network, deployment of new IT hardware, full replacement of the Bank's financial management application platform, and configuration of work stations in accordance with the requisite existing security standards.

579. During the first two quarters of 2014, activities focused on ownership of the new tools for adoption by the Bank's authorities and their implementation.

#### ✓ **Strengthening of Governance**

580. At the instance of the Audit, Credit and Risk Committees of the Board of Directors, several actions were undertaken by the Departments of Audit and Risk Analysis as part of measures to strengthen governance of the Bank and control of its activities.

581. In this regard, as part of its programme of activities for 2014, the Department of Internal Audit and Evaluation of Operations undertook several assignments relating mainly to the audit of the budget, audit of the vehicle pool, audit of procurement of goods and services and procedures including two missions on recruitments, professional training and expenditure accounts. Finally, the Department undertook a fact-finding mission to the African Development Bank in respect of post project evaluation.

582. The main activities carried out by the Department of Risk Analysis included the finalisation of the general report of the 4th self-evaluation of the Bank in line with AADFI standards. According to the report, the Bank's rating had improved from B to A. Furthermore, the Department prepared the documents required for operations of the Provisioning and Assets-Liability Management Committees. Finally, the Department closed the FDA assistance project in EBID by preparing a technical and financial implementation report which was forwarded to the partner on 27 June 2014. It should be pointed out that the technical assistance which covered risks, anti-money laundering and countering the financing of terrorism, social and environmental responsibility, made it possible to broadly achieve the following:

- preparation of fifteen (15) policy documents adopted by the Board of Directors of the Bank;
- reorganization of the Department of Risk Analysis into Sub-Divisions and increase in staff strength;
- strengthening the functions of the Legal Services Division and Unit in Charge of the Environment respectively;
- the creation of four (4) operational committees namely: ALCO Committee, the Committee on Portfolio and Provision, Information Technology Committee and the Information Security Committee;

- the recruitment of four (4) professional staff: ALM Officer, Risk Analyst, Treasurer, Environmentalist and the appointment of an Anti-Money Laundering and Compliance Officer.

583. With regard to finance, 377 500 Euros was disbursed from the amount of 500 000 Euros subvention granted by FDA, representing a utilization rate of 75%.

#### 4.5.3 Operational Activities

584. During the period under review, the Bank's operational activities consisted mainly of project appraisals, approval of loans, signing of loan agreements and project supervision.

#### ✓ Project Appraisals

585. Six (6) projects were appraised in the amount of UA 50 million, equivalent to US \$77.4 million. Three (3) of the projects were from the public sector and three (3) from the private sector.

Table 3 : Projects Appraised from 1 January to 30 June 2014

	N°	Project	Country	Sector	Type	Request (in UA)
Public	1	Upgrading and reinforcement of the Parakou-Djougou Road (136.6 Km) Project in the Republic of Benin.	Benin	Infrastructure / Road	Loan	5 424 991
	2	The Savalou and Glazoué Markets Project, in the Republic of Benin	Benin	Infrastructure	Loan	1 021 092
	3	Additional Funding of the Kandadji Ecosystems Regeneration and the Niger Valley Development Programme, Project (P-Kresmin)	Niger	Energy	Loan	1 609 021
	Sub - Total 1					8 055 104
Private	4	Rehabilitation and Development of an Industrial Plantation of Oil Palms Project in Liberia by SIFCA Group (MOPP)	Liberia	Agricultural Industry	Loan	12 960 000
	5	Construction of the 220MW Power Station and Dual-Fuel Conversion Works on the Station Reserved for Mining Companies at Kpone and Tema in the Republic of Ghana (VRA Power Project)	Ghana	Energy	Loan	19 468 383
	6	Construction of Tank Farm at Tema Heavy Industrial Area (Deen petroleum)	Ghana	Energy/Gas	Loan	9 734 192
	Sub - Total 2					42 162 575
TOTAL						50 217 679

#### ✓ Loan Approvals

586. During the first half of 2014, the Board of Directors of the Bank approved the financing of four (4) projects in the amount of UA 19.5 million, equivalent to about US\$27.5 million, as indicated in the table below.

Table 4: Projects Approved between 1<sup>st</sup> January and 30<sup>th</sup> June, 2014

	N°	Projects	Country	Sector	Type	Request (in UA)
Public	1	Upgrading and reinforcement of the Parakou-Djougou Road (136.6 Km) Project in the Republic of Benin.	Benin	Infrastructure/Road	Loan	5 424 991
	2	The Savalou and Glazoué Markets Project, in the Republic of Benin	Benin	Infrastructure	Loan	1 021 092
	3	Additional Funding of the Kandadji Ecosystems Regeneration and the Niger Valley Development Programme, Project (P-Kresmin)	Niger	Energy	Loan	1 609 021
	Sub - Total 1					8 055 104
Private	4	Construction of the 220MW Power Station and Dual-Fuel Conversion Works on the on the Station Reserved for Mining Companies at Kpone and Tema in the Republic of Ghana (VRA Power Project)	Ghana	Energy	Loan	19 468 383
	Sub - Total 2					19 468 383
TOTAL						27 523 487

587. The approvals bring the total number of projects approved from the ECOWAS Fund to date to 227, in the amount of UA 1.3 billion. However, compared to the 2012-2014 Strategic Plan, they represent only 13.2% of the annual provisions for 2014.

✓ **Project Supervision**

588. During the period under review, five (5) public sector projects were supervised. However, there were no private sector projects scheduled for supervision.

✓ **Loan Agreements**

589. Between 1<sup>st</sup> January and 30<sup>th</sup> June, 2014, seven (7) loan agreements were signed with Burkina Faso, Mali, Niger, Senegal, Ghana, Gambia and Sierra Leone in the amount of UA 42.7 million, equivalent to US \$65.8 million, of which 61.1% was for the private sector. Details are shown in the table below.

Table 5: Loan Agreements Signed between 1<sup>st</sup> January and 30<sup>th</sup> June, 2014

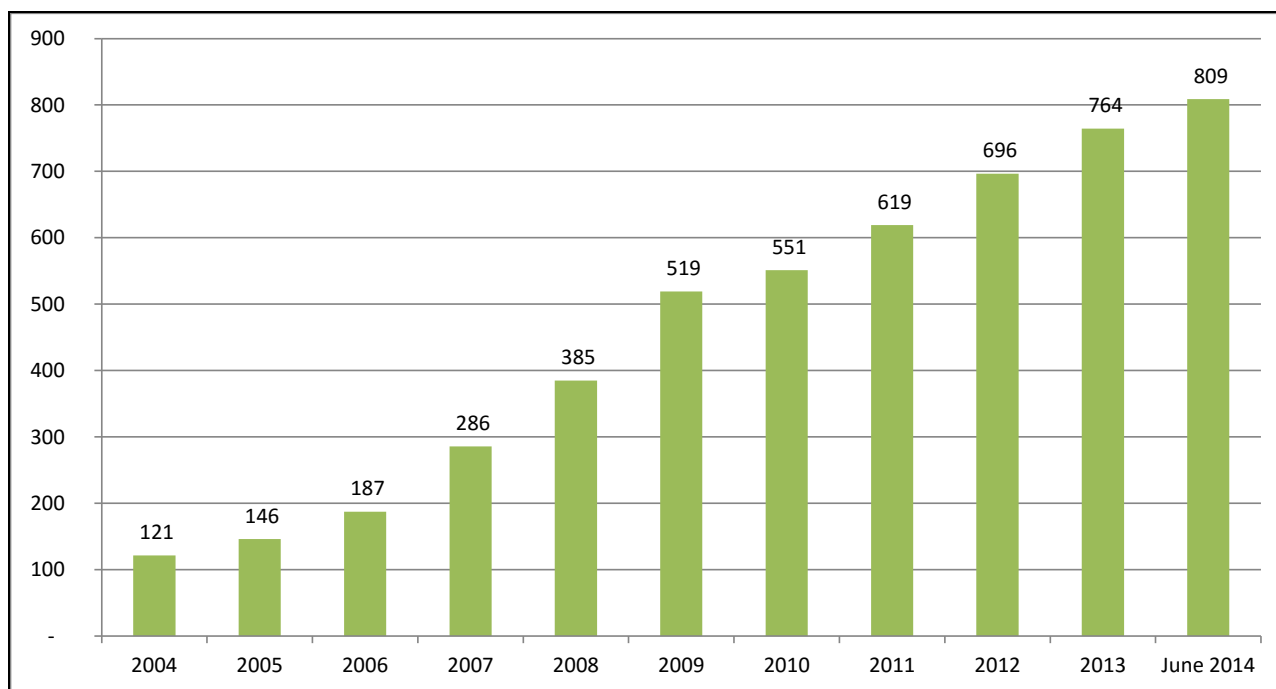
	N°	Projects	Country	Sector	Type	Date of signature	Request (in UA)
Public	1	Loan Agreement Relating to the Rehabilitation of the cu9 Community Road and Facilitation of Transport in the (28 km) Tenkodogo- Ouada Stretch in the Lome-Ouagadougou corridor	Burkina Faso	Infrastructure / Road	Loan	10/01/2014	4 847 346
	2	Partial Financing of the Refurbishment and Bituminous Surfacing of Niamey City Roads Project : Goudel-Tondibia-Tondikoirey-RN1 West (13 650 km)	Niger	Infrastructure / Road	Loan	20/03/2014	5 294 839
	3	Partial Financing of the Extension of the Rural Electrification Network Phase II Project in the Gambia	The Gamb ia	Energy	Loan	27/03/2014	6 470 397
	Sub-Total 1						16 612 582
Private	4	Partial Financing of the Mbour Rural Electrification Concession Project by SCL ENERGIE SOLUTIONS SA Company	Senegal	Infrastructure / Energy	Loan	23/01/2014	3 025 565
	5	Partial Financing of the Granting of A New Line of Credit to the Banque Malienne de Solidarité (BMS SA) Project	Mali	Services	Loan		6 729 868
	6	Partial Financing of the Procurement of Mining Equipment, Working Capital and Debt Restructuring for Engineers & Planners Company Limited, Project	Ghana	Industry	Loan		13 009 484
	7	Refinancing of a Short Term Loan and the Financing of of 75 000 Gas Cylinders for AFRIGAS (SL) Ltd	Sierra Leone	Industry	Loan		3 320 781
	Sub - Total 2						26 085 698
TOTAL							39 311 240

Source: EBID/DRSP

✓ **Commitments of EBID as at 30<sup>th</sup> June, 2014****- Status of Commitments**

590. As at the end of June 2014, the net commitments of the Bank in favour of Member States were in the amount of UA 808.8 million or US \$1.246 billion in respect of 135 active projects. The new commitments bring the Bank's total interventions in Member States to 193 projects, amounting to UA 1.07 billion, equivalent to US \$1.6 billion.
591. In terms of the implementation of the 2010-2014 Strategic Plan, the new commitments in 2014 represent 20.5% of the annual projections.
592. As shown in the graph below, after just over ten (10) years of activity (2004- June 2014), the Bank has multiplied its net commitments by 6.7, from UA121 million to UA 808.8 million.

Figure 25: Trends in EBID Net Commitments between 2004 and June 2014 (millions of UA)



Source: DRSP

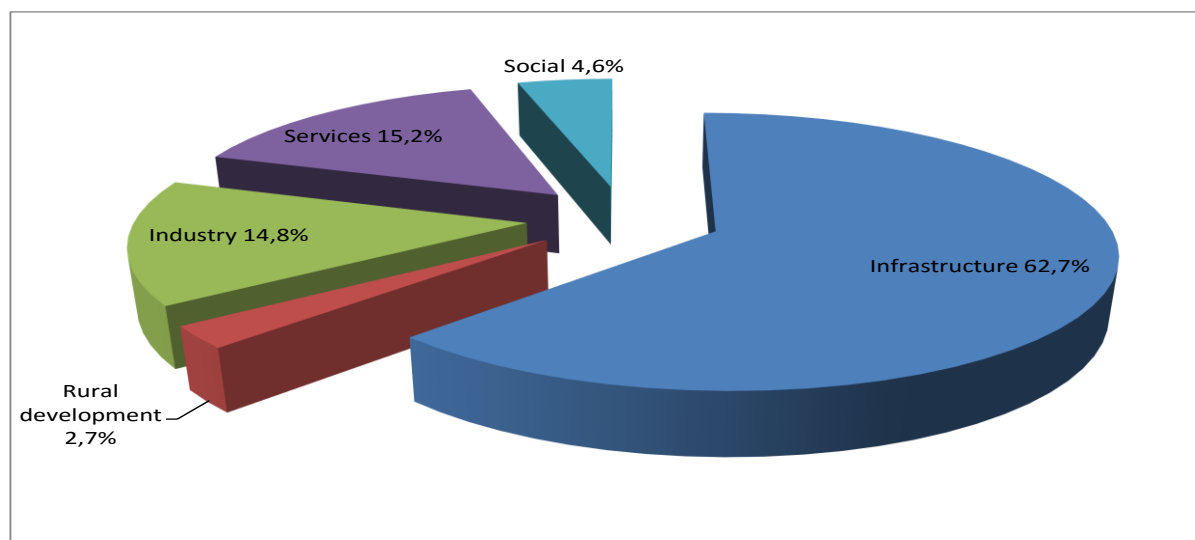
593. Compared to December 2013, when commitments were in the amount of UA764 497 448, the commitments as at 30 June, 2014 constitute an increase of 5.8%.

#### - Breakdown of Commitments

##### By Sector of Activity

594. EBID continues to focus its interventions on infrastructure financing in all sectors in particular, electricity interconnection projects, construction of inter-State highways, ports development or equipment, opening-up of rural areas, and development of digital coverage.

595. These projects take up 62.7% of the Bank's net commitments as indicated in the graph and table below:

Figure 26 : Breakdown of Net Commitments by Sectors as at 30<sup>th</sup> June, 2014 (%)

Source: EBID (DRSP)

596. As shown in the table below, only the «industry», «services» and «infrastructure» sectors received funding in the first half of 2014.

Table 6: Trends in Net Commitment of EBID by Sectors between Dec 2013 and June 2014 (UA)

TYPE OF INTERVENTION	Sector	December 2013		June 2014		Variation (%)	
		Num	Amount	Num	Amount	Num	Amount
Loan	Infrastructure	63	474 016 203	72	497 090 729	14.3	4.9
	Rural Development	7	21 488 624	7	21 488 624	0.0	0.0
	Industry	14	93 373 403	15	106 594 050	7.1	14.2
	Services	16	88 134 926	17	95 222 154	6.3	8.0
	Social	5	37 090 117	5	37 090 117	0.0	0.0
	<b>Total Loans</b>	<b>105</b>	<b>714 103 273</b>	<b>116</b>	<b>757 485 674</b>	<b>10.5</b>	<b>6.1</b>
Equity Participation	Services	13	27 163 615	15	28 089 870	15.4	3.4
	<b>Total Equity Participation</b>	<b>13</b>	<b>27 163 615</b>	<b>15</b>	<b>28 089 870</b>	<b>15.4</b>	<b>3.4</b>
Guarantee	Infrastructure	2	9 897 650	2	9 897 650	0.0	0.0
	Industry	2	13 332 910	2	13 332 910	0.0	0.0
	Services	-	-	-	-		
	<b>Total Guarantees</b>	<b>4</b>	<b>23 230 560</b>	<b>4</b>	<b>23 230 560</b>	<b>0.0</b>	<b>0.0</b>
<b>COMMITMENTS</b>		<b>122</b>	<b>764 497 448</b>	<b>135</b>	<b>808 806 104</b>	<b>10.7</b>	<b>5.8</b>

Source: EBID/DRSP

597. **By Area of Intervention:**

598. As at 30th June, 2014, EBID's net loans for the financing of public sector projects amounted to UA 476 728 434 in respect of 72 projects, representing 58.9% of the Bank's total commitments.

599. With regard to support to development and promotion of the private sector, the Bank has 63 projects in the amount of UA 332 077 406 (representing 41.0% of net outstanding commitments) in its active portfolio.

600. Compared to their levels as at 31/12/2013, the Bank's net loans to the public sector increased by 4.3% while those for the private sector increased by 8.0%.

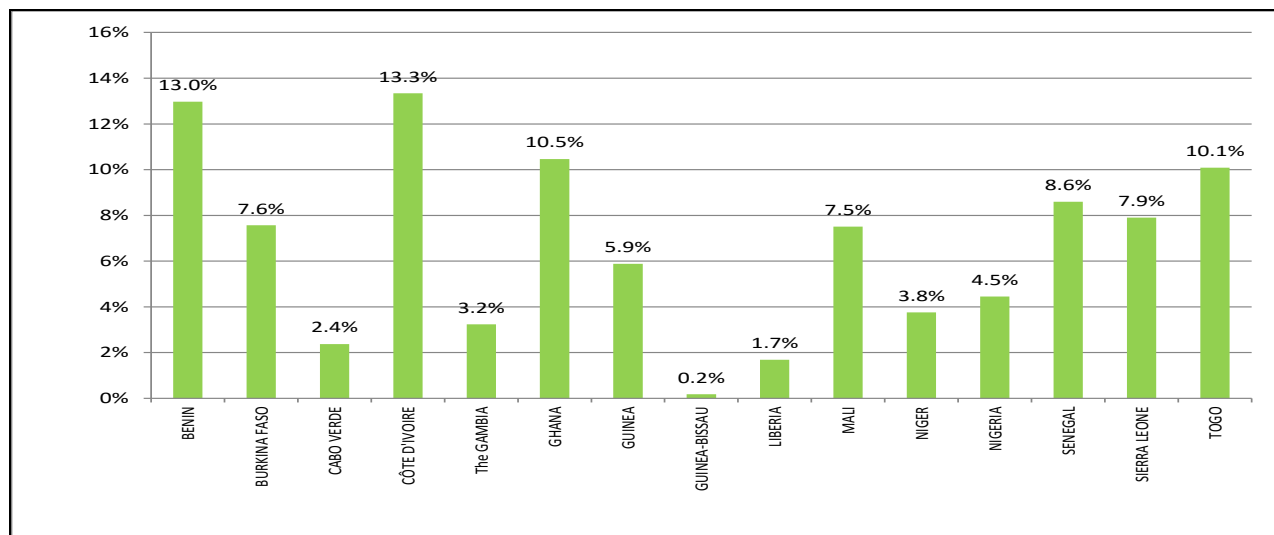
Table 7: Breakdown of EBID's Net Commitments by Sectors as at June 30<sup>th</sup>, 2014

Area of Intervention	Num	Amount UA	Amount US\$	% Commitment
Public Sector	72	476 728 434	734 619 448	58.9
Private Sector	63	332 077 670	511 718 406	41.1
<b>Total</b>	<b>135</b>	<b>808 806 104</b>	<b>1 246 337 854</b>	<b>100</b>

Source: DRSP

➤ **By Country:**

601. Although all Member States benefit from the Bank's assistance, the distribution of the Bank's net commitments, presented in the table below, shows that the bulk of the Bank's assistance went to the following countries: Côte d'Ivoire (13.3%), Benin (13.0%), Ghana (10.5%) and Togo (10.1%).

Figure 27: Breakdown of net Commitments by Country as at 30<sup>th</sup> June, 2014 ( % )

Source: EBID (DRPS)

602. As shown in the table below, during the period under review, the bulk of the Bank's interventions went to the following countries which recorded an increase in loans granted by the Bank: the Gambia (+32.9%), Ghana (+18.4%), Mali (+14.4%), Burkina Faso (+8.7%) and Senegal (+5.3%).

Table 8: Breakdown of Net Commitments by Country as at 30<sup>th</sup> June, 2014 (in UA)

Country	Commitment as at the End of Dec. 2013	Commitment as at the End of June 2014	Variation (%) Dec. 2013 / June 2014	Part (%)
	UA	UA		
BENIN	104 930 848	104 930 848	0.0	13.0
BURKINA FASO	56 285 024	61 177 138	8.7	7.6
CAPE VERDE	19 180 804	19 180 804	0.0	2.4
CÔTE D'IVOIRE	107 630 504	107 887 318	0.2	13.3
The GAMBIA	19 683 339	26 153 736	32.9	3.2
GHANA	71 482 226	84 647 344	18.4	10.5
GUINEA	47 160 132	47 588 580	0.9	5.9
GUINEA-BISSAU	0	1 421 512		0.2
LIBERIA	13 573 893	13 592 966	0.1	1.7
MALI	53 124 048	60 758 179	14.4	7.5
NIGER	25 007 151	30 421 733	21.7	3.8
NIGERIA	35 997 901	35 992 851	0.0	4.5
SENEGAL	66 018 101	69 549 689	5.3	8.6
SIERRA LEONE	63 896 171	63 896 171	0.0	7.9
TOGO	80 527 306	81 607 235	1.3	10.1
<b>TOTAL</b>	<b>764 497 448</b>	<b>808 806 104</b>	<b>5.8</b>	<b>100.0</b>

Source: EBID (DRSP)

### ✓ Disbursements

603. In the first half of 2014, the Bank disbursed UA 58.8 million thus bringing total disbursement for all the active projects to UA 477.6 million of which UA 416.3 million, was in respect of loans.

604. Compared to the Bank's net commitments, this total represented 59.1% as at 30th June, 2014.

605. On the basis of reimbursements made, loans outstanding amounted to UA 342.4 million as at 30<sup>th</sup> June, 2014. The summary of loans outstanding per country is shown in the table below:



Table 9: Breakdown of Loans outstanding by Country as at 30<sup>th</sup> June, 2014 (in UA)

Country	Nu	Commitmen	Disbursement	Undisburse	Princ. Due	Reimb. Princ.	Loan Outstanding	
							Amount	Part (%)
BENIN	17	104 613 557	50 930 935	45 939 722	15 630 084	14 458 111	36 472 824	9.7
BURKINA FASO	11	60 232 193	31 811 478	28 420 715	8 739 992	7 708 176	24 103 302	6.4
CAPE VERDE	5	19 180 804	11 642 957	7 537 847	942 415	929 712	10 713 245	2.9
CÔTE D'IVOIRE	10	83 104 805	39 100 862	44 003 943	8 233 520	7 443 060	31 657 802	8.4
GAMBIA	4	26 153 736	12 153 147	14 000 589	1 029 759	951 308	11 122 291	3.0
GHANA	10	84 647 344	42 618 010	42 029 334	1 940 276	1 813 946	40 806 150	10.9
GUINEA	6	47 588 580	35 246 015	12 342 565	9 289 214	5 460 344	29 533 253	7.9
GUINEA-BISSAU	4	1 421 512	1 421 512	-	1 020 584	136 419	1 285 093	0.3
LIBERIA	3	12 273 951	11 531 706	742 245	-	548 774	10 982 932	2.9
MALI	10	60 758 179	46 191 399	14 566 780	2 962 006	2 620 658	43 570 741	11.6
NIGER	7	30 421 733	7 834 801	22 586 932	173 900	145 200	7 689 601	2.0
NIGERIA	4	35 992 851	16 511 619	19 481 232	4 817 128	3 157 224	13 354 395	3.6
SENEGAL	9	69 549 689	50 146 757	19 402 932	23 381 241	19 681 560	30 465 197	8.1
SIERRA LEONE	5	63 896 171	53 238 116	10 658 055	5 306 402	3 698 578	49 539 538	13.2
TOGO	11	57 650 569	39 172 225	18 478 344	5 381 504	5 054 566	34 117 659	9.1
LOANS	116	757 485 674	449 551 539	300 191 235	88 848 025	73 807 636	375 414 023	100.0

Source: EBID (DRSP)

#### 4.5.4 Co-operation and resources mobilization activities

606. The implementation of co-operation, partnership and financial resource mobilization activities is a key component of the strategic development of EBID. The Bank is pursuing the twin-objectives of improving its public profile within the Community, among development partners and the mobilization of adequate resources to enhance its project financing activities to ensure profitability and sustainability.

##### ✓ Co-operation and Partnership Activities

607. With regard to co-operation and partnership, the major activities undertaken during the first half of 2014 was related to the implementation of the technical assistance programme signed with the AfDB on 4<sup>th</sup> March, 2013, financed with a grant of US \$950,400 from the Fund for African Private Sector Assistance (FAPA).

608. Furthermore, by virtue of Resolution N° RES.5/06/14/CGO/OBG/BIDC/EBID/ dated 16 June 2014, the Board of Governors of the Bank opened the capital of the Bank to non-regional members. The Board also approved 15% participation from Accorde Europe in the portion reserved for non-regional members.

##### ✓ Resource Mobilization Activities

609. Resource mobilization activities focused on capital resources, borrowed resources and special resources.

610. **With respect to capital resources**, the Bank recorded UA 3.84 million paid by Mali and Togo during the period under review. However, the Bank continues to engage Member States in discussions to pay the second tranche of capital called up in 2011 and the arrears of the first tranche.

611. **As regards borrowings**, the main progress made during the period under review related to:

- the issue of a debenture loan in the amount of FCFA 40 billion, raised on the UEMOA financial market as approved by the Board of Directors during its 41st Session held on 28<sup>th</sup> June, 2013. The transaction was successful with FCFA 65 billion subscriptions representing, FCFA 25 billion more than the amount of issue.
- the disbursement of US \$20 million from a US \$40 million line of credit negotiated with Afreximbank;
- continuation of discussions with Finnish investors interested in financing a bio-energy project in Ghana through EBID;
- continuation of discussions with Arcode-Europe Ltd to participate in the capital of EBID in the amount of 500 000 000 Euros.
- Discussions with China-EximBank to obtain a line of credit to finance development programmes in the sub region.

612. Special Resources relate mainly to the mobilization of resources within the Community, such as a portion of the Community levy. No significant progress was recorded over the issue during the first half of 2014. However, during the 72nd ordinary session of the ECOWAS Council of Ministers held in Accra on 19-20 June, 2014, it directed the two institutions to make concrete proposals to implement the decision of ECOWAS Heads of State.

613. Furthermore, following the decision of the Council of Ministers to allocate an annual amount of US \$3 million to the EBID Interest Rate Subsidy Fund, the Bank's top Management commenced discussions with the ECOWAS Commission to agree on the modalities for the transfer of the funds. A memorandum of understanding was forwarded to the ECOWAS Commission for consideration.

- Overall, the issue of resource mobilization remains the Bank's major challenge given the immense requests for the financing of projects and programmes in the sub-region and in each of the fifteen ECOWAS Member States. In this context, the contribution of Member States to the capital and access to resources of the Community Levy are viable alternatives to enable the Bank enhance its own resources and grant concessional facilities to the public sector.

#### **4.5.5 Financial Situation Of The Bank As At 30<sup>th</sup> June, 2014**

614. As at 30<sup>th</sup> June, 2014, the Bank's financial situation was as follows:

##### **✓ Balance Sheet Trends between June 2013 and June 2014**

615. Compared to December 2013, analysis of the Bank's interim accounts at the end of the 1st half of the current financial year shows a net increase of 20.6% in the balance of assets and liabilities, posting UA 486.7 million at the end of June 2014 against UA 403.6 million as at 31st December, 2013.

616. Compared to June 2013, there was a net increase of 30.1% in the balance sheet resulting, mainly from a 121.0% increase in short term placements made after the mobilization of the FCFA 40 billion debenture loan. Loans to Member States increased by 14% between January and June, 2014.

Table 10: The Bank's Balance Sheet Trends between June 2013 and June 2014 (in thousands of UA)

ITEM	30/06/2013	31/12/2013	30/06/2014	Variation (%)	
				June 14 / June 13	June 14 / Dec. 13
<b>ASSET</b>					
Cash and Bank Accounts	1 451	3 427	1 872	29.0	-45.4
Short Term Investments	46 764	29 969	66 233	41.6	121.0
Loans to Member States	275 042	318 823	363 502	32.2	14.0
Inter-Institutional Accounts	961	463	838	-12.8	80.8
Other Receivable Balances	12 242	11 985	13 969	14.1	16.6
Long Term Investment	21 263	22 317	22 652	6.5	1.5
Fixed Assets	16 373	16 622	17 504	6.9	5.3
<b>Total Assets</b>	<b>374 096</b>	<b>403 607</b>	<b>486 569</b>	<b>30.1</b>	<b>20.6</b>
<b>LIABILITY</b>					
Payable balances	7 431	6 756	7 478	0.6	10.7
Borrowings	173 352	204 265	279 822	61.4	37.0
Inter-Institutional Accounts	143	1 499	1 522	961.7	1.5
Capital	153 280	162 302	166 105	8.4	2.3
Free Reserves	30 538	18 792	21 461	-29.7	14.2
	<b>364 744</b>	<b>393 614</b>	<b>476 388</b>	<b>30.6</b>	<b>21.0</b>
Minority Interest	9 352	9 993	10 182	8.9	1.9
<b>Total Liability</b>	<b>374 096</b>	<b>403 607</b>	<b>486 569</b>	<b>30.1</b>	<b>20.6</b>
<b>OFF-BALANCE SHEET</b>					
Guarantees Outstanding	27 747	23 231	23 231	-16.3	0.0

✓ **Trends in Income Statement between June 2013 and June 2014**

617. At the end of June 2014, the interim income statement of the Bank posted a surplus of UA 2.7 million in conjunction with the good performance of interest and commission on loans.

Table 11 : Income Statement between June 2013 and June 2014 (in thousands of UA)

ITEM	30/06/2013	31/12/2013	30/06/2014
<b>INCOME</b>			
Interest and Commission on Loans	7 571	17 564	9 866
Interest on Placements	163	489	707
Debt interest	-2 057	-7 041	-3 992
<b>Net Interest</b>	<b>5 678</b>	<b>11 011</b>	<b>6 582</b>
Dividends	0	0	0
Other Income	166	418	138
<b>Total Income</b>	<b>5 844</b>	<b>11 430</b>	<b>6 720</b>
<b>EXPENSES</b>			
Personnel Costs	2 164	5 551	2 389
Other Operating Costs	1 061	2 385	852
<b>Total Cost</b>	<b>3 226</b>	<b>7 936</b>	<b>3 241</b>
<b>Gross Operating Income</b>	<b>2 618</b>	<b>3 493</b>	<b>3 478</b>
Amortization	-580	-1 182	-504
Provision for loan losses	0	-10 851	0
Gains / Losses from Exchange Rates	-45	-574	-116
<b>Earnings from Operations</b>	<b>1 992</b>	<b>-9 113</b>	<b>2 858</b>
<b>Net Profit / Loss Attributable to Minority Interest</b>	<b>-23</b>	<b>-664</b>	<b>-189</b>
<b>Profit / Loss for the Year Transferred to Income Reserve</b>	<b>1 969</b>	<b>-9 777</b>	<b>2 669</b>

618. During the first half of 2014, the Bank's operational activities were marked by an increase of 20.1% in the balance of assets and liabilities and 5.8% in the volume of commitments, mainly as a result of resources mobilized and loans to Member States.
619. The interim operating account of the Bank showed a surplus of UA 2.7 million after a loss of UA 9.78 million, mainly as a result of provision for losses likely to result from private sector loans.
620. With regard to resource mobilization, the Bank continues to intensify initiatives in the search for financing capable of sustaining its loan portfolio substantially as it is the only way to guarantee the viability and profitability of the institution. In this regard, it raised FCFA 40 billion from the UEMOA financial market. Furthermore, the Bank drew US \$20 million from a line of credit extended by AFREXIM BANK, to cover risks on projects co-financed with AFREXIM BANK.
621. These few favourable developments notwithstanding, the mobilisation of adequate resources, especially within the Community, remains a major challenge to the Bank. Therefore, the payment of the second tranche of capital by Member States will definitely serve as a strong lever to mobilise resources from partners. In this regard, the implementation of the decision of the high authorities of the Community relating to the mobilization of a portion of the Community Levy is a viable and credible alternative that will enable the Bank continue to finance public projects.

## CONCLUSION

622. The 2014 Annual Report presents a comprehensive rundown of key activities carried out during the period under review. It provides satisfactory signals that the guidelines for the implementation of the Commission's 2014 work programme were firmly adhered to despite the serious challenges and setbacks posed by the outbreak of Ebola virus disease.
623. As regards the economic situation, the world economy grew from 3.0 % in 2013 to 3.3 percent in 2014, and is projected to further grow to 3.8 % in 2015. Whilst advanced economies are expected to grow at the rate of 1.8 % in 2014 as against 1.3 % in 2013, emerging markets and developing economies will drive global economic growth in 2014 at 4.4% compared to 4.7% in 2013. In Africa, real GDP growth is expected to rise to 4.8% in 2014 and 5.7% in 2015 as against 4.0% in 2013.
624. In West Africa, real GDP growth is expected to reach 6.3% and 7.1% in 2014 and 2015 respectively as against 5.6% in 2013. This compares favourably with Eastern and Southern African regions whose growth rates in 2014 and 2015 are projected at 6.0% and 6.2%, and 4.0% and 4.4% respectively. The change in the basis for the calculation of Nigeria's GDP in 2014 makes it to emerge as the biggest economy in Africa, accounting for nearly 78% of ECOWAS GDP, followed by Ghana (4.8%), Côte d'Ivoire (4.6%) and Senegal (2.1%).
625. In spite of the current challenges posed by the Ebola outbreak, much progress has been made towards the implementation of the ECOWAS Multilateral Surveillance Mechanism and the Road Map for the ECOWAS Single Currency Programme. The Commission facilitated the establishment of the Presidential Task Force on the ECOWAS Monetary Cooperation Programme to examine progress being made in the effective implementation of the multilateral surveillance mechanism and the roadmap for the ECOWAS Single Currency Programme. In the area of Private Sector development, the Commission made significant progress in the development of the ECOBIZWORLD Market Information System and in translating the draft Common Investment Code and Policy into the three official languages of the Community.
626. With regard to the Economic Partnership Agreement (EPA), negotiations between the EU and West Africa at the level of Experts, Senior Officials and Chief Negotiators have been concluded and approved by the ECOWAS Authority of Heads of State and Government at their summit held in Accra on 10 July 2014. The consensus, among other things, focused particularly on market access offer, financing of the EPA Programme for Development (EPADP), text of the Agreement, including the EPADP Protocol, as well as rules of origin.
627. In the domain of Free Movement and Cross-border cooperation, the Commission has not only commenced the implementation of the Free Movement and Migration project, but has also revitalised the Migration Dialogue for West Africa Process.
628. In the area of infrastructure development, efforts have been directed towards the implementation of the ECOWAS Joint Border Post Programme, Axle Load Harmonization Policy, the Nigeria-Cameroon Multinational Highway and Facilitation Programme as part of the Trans-Africa Highway programme, Abidjan-Lagos Corridor Development Programme and the Trans-Gambia Transport Corridor. Under the Abidjan-Lagos Corridor Development Programme, the Commission, in collaboration with Legal experts from the five Member States, completed a Draft Treaty (Agreement) which was signed by the Presidents of the concerned Member States at the margins of the ECOWAS Summit in March 2014 in Yamoussoukro, Côte d'Ivoire.
629. With regard to Energy, sustained efforts have been directed towards the implementation of emergency programmes for enhancing electrical power supply to The Gambia, Mali and Sierra Leone. Following requests made by the governments of The Gambia, Mali and Sierra Leone, the

ECOWAS Commission undertook full financing of these projects in the form of grants amounting to US\$ 108 million. Activities implemented under the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) includes among others the development of tailored policies and regulatory frameworks to promote renewable energy and energy efficiency technologies and services in the Member States.

630. In the area of regional security, key achievements included the adoption of the ECOWAS Integrated Maritime Strategy (EIMS) at the 44th Summit of Heads of State and Government and the inauguration of the West African Police Chiefs Committee (WAPIS) Office.

631. These achievements are undoubtedly quite encouraging. To accelerate the regional integration process and consolidate the activities of ECOWAS Institutions, it is worth making the following recommendations: Member states are called upon to:

- contribute to the Ebola Special Fund called ECOWAS Solidarity Fund for the Fight against Ebola;
- comply with the provisions of the Community Levy Protocol;
- maintain and strengthen regional infrastructure development efforts, in particular those relating to trade and business competitiveness;
- continue to deepen regional integration by accelerating the implementation of the single currency programme of the Community, free movement of persons and goods, the roadmap on air transport and the effective implementation of the CET on 1<sup>st</sup> January 2015;
- continue efforts to consolidate peace and security in the region.

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## ANNEXES