

COMUNIDADE DOS ESTADOS
DA AFRICA DO OESTE

ECONOMIC COMMUNITY
OF WEST AFRICAN STATES



COMMUNAUTE ECONOMIQUE
DES ETATS DE L'AFRIQUE
DE L'OUEST

ECW/CM/LXXIX
Original: English

EIGHTY - FIRST ORDINARY SESSION OF THE ECOWAS COUNCIL OF MINISTERS

Abuja, 14 - 15 December 2018

FINAL REPORT

ECOWAS Commission
Abuja, December 2018



INTRODUCTION

1. The Eighty - First Ordinary Session of the ECOWAS Council of Ministers was held at the ECOWAS Commission Headquarters, Abuja, Federal Republic of Nigeria, from 14th to 15th December 2018.
2. The following Member States were represented:
 - Republic of Benin;
 - Burkina Faso;
 - Republic of Cabo Verde;
 - Republic of Cote d'Ivoire;
 - Republic of The Gambia;
 - Republic of Ghana;
 - Republic of Guinea ;
 - Republic of Guinea Bissau;
 - Republic of Liberia;
 - Republic of Mali;
 - Republic of Niger;
 - Federal Republic of Nigeria;
 - Republic of Senegal;
 - Republic of Sierra Leone; and
 - Togolese Republic.
3. The following Institutions and Specialised Agencies were represented:
 - ECOWAS Commission;
 - ECOWAS Parliament;
 - Community Court of Justice;
 - ECOWAS Bank for Investment and Development (EBID);
 - West African Health Organisation (WAHO);
 - Inter-Governmental Action Group against Money Laundering in West Africa (GIABA);
 - Office of the Auditor General;
 - West African Monetary Agency (WAMA);
 - West African Monetary Institute (WAMI);
 - West African Power Pool (WAPP);
4. A list of participants is attached as an annex to this report.

ITEM A: OPENING SESSION

(Speeches–Chairman of Council & President of the ECOWAS Commission)

5. In his opening address H.E. Geoffrey Onyeama, Minister of Foreign Affairs of the Federal Republic of Nigeria, and Chair of the ECOWAS Council of Ministers, reassured the Members of the Council of the commitment of the Chair of Authority and indeed the Federal Republic of Nigeria's determination on enhancing the economic integration of our region and ensure implementation of the development agenda of the region.
6. He emphasized that the fundamental objective of the Community is the promotion of economic integration through execution of people oriented programmes. Therefore, acceleration of efforts towards a monetary union by meeting the convergence criteria and



achieving the harmonization of the tariff regimes would serve as concomitant to the growth of the region.

7. He further highlighted that the road to the full integration of the region is still marred by some obstacles that need to be addressed. The free movement of people and goods, which contributes to building our reputation as an integrated regional economic Community, is challenged with several unauthorized practices. He therefore called for the full domestication and implementation of relevant regional protocols at national levels.

8. He also reminded Council about the commencement of negotiations on future African, Caribbean Pacific – European Union (ACP-EU) relations after 2020. He stated that the conclusions of these negotiations will impact on our long term economic partnership with the European Union.

9. He concluded this addresses by wishing the participants fruitful deliberations.

10. In his welcome address, the President of the ECOWAS Commission, H.E. Mr Jean Claude Kassi Brou expressed his profound gratitude to H.E. Mr Muhammadu Buhari, President of the Federal Republic of Nigeria, and Chairman of the ECOWAS Authority of Heads of State and Government, for his continued leadership and commitment to regional integration and commended the Government of the Federal Republic of Nigeria for the excellent facilities that it had provided to ensure a smooth conduct of the meeting.

11. He emphasised the priority the new Commission management attaches to strengthening and accelerating the implementation of Community projects in different areas.

12. Lastly, the President of the Commission highlighted the important issues on Council's agenda, and noted that the discussions and conclusions of the meeting would be useful in preparing for the Summit of Heads of State and Government scheduled for 22 December 2018.

Election of Bureau

13. The following Bureau was elected:

- | | | |
|---------------|---|-----------------------------|
| ▪ Chair | - | Federal Republic of Nigeria |
| ▪ Rapporteurs | - | Burkina Faso |
| | - | The Gambia |
| | - | Republic of Guinea Bissau |

Adoption of Draft Agenda and Work Programme

14. The following agenda was adopted after amendments:

A. OPENING SESSION

- i. Welcome Remarks by the Chairman of Council, H. E. Geoffrey Onyeama, Minister of Foreign Affairs, Federal Republic of Nigeria
- ii. Statement by the President of the ECOWAS Commission, H.E. Jean-Claude Kassi Brou



iii. Election of Bureau

iv. Adoption of Draft Agenda and Work Programme

ITEMS FOR DECISION

- B. Presentation and Consideration of the 2018 Annual Report of ECOWAS
- C. Presentation and Consideration of the Status of Tasks Assigned by the 79th and 80th Ordinary Sessions of Council of Ministers
- D. Presentation on the Financial Situation of the Community
- E. Presentation and Consideration of the Auditor General's 2018 Interim Report
- F. Presentation and Consideration of the Report of the Audit Committee
- G. Presentation and Consideration of the Final Report of the 3rd Extraordinary Meeting of the Administration and Finance Committee on the Revised Financial Regulation and New Procurement Code and Grant Code
- H. Presentation and Consideration of the Final Report of the 24th Meeting of the Administration and Finance Committee
 - Presentation of the Opinion of the ECOWAS Parliament on the Community's 2019 Budget
- I. Presentation and Consideration of a Memorandum on the Allowances of the Speaker of the ECOWAS Parliament and other Parliamentarians
- J. Presentation and Consideration of a Supplementary Act relating to the accession of the Republic of Cabo Verde to the Treaty establishing the Abidjan – Dakar Corridor
- K. Consideration and Adoption of Draft Agenda of the 54th Ordinary Session of the ECOWAS Authority of Heads of State and Government

ITEMS FOR ENDORSEMENT

- L. Presentation and Consideration of Report of Meeting of ECOWAS Ministers of Industry on the Draft Regional Investment Policy and Code
- M. Presentation and Consideration of Report of the 12th and 13th Meeting of ECOWAS Ministers of Energy
- N. Presentation and Consideration of a Memorandum on the Report of the 4th Meeting of ECOWAS Ministers of Finance on the consolidation of ECOWAS Customs Union
- O. Presentation and Consideration of a Memorandum of the Report of Meeting of ECOWAS Ministers of Environment on the regional strategy for the management of chemicals and hazardous waste



- P. Presentation and Consideration of Memorandum on the ECOWAS Regional Stabilization and Development Fund
- Q. Presentation and Consideration of a Memorandum on the harmonization of ECOWAS position in International Organizations
- R. Presentation and Consideration of a Memorandum of the Task Force on the ECOWAS Trade Liberalization Scheme (ETLS Task Force)
- S. Presentation and Consideration of a Memorandum on the return of Cultural Artefacts to Africa and Draft declaration for the Authority of Heads of State and Government.
- T. Presentation and Consideration of Report of Meeting of Ad Hoc Ministerial Committee on Construction of Headquarters of Community Institutions

ITEMS FOR INFORMATION

- U. Update on Institutional Reform Project Process
- V. Update on the implementation of Legal Review Project
- W. Progress Report of the President of ECOWAS Commission on the Forensic Audit of ECOWAS Institutions and Agencies
- X. Consideration of Report on the Review of Legal Texts of some Institutions of the Community
- Y. Any Other Business
- Z. Adoption of Report
- AA. Vote of Thanks

OUTCOME OF DELIBERATIONS

Item B: Presentation and Consideration of the 2018 Annual Report of ECOWAS

15. The 2018 Annual Report outlines recent socio-economic developments worldwide and in West Africa, and presents the status of implementation of activities of the Community Institutions.

16. In 2018, ECOWAS economic growth is expected to reach 3.0%, up by 0.8 percentage points compared to 2017 (2.3). The improved growth follows the consolidation of economic recovery in Nigeria and acceleration of economic growth in other countries of the Community. However, the poor diversification of the economies and inadequate processing of raw material exports are factors causing economic fragility and constitute sources of exogenous shocks which often hit West African economies.

17. The Report notes the persistent challenges in the areas of the free movement of goods and people as well as the risks to the regional integration process related to the non-signature of the Regional Economic Partnership Agreement (EPA) by all Member

States and the implementation of the interim EPA. The report also invites Member States to sign the African Continental Free Trade Agreement.

18. With respect to the implementation of the Community work programme, the report notes that substantial progress has been made in the area of economic and political integration, especially regarding the acceleration of the monetary integration process, consolidation of the free movement of persons and goods, construction of interconnection infrastructure and improved political governance and respect for the rule of law in Member States. Regarding food security and environmental challenges, significant achievements were made towards strengthening Member States' resilience to food crises and the impact of climate change.

19. The report invites Member States to continue efforts to swiftly implement the ECOWAS Protocols and Regulations with a view to creating a conducive environment for the acceleration of the region's integration process and economic development in Member States.

20. Council thanked the President of the ECOWAS Commission for his presentation and made the following observations:

- i. Significant progress has been made in the implementation of Community programmes and policies, particularly in the areas of economic integration, peace, regional security and political governance as well as free movement of people and goods;
- ii. Notwithstanding the progress made, further actions are still needed to further deliver on goals and objectives. In particular, Council urged that further actions be taken on the operationalization of the Regional Radio as well as on regional Peace and Security;
- iii. Ghana's debt to GDP ratio for 2017 should be 68.3% instead of 71.2%;

21. Council recommends that the Commission should organize a high level conference on Free Movement, which is the cornerstone of regional integration, within the framework of the 40th anniversary celebrations.

22. Council also invites Member States to speed up the implementation of the biometric identity card and instructs the ECOWAS Commission to adequately address the issue of its acceptance by all Member States so that holders of this card are able to travel freely in the Region.

23. On the signing of the EPA, the Federal Republic of Nigeria reaffirmed its commitment to regional economic integration. It shed more light on non-signing of the EPA by stating that its decision was guided by the principle of good governance, which emphasizes on inclusivity. Thus, the Government is engaging the stakeholders that did not support the Nigeria Government to sign the EPA. However, it is a work in progress, as the National Office on Trade Negotiation is still engaging the stakeholders.

Item C: Presentation and consideration of the Status of Tasks Assigned by the 79th and 80th Ordinary Sessions of the Council of Ministers

24. The Commission presented an implementation status report on tasks assigned to ECOWAS Institutions by the 80th Ordinary Session of Council of Ministers held in Lome, Togolese Republic on 7 and 8 July 2018.

25. Council, took note of the report presented and appreciated the level of implementation achieved. It expressed satisfaction at the impact recorded but encouraged the Commission to further increase the implementation levels.

26. Finally Council directed the Commission to organise a high level meeting on migration in order for the Community to change the narrative on irregular migration as well as seize the initiative in finding solutions within the region.

Item D: Presentation on the Financial Situation of the Community

27. The financial situation of the Community as at 30th September 2018 was presented by the Commissioner for Finance. The resource inflow showed an actual inflow of UA163, 708,766 as against the approved budgeted inflow of UA284, 909,801 for 2018. This represents 57.5% of receipts as at end of September 2018. From this, the Community Levy accounted for 84.9% with an amount of UA149, 337,629 as against the budgeted amount of UA175, 903,369. There was no receipt recorded from arrears of Community Levy and arrears of Contribution, which were projected to provide UA64,078,725 and UA3,000,000 respectively. Other incomes recorded an inflow of UA67, 628 as against the budgeted amount of UA137, 500 for the year 2018. Within the period, External Funding registered a total receipt of UA14, 303,509, which is 34.2% of the budgeted amount of 41,790,207 for the year. This also represents an increase of 89.9% as against the same period in 2017.

28. To improve the income receipt, the Management embarked on an aggressive resource mobilisation drive through engagements with the Authorities of defaulting Member States. High-level technical missions to Nigeria, Guinea, Senegal and Cape Verde resulted in a better-than-expected performance of total Community Levy collection and commitment to improve compliance.

29. The total community resources available at 30th September 2018 (UA163.7m) was allocated to Community Institutions and other expenditure categories. The ECOWAS Commission received UA52,441,296 (38.9% of its approved budget); the ECOWAS Parliament received UA14,097,493 (75.1% of its approved budget); Community Court of Justice got UA12,317,249 (75.2% of its approved budget); WAHO had UA25,104,339 (53.2% of its approved budget); GIABA received UA7,451,351 (74.3% of its approved budget). For Statutory Obligations, a sum of UA4, 997,509 (41.6% of approved budget); no allocation was made to Special Programmes; while peace and security got UA17, 611,168(56.2% of approved budget). On the whole, the income distributed was UA134,020,405 representing 47.0% of the approved budget of UA284,909,801 for 2018. The Overall budget disbursement rate was 57.5%.

30. As at end September 2018, approximately UA16.1m was held in cash in local currency of some non-CFA zone Member States in Levy proceeds accounts at their Central Bank awaiting externalization due to the unavailability of foreign exchange.

31. The overall budget implementation rate is 25.2%. Out of the total amount of UA111.2m transferred to Community Institutions during the review period, UA84.5m was expended (i.e. 75.9% absorption rate). While the Commission had an absorption rate of 77.8%, other Institutions attained rates ranging from 86.2% to about 126.2% with ECOWAS Parliament having the highest.



32. In conclusion, despite a myriad of challenges encountered, Community Institutions continue to implement programmes and projects that are geared towards fostering regional and economic integration of our sub-region. Cost reduction management and expenditure rationalisation measures continue to be implemented to ensure that critical Community integration, development, and peace and security-related activities and programmes are executed. Financial & Budgetary Control mechanisms are being utilized to ensure that the Community attains value for money in all its expenditure. Approval of quarterly work programmes by the new Management continues to serve as planning tool and guide for cash-flow forecasting and programme implementation. Conclusion of backlog of audits (2015, 2016, and 2017) by 2019 will improve confidence in ECOWAS financial management and spur greater inflow of donor funds.

33. Council thanked the Commission for the presentation of the financial situation of the Community and decided that:

- i. All Member States are implored to fully and unconditionally comply with the Community Levy Protocol through its full application with respect to the tax base, collection and deposit of Levy proceeds.
- ii. Member States are encouraged to liquidate their Arrears of contribution and outstanding Community Levy without further delay.
- iii. More progress should be made to increase visibility of the work of ECOWAS Institutions and Agencies.
- iv. A Skill Audit should be conducted to ensure that the right staff are placed into the right positions.

Item E: Presentation and Consideration of the Auditor General's 2018 Interim Report

34. The Auditor General's 2018 Interim Report was presented to Council for adoption. The report was in two parts, the first part covers the foundation documents such as the Regulation, Charter, Audit Manual and Tools as well as the Risk Management and Control tools and the core mandate of the Office which includes Internal Audit, Program Audits, Inspection and Investigations, and Information system Audit. It was reported that during the period under review, Audits were carried out on Procurement and Human Resources Departments of the ECOWAS Commission and the Community Court of Justice (the Court). Besides, Inspections were also carried out in the Offices of the Representatives of the President in Guinea Bissau, Guinea, Mali, Togo and Cote d'Ivoire. Human Resource audits in the Court is ongoing.

35. The report stated that a total of 127 control issues were identified from the audits and inspections and classified as 41 critical, 52 high, 27 moderate and 7 low. The high number of critical and high control issues found during the audit and inspection exercise are due to a long period of audit dormancy, coupled with the lack of training of the management on risk management and control. However, it is expected that issues raised and recommendations made will lead to improvements in the overall control environment and also a subsequent reduction in critical and high control issues.

36. The following actions were taken on Audit Reports:



- i. All audit and inspection reports have been issued with appropriate recommendations for corrective action.
- ii. Management is conscientiously following up on implementing these recommendations. Updates and compliance with the recommendations will be brought to Council's attention through the Audit Committee in future reports.
- iii. The President of the ECOWAS Commission plans to hold implementation review meetings in Q1 2019 with Heads of Institutions, Departments and Offices audited to review the status of implementation of the recommendations in the reports issued by the Office of the Auditor General.

37. The second part of the report provided information on the Budget, Financial and Staffing situation of the Community Institutions. It was reported that a total budget of UA284.9m (\$413m) was approved for Community Institutions by the 79th Ordinary Session of the Council of Ministers. Of the budgeted income, UA214.3m or approximately 85% is expected to come from the Community Levy resource. An amount of UA 41.7m or about 14% is expected to be mobilised from Donor sources, whilst UA .144m is anticipated from sundry income. As at June 2018, actual receipts amounts to UA64.6m or 23% of the income budget. Of the actual amount received, UA52.4m came from Community Levy, constituting 81% of the total income received and 26% of the expected income from Community Levy allocations during the period under review

38. On the expenditure side, a total amount of UA284.9m is budgeted for the year under review. Due to the paucity of funds received from Community Levy sources, the total expenditure as at June 2018 was UA57.9m. This reflects a Community wide budget execution rate of 20%. The low budget execution rate is primarily due to the decrease in inflow of Community levy from Member States as the absorption rates of funds sent to the Institutions averaged at 70% i.e. ECOWAS Commission (83%), Community Parliament (68%), Community Court (58%), WAHO (54%) and GIABA (67%). Given adequate funding, it is expected that actual performance will mirror these achievements. Therefore, Member States are encouraged to comply with the Community Levy protocol and provide adequate funding in a timely manner to the Community Institutions for the implementation of the Community integration programs.

39. On the staffing situation, total staff strength as at June, 2018 is put at 1,077. Of the total staff numbers in the Institutions, 488 or 45% come from Nigeria, followed by Burkina Faso, Cote d'Ivoire, Togo and Senegal and Ghana with 99, 68, 64, 61 and 57 staff members respectively. The number of staff members from other member state is below

40. Cabo Verde and Liberia recorded the lowest staff representation as at June 30th 2018, with 14 and 19 staff members respectively. The female and male staff members expressed as a ratio of the total staff strength is 28/72.

41. Council thanked the Auditor General for the presentation and decided that:

- i. Community Levies should be paid in full and promptly
- ii. Efforts should be made to achieve gender parity in staffing through gender policies
- iii. Efforts should also be made to achieve equitable geographic distributions in staffing
- iv. Management should oversee a transparent, comprehensive and rigorous forensic audit



Item F: Presentation and Consideration of the Report of the Audit Committee

42. In a closed door session, the Audit Committee presented its report to Council, which was followed by the provision of further information by the Auditor General. The report focused the following:

- i. Presentation of the draft 2019 budget of the Office of the Auditor General, approved by the Administration and Finance Committee ; the revised 2019 Audit Plan ; and execution of the 2018 Audit Plan;
- ii. Presentation of the 2018 mid-year report of the Office of the Auditor General to the 81st meeting of the Council of Ministers;
- iii. Outcomes of audits, inspections and investigations; and
- iv. Status report on the finalization of the financial statements of 2014/2015 and work relative to the 2016/2017 financial statements.

43. Council took note of the presentation and requested more detailed and comprehensive information from the Auditor General which was made available the next day.

44. Council decided that going forward, in addition to submitting detailed audit reports to the Audit Committee, the Auditor General should also provide full and detailed audit reports to Council.

Item G: Presentation and Consideration of the Final Report of the 3rd Extraordinary Meeting of the Administration and Finance Committee on the Revised Financial Regulation and New Procurement Code and Grant Code

45. The final report of the 3rd Extraordinary meeting of the Administration and Finance Committee was presented by the Chair of the meeting Mr Musa Nuhu. Council was informed that the extraordinary meeting focused on the consideration of the following documents which are being recommended for its adoption:

- i. Revised ECOWAS Financial Regulations
- ii. New ECOWAS Procurement Code
- iii. ECOWAS Grant Code

46. Council approved the proposed Revised Financial Regulations, New Procurement Code and New Grant Code with amendments as recommended by the AFC. The three documents will be further reviewed by the Bureau of the AFC and the Commission to ensure legal consistency.

Item H: Presentation and Consideration of the Final Report of the 24th Meeting of the Administration and Finance Committee

47. The final report of the 24th meeting of the Administration and Finance Committee was presented by the Chair of the meeting Mr. Musa Nuhu, the report covered the following:

- i. Presentation and Consideration of Status of Tasks Assigned to Community Institutions

- ii. Presentation and Consideration of the Monitoring and Evaluation (M &E) Report on Programme Implementation of Community Institutions for Period January - September 2018
- iii. Presentation and Consideration of a Memorandum on the ECOWAS Logistics Depot in Lungi
- iv. Presentation and Consideration of a Memorandum on the ECOWAS Post Vision 2020
- v. Presentation and Consideration of the ECOWAS Regional Stabilisation and Development Fund
- vi. Presentation and Consideration of a Memorandum on the Allowances of the Speaker of the ECOWAS Parliament and other Parliamentarians
- vii. Presentation and Consideration of a the Organisational Chart of the ECOWAS Regional Competition Authority (ERCA)
- viii. Presentation and Consideration of the 2019 Draft Consolidated Budget of ECOWAS Institutions.
- ix. Presentation and Consideration of Progress Report on ECOWAS Community Radio
- x. Presentation of the Auditor General's 2018 Interim Report

48. Council considered the report presented and adopted all the recommendations contained therein.

49. Council further approved the 2019 budget of the Community as presented in the table below:

Table 1: Summary of draft 2019 income budget of the Community

	Community Proposal	AFC Recommendation	Variance	
	UA	UA	Amount	%
Community Levy	204,984,937	202,870,316	-2,114,621	-1.0%
Reserves	4,357,366	4,357,366	0	0.0%
Arrears of Community Levy	60,894,454	60,894,454	0	0.0%
Arrears of Contribution	1,768,710	1,768,710	0	0.0%
Other Income	198,773	198,773	0	0.0%
External Funding	111,523,115	111,523,115	0	0.0%
TOTAL	383,727,355	381,612,734	-2,114,621	-0.6%

Table 2: Summary of draft 2019 expenditure budget of the Community

	Community Proposal	AFC Recommendation	Variance	
	UA	UA	Amount	%
Community Institutions	330,494,832	328,380,211	-2,114,621	-0.6%
Statutory Obligations	12,352,739	12,352,739	0	0.0%
Special Programmes in Member States	10,500,000	10,500,000	0	0.0%
Peace & Security	30,379,784	30,379,784	0	0.0%
TOTAL	383,727,355	381,612,734	-2,114,621	-0.6%

Table 3: Summary of draft 2019 expenditure budget of the Institutions

	Community Proposal	AFC Recommendation	Variance	
	UA	UA	Amount	%
ECOWAS Commission	228,346,077	228,368,638	22,561	0.0%
ECOWAS Parliament	19,823,001	19,483,473	-339,528	-1.7%
Community Court of Justice	17,202,778	16,286,790	-915,988	-5.3%
West African Health Organization (WAHO)	48,811,794	48,033,434	-778,360	-1.6%
Inter-Governmental Action-Group Against Money Laundering (GIABA)	10,816,168	10,660,210	-155,958	-1.4%
Office of the Auditor General	5,547,666	5,547,666	0	0.0%
TOTAL	330,547,484	328,380,211	-2,167,273	-0.7%

Table 4: Summary of draft 2019 expenditure budgets of statutory obligations

	Community Proposal	AFC Recommendation	Variance	
	UA	UA	Amount	%
Chairman of Authority (0.5% of Member State's Community Levy)	406,623	406,623	0	0.0%
Chairman of Authority (UA 1,200,000)	1,200,000	1,200,000	0	0.0%
ECOWAS National Unit (4.5% of Community Levy)	10,746,116	10,746,116	0	0.0%
TOTAL	12,352,739	12,352,739	0	0.0%

Table 5¹: Summary of draft 2019 expenditure budget of special programmes/intervention in Member States

	Community Proposal	AFC Recommendation	Variance	
	UA	UA	Amount	%
Emergency Power Supply	5,500,000	5,500,000	0	0.0%
EBID Interest Rate Subsidy Fund (IRSF)	0	0	0	0.0%
ECOWAS Solidarity Fund	5,000,000	5,000,000	0	0.0%
TOTAL	10,500,000	10,500,000	0	0.0%

Table 6: Summary of draft 2019 expenditure budget of peace & security

	Community Proposal	AFC Recommendation	Variance	
	UA	UA	Amount	%
Peace Fund	6,700,000	6,700,000	0	0.0
ECOMIB	13,952,445	13,952,445	0	0.0
ECOMIG	9,727,340	9,727,340	0	0.0
TOTAL	30,379,785	30,379,785	0	0.0

¹ With respect to the amount due to the ECOWAS Bank for Investment and Development (EBID) Interest Rate Subsidy Fund (IRSF), the Commission assured Council that this amount would be sourced from the approved budget based on appropriate, necessary and relevant justifications.

50. The ratios relating to the draft 2019 budget of the Institutions of the Community are as follows:

Administrative Cost - **26.1%**
 Programme Cost - **73.9%**

	Programme	Administrative	Total
ECOWAS Commission	172,896,606	49,402,093	222,298,699
ECOWAS Parliament	4,412,730	8,814,623	13,227,353
Community Court of Justice	999,773	15,008,387	16,008,160
West African Health Organization (WAHO)	42,437,297	4,443,471	46,880,768
Inter-Governmental Action-Group Against Money Laundering (GIABA)	7,150,040	2,795,641	9,945,681
TOTAL	227,896,446	80,464,215	308,360,661
%	73.9%	26.1%	

51. Council approved the report of the 24th Regular Session of the AFC, which contained the 2019 consolidated budget of the Community as adopted and recommended by the AFC. The approved 2019 consolidated budget of the Community is UA 381,612,734.

Item I: Presentation and Consideration of a Memorandum on the Allowances of the Speaker of the ECOWAS Parliament and other Parliamentarians

52. The Parliament recalled that at the Fiftieth Ordinary Session of the Authority of Heads of State and Government held in Abuja on 17th December 2016, the Heads of State and Government adopted Supplementary Act A/SA.1/12/16 relating to the Enhancement of Powers of ECOWAS Parliament.

53. The Memorandum further recalled Article 22 on Parliamentary Allowance which states that **“Representatives shall be paid a Parliamentary Allowance, which shall be fixed by the Authority”**. The said Article coupled with the expanded competence and additional responsibilities of the ECOWAS Parliament thus implies that the Act made provision for the payment of a Parliamentary Allowance to Honorable Members in order to create a conducive working environment for them considering their now expanded mandate.

54. The Parliament therefore proposed a monthly allowance of USD\$ 1,500 per Member for the consideration of the Administration and Finance Committee and its subsequent recommendation to the Council of Ministers for endorsement and the approval of the Authority.

55. The budgetary implications to the Community on an annual basis is presented in the table below:

Number of MPs	Rate per MP	Total per Month in USD	Per Annum in USD	UA Equivalent
115	1,500.00	172,500.00	2,070,000.00	1,311,961.67

56. The Parliament also made a presentation requesting for human and logistics support to the Office of the Honourable Speaker to be able to deliver on its enhanced mandate on behalf of the entire Community Citizenry.

57. The Parliament noted that the current operational conditions of service for the Honourable Speaker of Parliament give the Office holder a non-resident status with operational and occupational difficulty of not co-located with the seat of Parliament, a proposal for an increase of monthly maintenance allowance from the current \$3,000 to \$6,000 was presented to the AFC for consideration. The proposal shall apply to the Honourable Speaker of Parliament so long as the position remains non-resident. The conditions shall be immediately amended if the non-residency status changes.

58. The amount shall be a non-accountable monthly maintenance allowance to service all administrative and logistics needs of the Honourable Speaker's functions in his/her home country. The annual additional cost to the Community shall be: UA 22,816.74 which is equivalent to USD\$ 36,000.

59. Council approved the recommendations of the AFC on this matter, which is as follows:

"Given the financial constraints being experienced by the Community and in the context of rationalization of expenditure, the AFC recommends to the Council of Ministers to defer the adoption of this memorandum until the financial situation of the Community improves".

Item J: Presentation and Consideration of a Supplementary Act relating to the accession of the Republic of Cabo Verde to the Treaty Establishing the Abidjan – Dakar Highway Corridor

60. In tandem with Article 32 of the 1993 Revised ECOWAS Treaty which accords priority to infrastructural development and the formulation of common transport policies, the overall objective of the Dakar-Abidjan Highway corridor is to facilitate safe, efficient and competitive movement of persons and goods, while simplifying and harmonising the relevant checkpoints, with the ultimate purpose of reducing transport costs and transit times. It is also meant to transform Dakar-Abidjan Highway corridor into a development aisle, with a view to boosting investment, encouraging sustainable development, reducing poverty and ensuring safety along the corridor.

61. Having held three ministerial meetings to discuss the implementation modalities for the multinational highway development programmes as well as the feasibility and implementation plans, the ECOWAS Commission submitted a funding request to the AfDB which in turn will undertake a preparatory mission on the Praia-Dakar-Abidjan corridor to the eight Member States concerned, from 3rd to 20th December 2018. At the initiative of the ECOWAS Commission, a consultation meeting on the accession of the Republic of Cabo Verde to the Treaty of 4 June 2017 establishing the Dakar-Abidjan Highway Corridor, transformed into the Praia-Dakar-Abidjan Highway Corridor, was held in Praia, Cabo Verde, from 26 to 30 November 2018.

62. Accordingly, the ECOWAS Commission is submitting to the Ministers for consideration, two texts to facilitate Cabo Verde's accession and acceptance of its accession by the seven signatory Member States They are:



- i. Draft Supplementary Act on the accession of the Republic of Cabo Verde to the Dakar-Abidjan Highway Corridor Development Programme, in line with Article 22 of the Treaty, Annex 1 to this Memorandum; and the
- ii. Draft Decision relating to the accession of the Republic of Cabo Verde to the Dakar-Abidjan Highway Corridor Development Programme, transformed to the Praia-Dakar-Abidjan Highway Corridor, in line with Article 17 of the Treaty, Annex 2 to this Memorandum.

63. Council endorsed the proposed Supplementary Act, along with the new name of the Corridor: Praia-Dakar-Abidjan Corridor, and recommended same for the approval of the Authority of Heads of States and Government.

Item K: Consideration and Adoption of Draft Agenda of the 54th Ordinary Session of the ECOWAS Authority of Heads of State and Government

64. The Commission presented the draft Agenda of the Fifty-fourth Ordinary Session of the Authority of Heads of State and Government and the agenda was adopted after consideration and amendments.

ITEMS FOR ENDORSEMENT

Item L: Presentation and Consideration of Report of Meeting of ECOWAS Ministers of Industry on the Draft Regional Investment Policy and Code

65. The Commission presented a memorandum on the outcome of the meeting of ECOWAS Ministers of Industry which was focussed on the development of a Community Investment Code as a veritable tool in raising the living standards of the people of the region.

66. The ECOWAS Investment Code provides the legal framework for the legal framework for the treatment and operation of investment in the ECOWAS Common Investment Market (ECIM) and for the implementation of the policy. The Draft code aligns Member States into a single economic space and provides:

- i. Clear definition of investment and investors that qualify for benefits under the code
- ii. Full-fledged set of provisions aimed at providing space for Member States in the operation of investment in their countries and within the region
- iii. Wide set of sectoral policy tools for economic and social development, poverty reduction and for the advancement of the ECOWAS integration agenda.
- iv. An innovative dispute settlement arrangement, aligned with the current development on investment governance policy discussions and a reform process.
- v. A mechanism for implementation of the code by Member States in line with their respective national interests; and
- vi. Full coherence with the continental framework on investment as envisaged in the African Continental Free Trade Area (AfCFTA).

67. Council duly considered and validated the ECOWAS Investment Policy and Code prepared by the Ministers in charge of Investment in Member States and recommended same to the Authority of Heads of States and Government for ratification.

Item M: Presentation and Consideration of Report of the 12th and 13th Meetings of ECOWAS Ministers of Energy

68. Burkina Faso's Minister of Energy, Chair of the Ministers' meeting, presented the reports of the 12th and 13th meetings of ECOWAS Ministers of Energy held on 29 June 2018 and 14 December 2018 in Cotonou and Abidjan, respectively. The key highlights of the meetings were the launch of the regional electricity market and development of a new master plan for power generation and transmission 2019-2033. The Ministers welcomed the launch of the regional electricity market and the future widespread use of renewable energies in the regional energy mix. The Master Plan aims to build 16,000 MW of generating capacity, 69% of which is renewable, and 23,000 km of electricity transmission lines.

69. After considering the two reports, the Council of Ministers endorsed the reports.

70. Council further adopted the following draft texts submitted:

- i. Regulation relating the Sanctions of the ECOWAS Regional Electricity Market;
- ii. Directive on the Securitization of Cross-Border Power Trade in the Regional Electricity Market;
- iii. Master Plan for rural and peri-urban electrification in West Africa;
- iv. Feasibility Study on the extension of the West African Gas-pipeline.

71. Council also examined, validated and recommended the draft Supplementary Act relating to the ECOWAS Master Plan for the Development of Regional Power Generation and Transmission Infrastructure 2019 – 2033 for adoption of the Authority of Heads of State and Government.

Item N: Presentation and Consideration of a Memorandum on the Report of the 4th Meeting of ECOWAS Ministers of Finance on the consolidation of ECOWAS Customs Union

72. The report of the 4th meeting of Ministers of Finance on the consolidation of the ECOWAS Customs Union which was held in Abuja on 2nd November, 2018 was presented by Hon. Zainab Ahmed, Minister of Finance of the Federal Republic of Nigeria.

73. Council took note of the report and the four (4) draft texts contained therein which had been approved by the Ministers of Finance to strengthen the ECOWAS Customs Union.

74. Council endorsed the report and adopted the Regulation on the procedures for amending the list of categories of products contained in the ECOWAS Tariff and Statistical Nomenclature of the Common External Tariff (CET).

75. Council further endorsed and recommended for approval by the Authority of Heads of States and Government the following draft Supplementary Acts:

- i. The draft Supplementary Act laying down Community rules of origin and procedures applicable to goods originating in the Economic Community of West African States (ECOWAS);
 - ii. The draft Supplementary Act on Mutual Assistance and cooperation between Customs Administrations of ECOWAS Member States and collaboration with the Commission in Customs Matters;
 - iii. The draft Supplementary Act adopting the Community Rules for the Elimination of Double Taxation with respect to taxes on income, capital and inheritance and the prevention of tax evasion and avoidance within ECOWAS Member States.
76. Council endorsed the report, along with the four (4) Supplementary Acts, and recommended its adoption by the Authority of Heads of State and Government.

Item O: Presentation and Consideration of a Memorandum of the Report of Meeting of ECOWAS Ministers of Environment on the regional strategy for the management of chemicals and hazardous waste

77. The Commission presented a memorandum on the development of regional strategies for the management of chemicals and hazardous waste as well as its integrated management plan.

78. The Hazardous Waste Management Strategy highlights the problems faced by our region in dealing with the issue, its challenges as well as inadequacies which illegal dumping of hazardous waste, widespread oil pollution, exposure of children to lead during the recycling of lead acid batteries through coarse methods and the spilling of used oil, chemical residues, etc. into the environment. low level of awareness of toxic waste issues lack of infrastructure and capacity for the environmentally sound management of hazardous waste, absence of environmental management frameworks, poverty levels, and a lack or poor institutional and regulatory frameworks and of reliable, comprehensive and up-to-date data on hazardous waste at national and sub-regional levels in the ECOWAS sub-region, were also identified as inadequacies.

79. In view of the fact that the vision in this regard is to ensure that chemicals in the ECOWAS region are effectively managed in an environmentally sound manner, while forestalling negative health impact, regional Chemicals as well as hazardous waste strategy was fashioned out, each dealing with four major areas. In this regard, the implementation of integrated plan is to be at both national and regional levels.

80. In the light of the foregoing, the Commission, through this memorandum, requests the Council of Ministers to adopt the following documents:

- i. Regional Chemicals Management Strategy;
- ii. Regional Strategy for Hazardous Waste Management;
- iii. Integrated Chemicals and Hazardous Waste Management Plan.

81. These alongside the establishment of the regional coordination mechanism for the management of chemicals and hazardous waste as recommended by the Ministers of Environment.

82. Council adopted the report, along with the associated documents.

Item P: Presentation and Consideration of Memorandum on the ECOWAS Regional Stabilization and Development Fund

83. The Commission presented a memorandum for the establishment of a **Regional Stabilisation and Development Fund** for Financial Cooperation in ECOWAS Member States to be referred to as the “Regional Stabilisation Fund” as well as a request for the approval of The Gambia Stabilisation Fund. The Regional Stabilisation Fund shall serve as a flexible funding instrument that can be employed to address stabilisation needs arising from pre-existing or newly emerging crises, conflicts and fragility in a timely manner. The Fund shall strengthen ECOWAS’ role as a regional organisation in the fields of peace, security, stability and development. The fund will also be used for tackling migration related challenges including the reintegration of returnees, among others.

84. The development of the Fund is planned as a two-stage process:

- i. An initial commitment of 10.0 million EUR in 2017 by the German Ministry for Economic Cooperation and Development (BMZ) earmarked to be used for stabilization and development measures in The Gambia (pilot programme).
- ii. A second BMZ commitment of 7.0 million EUR in 2018 as well as future BMZ commitments to be used for the establishment of the actual ECOWAS Regional Stabilisation and Development Fund.

85. Progress report on The Gambia Pilot Programme was presented to the Council. It involved a German Financial Cooperation (KfW)–ECOWAS Joint Programme Appraisal Mission which took place in The Gambia from 24 September to 3 October 2018, during which consultations were held with the Government of The Gambia and other stakeholders. With regards to the stabilisation fund, a joint KfW / GIZ – ECOWAS exploratory mission was undertaken to Guinea Bissau at the end of November, 2018.

86. The Commission concluded its presentation by requesting the AFC to consider endorsing the ECOWAS counterpart funding of UA 1, 000,000 towards the establishment of the Fund. It recommended its adoption by the Council of Ministers and equally requested Council’s approval of a Donors’ Round-table conference to be organised in 2019.

87. Council endorsed the memorandum and recommended same for approval of the Authority of Heads of State and Government.

Item Q: Presentation and Consideration of a Memorandum on the harmonization of ECOWAS position in International Organizations

88. The Commission presented the memorandum on the harmonization of ECOWAS position in International Organizations to the Council of Ministers. It informed the Council of Ministers that in the framework of the harmonization of the ECOWAS Member States’ applications for vacant positions in regional and international institutions, a meeting of the Ministerial Committee tasked on the issue was held on 26 September 2018 at the Permanent Mission of Nigeria to the United Nations, in the margins of the 73rd session of the United Nations General Assembly, in New York.

89. The Council was informed about the proposed criteria for selecting candidates. The President of the Commission outlined the criteria that could guide the region's decisions as follow:

- i. **Quality of applications:** candidates must meet the minimum professional requirements for the position to increase countries chances of success. In the event that a candidate does not meet the minimum requirements, the country may be asked to provide a new candidate;
- ii. **Solidarity,** as the basis for the creation of ECOWAS: countries that have already occupied a position could be invited to desist and support new candidates in the name of the Community;
- iii. **Geographical spread:** in order to respect the principle of equity, the geographical distribution for statutory positions in regional and international organisations should prevail. Thus, countries that are already holding positions in several organisations could be asked to withdraw for countries with fewer representations;
- iv. **Alphabetical rotation:** this criterion should be considered as a last resort and in the event of a deadlock in the allotment of vacant positions.

90. The Commission equally noted that the Committee emphasised on the need for Member States applying for positions to immediately notify the Commission in due time and provide the relevant information concerning the applications in accordance with the decision of the 49th Ordinary Session of the ECOWAS Authority of Heads of State and Government, to allow the Commission to circulate the information to all of the Community countries and seek their support.

91. The Commission furthermore presented an update on current applications from Member States for international statutory positions, which includes 30 international positions of which 22 have already been awarded.

92. The following recommendations of the Ministerial Committee were also presented to the Council:

With regard to the operation of the mechanism:

- i. inform Member States of vacancies for international statutory positions (Commission);
- ii. set up a Committee of Experts responsible for reviewing applications before submitting them to the Ministerial Committee;
- iii. consult with diplomatic representations of countries where the positions are being offered so as to obtain information on the positions and allow the Committee to decide;
- iv. include on the agenda of the Sessions of the Council of Ministers and the ECOWAS Authority of Heads of State and Government, an item relating to international statutory positions;
- v. propose a medium- and long-term plan of applications for certain positions to allow countries to prepare properly;



- vi. notify all member States on applications to be endorsed by the region in order to avoid some countries to make commitments to support other candidates; and
- vii. recommend disciplinary action against countries that do not comply with the decisions of the Community. As it is being done at the African Union level, the non-compliant country could be sanctioned for a specified period of time during which it would not receive support from ECOWAS.

Regarding the specific positions below, the Committee agreed on the following provisions:

- i. **Non-Permanent Member of the Security Council (2020-2021):** Ghana, Niger and Liberia have applied for the position. The Chairman of Council will hold consultations with the 3 countries and report to the Council of Ministers;
- ii. **Chairmanship of the African Union (2022-2023):** Togo has applied for the position. Ghana informed the Committee that it has also applied for the position. Ghana was invited to formally notify the Commission;
- iii. **Secretariat of the African Continental Free Trade Area (AfCFTA):** Ghana informed the Committee of its interest to host the Secretariat. The Committee decided to wait until the AU officially announced the position before it begins to receive applications.
- iv. **Chairmanship of the 74th Session of the United Nations General Assembly (UNGA):** Nigeria informed Council that it is vying for the Chairmanship of the 74th Session of the United Nations General Assembly (UNGA) for period 2019 to 2020.

93. The Committee reiterated the importance for all Member-States of the Community to give full support to successful candidates for international statutory positions with a view to boosting their chances.

94. Council adopted the memorandum, along with proposed recommendations.

Item R: Presentation and Consideration of a Memorandum of the Task Force on the ECOWAS Trade Liberalization Scheme (ETLS Task Force)

95. The memorandum presented by the Chairman of the ETLS Task Force stated that on the instruction of the ECOWAS Heads of State and Government, the President of the Commission set up the ECOWAS Trade Liberalisation Scheme (ETLS) Task Force to ensure the effective free movement of persons and goods across the Community, namely through arbitration and amicable settlement of disputes between Member States as well as advocacy and mediation with the highest political authorities of Member States. Since its establishment, it has carried out advocacy missions to all ECOWAS Member States, a debriefing meeting of the first twelve (12) advocacy missions, unannounced missions to the Ghana and Togo borders, an annual meeting, and monitoring missions to Senegal and Benin. The implementation of the recommendations made to the Member States are contained in their respective Aide-Memoires.

96. The Council of Ministers took note of the state of execution of the mission of the ETLS Task Force and reaffirmed its support for the Task Force and to the proposals of innovative and vigorous actions in order to sustainably eliminate barriers to intra-regional trade.

97. Council adopted the memorandum, along with proposals of innovative and vigorous actions in order to sustainably eliminate barriers to inter-regional trade.

Item S: Presentation and Consideration of a Memorandum on the return of Cultural Artefacts to Africa

98. The Commission presented a memorandum which gave an overview of ECOWAS' position on the return of African cultural artefacts to the continent. It was stated that Africa's history as regards her relations with the Western world has been marked by a number of events, particularly colonisation, which left its imprint on the continent's future. One of the negative impacts of colonialism is the expropriation of African cultural artefacts to the Western world, thereby depriving Africans of their symbolic and vital values.

99. It was stated that the return of African cultural artefacts has become a topical issue in recent years, as well as a political issue for African countries. The topical issues underpinning the return of artefacts were enumerated as follows:

- i. Political and legal issues;
- ii. Diplomatic considerations;
- iii. Cultural and social considerations and finally;
- iv. Economic issues.

100. The Commission gave a brief overview of some of the activities that have been undertaken in the quest for the return of these artefacts and concluded its presentation by proposing some activities to be undertaken in order to realise this objective as listed below:

- i. organisation of a meeting of Directors General during the first quarter of 2019, followed by a meeting of Ministers responsible for the cultural heritage of ECOWAS countries, with a view to preparing and validating an ECOWAS Regional Action Plan for the return of the objects;
- ii. preparation of a draft Official Statement for the Authority of Heads of State and Government;
- iii. organisation² of a meeting of ECOWAS Ministers of Foreign Affairs, to adopt a common position for negotiations on the return of the cultural artefacts to West Africa; and
- iv. organisation of a regional conference on the process for the return of cultural objects to Africa, to be held at the ECOWAS Arts and Culture Festival (ECOFEST), taking place in Abidjan, Cote d'Ivoire in November, 2019.

101. Council adopted the memorandum and the recommendations made in the presentation. Council also endorsed the draft Official Statement for the Authority of Heads of State and Government and recommended same for their approval.

² Benin informed Member States that it doesn't wish to be associated with such.



Item T: Presentation and Consideration of Report of Meeting of Ad Hoc Ministerial Committee on Construction of Headquarters of Community Institutions

102. The report of the meeting of the Ad Hoc Ministerial Committee on the Construction of the Headquarters of Community Institutions which held on 22 September, 2018 to consider was presented to Council for its consideration. The meeting considered the following issues:

- i. Final Drawings of Phases 2 and 3 of the ECOWAS Logistics Depot at Lungi, Freetown, Sierra Leone, and
- ii. Design Schemes (Design Concepts) of the New ECOWAS Commission's Headquarters Building by the Chinese

103. The Ad hoc Ministerial Committee decided as follows:

i. On the ECOWAS Logistics Depot in Lungi:

104. The Committee approved the final drawings of Phases 2 and 3 of the development of the Lungi Logistics depot. In taking this decision however, the meeting directed that final location of the buildings on the 2 sites will be confirmed after a technical site visit and in line with the result of a of a topographical survey.

ii. Design Schemes (Design Concepts) of the New ECOWAS Commission's Headquarters Building by the Chinese

105. The Committee approved that the company that produced the design scheme of Proposal Number 1 should be invited to design the New Headquarters building of the ECOWAS Commission. The Committee however made the following recommendations for the consideration of Council:

- i. Integrate West African cultural elements in the final design.
- ii. Strong consideration should be given to improve site optimisation.
- iii. ECOWAS should insist on hiring a consulting firm to work with the Chinese company to ensure quality of the design and subsequent construction of the new headquarters building.
- iv. Emphasis should be placed on future expansion to ensure that the final design and resulting headquarters building withstands the test of time.
- v. The design should take into consideration, functionalities and coordination consistent with West African needs.
- vi. From the very beginning, ECOWAS should be very specific and clear in terms of roles and responsibilities (including but not limited to access control and management as well as security of the resulting building), and ensure that the Project Implementation Agreement (PIA) clearly reflects the above mentioned needs and specifications of ECOWAS.
- vii. Take the necessary steps to ensure proper maintenance of the building through the availability of replacement parts, training of qualified staff and skills transfer.

- viii. ECOWAS should learn from the African Union's experience in the design, construction and management of its headquarters building constructed by the Chinese.
- ix. The design and subsequent construction should comply with both International and Nigerian specifications and standards where applicable.
- x. The final design should as much as possible blend with the natural surroundings.
106. Council adopted the report presented and all the recommendations contained therein.

ITEMS FOR INFORMATION

Item U: Update on the Institutional Reform Project Process

107. The Commission presented an update on the implementation of decisions approved by Council within the framework of the institutional reform process as well progress made towards the implementation of outstanding activities.

108. It recalled the adoption by the 80th ordinary session of Council which took place in June 2018, of new organizational structures for sixteen ECOWAS Organs with directives for a gradual and phased recruitment of Staff into identified vacancies over a three (3) year period, subject of course to available budgetary resources.

109. The Commission reminded Council that implementation of reform initiatives and activities is currently guided by a roadmap which had also been endorsed by Council and which includes the following activities with prescribed implementation methodologies and timelines:

- i. establishing the new organizational charts for all institutions, a process that involves:
 - aligning the current structures with the approved organizational charts;
 - identification of vacancies and redundancies;
 - classification of priority vacancies that would attract recruitment within the first recruitment phase that commences late 2019 at the end of the Staff Skills Audit; and
 - redeployments into critical positions made on the basis of internal competitive assessments undertaken by the relevant staff Committees established by Regulation.
- ii. undertaking a Community wide Staff Skills Audit that would help identify skills gaps within institutions, assist with the establishment of a competency framework and a data base of skills set in Community Institutions; the audit would help with career planning and staff capacity building and periodic re-deployments;
- iii. developing of a Travel Policy that provides cost savings, ensures the utilization of the most competitive travel vendors and reviews the travel allowance policy and also promoting the use of videoconferencing as a substitute for travel;

- iv. improving the existing Code of Ethics and Professional Conduct with strong and robust whistle blower protection provisions and an effective sanctions regime for violations of the code. The aim is the continued strengthening of institutional governance principles in all institutions;
- v. developing a Recruitment Plan and Manual of Procedures for Recruitment with inbuilt measures that promotes uninterrupted services during recruitment phases and ensures recruitment of quality staff;
- vi. integrating the reviewed business processes and procedures into existing operating systems;
- vii. carrying out manpower development measures aimed at improving the staff performance appraisals, developing a staff training policy that would define a structured training programme linked to career development; The Staff Regulations are being currently reviewed;
- viii. working on the full integration and application of the Ecolink/SAP systems –
- ix. developing new Financial Regulations, Procurement and Grant Codes within the framework of the ongoing financial management reform process;
- x. inculcating a cost-saving culture in community operations most especially in key administrative services such as travel and procurement, training sessions, workshops and seminars.
- xi. additionally, conducting a Legal Review exercise to update the ECOWAS Legislative framework and improve the decision-making processes and procedures within Community institutions;

110. The Commission informed Council that the President of the Commission had set up an Inter-institutional Committee at the management level chaired by the Vice President to undertake some of the major assignments on the roadmap. This Committee is expected to work in close collaboration with the Heads of other ECOWAS Institutions.

111. It finally recalled the task of carrying out by 2022, a comprehensive assessment and evaluation of the reforms as well as the impact on performance and operations of all ECOWAS Institutions as prescribed under the road map. In conclusion, it lauded the efforts of international organizations such as the European Union and GIZ which are accompanying ECOWAS in its institutional reform process with the provision of technical and financial assistance.

112. Council took note of the updated provided.

Item V: Update on the Implementation of Legal Review Project

113. The Commission presented a memorandum updating Council on the status of the legal review project being undertaken by the Commission on the directives of the Authority at its 52nd Session. It recalled that the Authority had directed that a study be undertaken to examine the implications of the grant of membership and observer status to third parties who wish to either belong to the Community or have a close relationship with it. The issue of association in its various forms arose as a result of applications from Morocco, Tunisia and Mauritania who had requested for various types of relationship with ECOWAS.

114. The Commission further recalled the fact that the Authority had established a five member Committee constituted by the Republics of Cote d'Ivoire, Republic of Ghana, Republic of Guinea, the Federal Republic of Nigeria and the Togolese Republic to supervise the Commission's study and develop the necessary terms of reference.

115. It was reported that the Commission was also directed to make recommendations to facilitate the establishment of a decision-making procedure for the Community. Such a procedure is contemplated under Articles 9 & 12 of the Revised Treaty which provide for the establishment of different modes of decision making, whether by unanimity, consensus or by a two thirds majority depending on the subject matter under consideration.

116. In order to implement these Directives, the President of the Commission established an internal Legal Review Committee and in July 2018, retained the services of three (3) very senior Legal Experts from Benin, Nigeria and Senegal as Resource Persons, to carry out the necessary research and studies and facilitate the work of the internal Committee.

117. Subsequent to the development of draft terms of reference which had been sent to the member States constituting the Committee, the Resource persons have since been engaged in research and analysis as well as benchmarking in relevant international and regional economic Communities to avail the Commission of best practises in the subject areas.

118. The Report of the Legal Review Committee will be submitted for consideration to the Committee of Five established by the Authority at its 52nd Session both at the Ministerial and Heads of State level before the end of March 2019. Ultimately, all the proposed policies and legislative frameworks on the subject of the assignment would be submitted for the consideration of the appropriate technical committees prior to final adoption by the Authority in 2019.

119. Council took note of the update provided.

Item W: Progress Report of the President of the ECOWAS Commission on the Forensic Audit of ECOWAS Institutions and Agencies

120. The President of the Commission presented a report to update the members of the Council of Ministers on the progress made in implementing their recommendation to the Authority of Heads of State and Government at their Seventy-Eighth Ordinary Session held in Monrovia (31st May – 1st June 2017), a recommendation approved by the subsequent Summit (3rd – 4th June 2017).

121. He recalled that the decision to undertake a Forensic Audit of ECOWAS Institutions and Agencies for the last five years (2013 - 2017) emerged sequel to the consideration by the Council of a confidential report tabled by the then President of the Commission based on an EFCC (Economic and Financial Crimes Commission of Nigeria) indicting two Statutory Appointees (the erstwhile Commissioner for Finance and Financial Controller) of financial misconduct for a total loss of USD\$8.6 million. Without prejudice to the conclusions of any proposed Forensic Audit that would be undertaken in the future, the Federal Republic of Nigeria and the Republic of Sierra Leone accepted to terminate the tenure of the suspected officers described above and replaced them.

122. He also reported that Eighty-Nine Ordinary Session held in Abuja in December 2017, the Council, considering the report of the then Financial Controller stating new embezzlement of funds and financial misconducts at two agencies of the Commission namely ERERA and ECREEE and gross irregularities in the payment of Education Grants, reiterated the need for a forensic audit and included the issue of Education Grants in the scope of the audit.

- i. At its Eightieth Ordinary Session held in Lomé in June, 2018, the newly appointed President of the ECOWAS Commission, in compliance with the Authority's decision, tabled a draft Terms of Reference document that were approved by the Council. The overview of the progress made are as follows;
- ii. The **bidding documents** have been prepared and reviewed internally to ensure compliance with existing rules and procedures.
- iii. Considering the forecasted cost of the assignment to be above the threshold of **UA 350,000**, the **Procurement Board** has been entrusted to conduct the procurement process.
- iv. A **Coordinating Committee** has been appointed and comprises of the Vice-President (Chair), the Commissioner, Finance, the Commissioner, General Administration and Conference, the Commissioner, Human Resources, the Auditor-General and the Director Legal Affairs. The President can call on any Director to join and assist them.
- v. A **letter signed by the Chair of Council** has been addressed to the Ministers of Foreign Affairs of Sierra Leone, Senegal and Cabo Verde appointing the **Heads of National Audit Institutions** of these countries to join the Procurement Board and the Coordinating Committee as observers throughout the process of the Forensic Audit. This is to ensure full transparency and fairness of the process considering the consequences that may derive from the conclusions of the Forensic Audit report.
- vi. The **Requests for Proposals** approved by the Procurement Board have been issued on **30th November, 2018** to the seven (7) biggest firms renowned for such assignments as recommended by the Investigation Expert availed to ECOWAS by the European Union:
 - a. BDO Belgium
 - b. Deloitte Consulting Limited USA
 - c. Grant Thornton UK LLP
 - d. KPMG Netherland
 - e. Mazars Belgium
 - f. MDD Forensic Accountants UK
 - g. PriceWaterhouseCoopers Limited UK
- vii. A budgetary allocation has been provided in the **2019 Budget** tabled at this ordinary session of the Council to cover the cost of the assignment and its coordination. This budgetary approval was presented at the Twenty Fourth Ordinary Session of the Administration and Finance Committee, 24th - 30th November, 2018 and has been recommended for adoption by the Council in its upcoming session in December, 2018.



123. Council took note of the update provided and asked the Management of the ECOWAS Commission oversee a transparent, comprehensive and rigorous forensic audit

Item X **Consideration of Report on the Review of Legal Texts of some Institutions of the Community**

124. The Commission presented a report on the review of legal texts establishing some Institutions of the Community. It recalled that based on the decisions emanating from the 51st Ordinary Summit of the Authority of Heads of State and Government which took place in Monrovia on the 4th of June 2017, adopting the Institutional Reform Report the structure of some Community Institutions were affected. These are:

- i. Reduction in the number of the Judges of the Community Court of Justice from seven (7) to five (5);
- ii. The elimination of the positions of Deputy Director-Generals at GIABA and WAHO;

125. These change necessitate amendments to the organic texts establishing these Institutions to reflect the new structure. The Ministers of Justice of the Community met on the 6th of December 2018 to consider the amendments to these texts which will be forwarded for adoption by the Authority of Heads of State and Government at their next Session.

Item Y: **Any Other Business**

126. No issues were discussed under this item.

Item Z: **Adoption of Report**

127. The report was adopted after amendments.

Closing Ceremony

128. In his closing remarks, the Chairman of Council, H.E. Geoffrey Onyeama expressed his sincere gratitude to the Members of Council for the pleasant atmosphere which prevailed during the deliberations and excellent result achieved. He also expressed his thanks to the President of the Commission and staff of Community Institutions especially staff of the Commission for the interpretation, translation and quality of documentation provided. He thereafter declared the 81st Ordinary Session of Council closed and wished all participants safe journey back to their various destinations.

DONE AT ABUJA, THIS 15TH DAY OF DECEMBER 2018



HON. GEOFFREY ONYEAMA

**CHAIRMAN
FOR COUNCIL**



COMUNIDADE DOS ESTADOS
DA AFRICA DO OESTE

ECONOMIC COMMUNITY
OF WEST AFRICAN STATES



COMMUNAUTE ECONOMIQUE
DES ETATS DE L'AFRIQUE
DE L'OUEST

EIGHTY- FIRST ORDINARY SESSION OF THE ECOWAS COUNCIL OF MINISTERS

Abuja, 14 -15 December 2018

VOTE OF THANKS

Members of the ECOWAS Council of Ministers meeting in Abuja, on 14 and 15 December 2018, express their profound gratitude to His Excellency Muhammadu Buhari GCFR, President of Federal Republic of Nigeria and to the Government and people of Nigeria for the warm and brotherly welcome extended them and for the excellent facilities placed at their disposal to ensure the successful conduct of their deliberations.

DONE AT ABUJA, THIS 15TH DAY OF DECEMBER 2018

COUNCIL