



NOT TO BE TAKEN AWAY

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ECONOMIC COMMUNITY OF WEST AFRICAN STATES

EXECUTIVE SECRETARY'S REPORT TO COUNCIL

LAGOS NOVEMBER, 1985



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## I N T R O D U C T I O N

I have the great honour of making a second report on the functioning of the Community to Council within the space of four months. While the institutions of the Community are still a little unsettled because of the year-long change in the entire leadership, I personally feel greater confidence now in the handling of Community affairs - having been on the scene for nearly a year now, and having benefitted already from the tutorship of two Chairmen of Council.

It has been my privilege to work with Mr. Komlan ALIPUI, the Togolese Minister of Finance as the current Chairman of Council. His predecessor, Honourable Sory DOUMBOUYA gently guided my steps in my first six months at ECOWAS and Honourable Mr. ALIPUI has continued from there with sound technical advice on the many issues I took to him. The decisions taken in last July, designed to improve the efficiency of the working of the Community institutions, place an even greater responsibility on the Chairman of Council and I am happy to place on record the impeccable performance of the incumbent Chairman.

Since the last Council, the 21st OAU Assembly of Heads of State and Government has been held to deliberate on the economic plight of the continent and the ensuing Addis Ababa Declaration provides guidelines for finding solutions to Africa's economic crisis. The Joint Annual Meetings of the World Bank and the IMF also provided another forum for deliberating on development problems. It is all the more appropriate that we in this Community should meet over proposals that would help us overcome

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our current pressing difficulties and initiate structural reforms aimed at long-term sustainable economic development. The present session of Council will be called upon to consider recommendations for the adoption of a short and medium-term recovery programme for the West African economy.



## C H A P T E R ONE: THE WEST AFRICAN ECONOMIC SITUATION

The world economy has continued to improve in 1985; but recovery has been slow and the pace has been uncertain for quite a number of major economies. In Africa and elsewhere in the Third World the situation is less clear and recession conditions still prevail in many countries. It is fortunate that for the second year running, rainfall has been near normal and the acute droughts in the recent past will not be experienced with the same severity this harvest time in the sub-region.

It is just as well that Member States would not have to face another threat of famine; the figures for the main economic aggregates of the West African economy being confirmed for the past three years describe the truly bad economic situation that our countries had to endure at the height of the world economic recession. As the industrialised economies became depressed at the beginning of the 1980s, demand for our primary commodity exports (including oil) fell. There was a subsequent fall in our export earnings, which led, partially to cut-backs on imports and also to increased borrowing. Decreased imports especially of capital, goods and industrial inputs affected domestic production. Bad weather contributed to the fall in production and the decline in economic growth as the agricultural sector got hit by low prices for its exports and poor yields for both crops and livestock.

The economies of the sub-region do not only have to be revived and the absolute decline in output (both agricultural and industrial) arrested, there is much rehabilitation of infrastructures to be undertaken. This enormous task needs to be tackled while the Member States fight off a crushing debt service burden and mounting external indebtedness. How well the tasks are performed will be reflected by a slackening of the inflationary



pressures in our economies, a slackening of exchange controls and the emergence of an exchange rate that properly reflects the value of our national currencies.

There has been a debate of our economic problems at various international gatherings. The African Heads of State and Government examined the matter in July during the 21st OAU Summit and adopted a set of policy measures for the survival and development of our Continent. Member States can also draw further inspiration from the Seoul meeting of the Joint Annual Session of the World Bank and the IMF. From these deliberations, we can draw useful lessons and plan our action for the future.

It is quite obvious that we would have to direct our course and husband our resources. We cannot continue to drift nor dissipate the meagre means at our disposal. It would no longer be enough to adopt policies - we would have to implement them. Our cooperation efforts should be geared towards a new orientation in our development strategy. Priority must be accorded production activities in food and agriculture, the rehabilitation of industrial enterprises that are proved to be viable and the rehabilitation of our transport and communications links. This is also the time to give serious attention to our monetary and payments problems, and collectively find relief from our external debt problem.

The economic recovery programme that Council is expected to consider for adoption during this November session touches on these and is meant to contribute to solving these problems. The programme constitutes a package that has to be implemented by Member States individually and by the Community as one unit. The assistance of the world community would be required during its implementation and it is expected that details of the means for carrying out the tasks involved will be worked out in close collaboration with both external donor institutions and Member States.

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It must be recalled that at the last Council meeting, it was requested that a report on the role of the IMF in the running of the economies of Member States should be prepared. The report on the recovery programme touches on the matter. However, it had not been possible to give it the exhaustive treatment required. It is therefore intended to do an in-depth analysis during the coming period of two or three economies of Member States that possess adequate information on the issue. The findings of the proposed study would be made available to the next Session of Council.



## C H A P T E R 2: EVOLUTION OF COMMUNITY WORK PROGRAMME

It was in July, barely four months ago, that the last report on the activities of the Community was made to Council; progress recorded during the intervening period has therefore not been very significant. However, I am happy to state that some action was taken on the following components of the Community Work Programme: trade and customs cooperation, immigration, money and payments, agriculture, industry, transport, communications, energy, institutional matters. Details of the progress made are provided below. This chapter includes comments on the economic recovery programme, which was drafted during the period.

### TRADE AND CUSTOMS COOPERATION

A number of activities have been initiated over the years aimed at promoting intra-Community trade. Between July and now, further progress was made in respect of the following elements of the trade promotion programme: trade information service, packaging, labelling and quality control of industrial goods, organisation of trade fairs, development of traditional handicrafts.

Trade information service: The Authority took Decision A/DEC.22/5/80 in May 1980, concerning the creation of an information centre for the harmonisation of market conditions within ECOWAS for the purpose of developing trade in current and future agricultural surpluses. Because of purely administrative and financial constraints, it has not been possible to act promptly on this decision. However, a consultant has now been engaged to prepare a full report on current and possible agricultural surpluses of Member States that could be exported to other countries within the sub-region. The Secretariat would be in a position to present the findings and recommendations on this issue to a meeting of the Trade and Customs Commission in April/May, 1986.

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Harmonisation of product presentation: The Community needs to improve and harmonise standards governing the quality and presentation of industrial products - as part of the trade development programme. The International Trade Centre (ITC) in Geneva has submitted to the Secretariat a revised report on the packaging, labelling and marking of products. On the basis of an agreement signed with the African Regional Standards Organisation (ARSO), a consultant has been provided by ARSO to extend this study to cover the standards, quality control and metrology aspects of the subject. This second phase is now under way and when the report is received, recommendations on all the issues considered will be presented to the Trade and Customs Commission at its next meeting.

Organisation of Trade Fairs: Since the Council decision of May, 1982, (C/DEC.5/5/82) calling for the harmonisation of national trade fair programmes, the Secretariat has been able to bring together the national organisations responsible for trade fairs and similar activities to plan the work involved. At the fourth meeting called by the Secretariat on this issue, recommendations were made which were subsequently approved by Council at its last session in July, 1985. The Secretariat has since then, been reflecting on a West African Trade Fair Catalogue that it has been considered necessary to prepare for use within the sub-region. This idea is to be presented to the Steering Committee created by Council Decision C/DEC.7/7/85 and made up of Senegal, Nigeria and the Federation of West African Chambers of Commerce.

Development of traditional handicrafts: The priority that the Community accorded the handicrafts industry by declaring traditional handicraft products totally free of import duties within the Community (Supplementary Protocol A/SP.1/5/81) is to be reflected in the formulation of a programme for the development of the



industry in the sub-region. A preliminary report on the cooperation programme has already been considered and its main recommendations approved. The first phase of the programme is a two-year transitional period during which national centres for promoting the handicraft industry are to be assisted and a sub-regional centre created. Pending the availability of funds to establish the Community centre, preliminary measures are being taken to organise the work expected to be performed: determining priority activities of the industry, defining main attributes and requirements of national centres, and identifying the industry's manpower needs. It is hoped that the necessary resources would be obtained to enable the Secretariat launch the handicrafts development programme in 1986.

Trade development problems: It is necessary that the problems related to the development and expansion of trade among Member States, and more generally, among developing countries should be reviewed as often as possible - so as to increase the chances of finding workable solutions. The Secretariat participated in two such reviews during the period. Under the auspices of the Niamey ECA-MULPOC, a meeting was held in Niamey in September (the ECOWAS/BOAD/MULPOC Ad Hoc Committee of the Association of West African Inter-governmental Organisations) on finding solutions to obstacles to production and trade in West Africa. The second meeting attended was within the wider framework of intra-ACP trade cooperation. That meeting was held in Harare last month and the resultant Harare Declaration on Intra-ACP cooperation covered trade, transport and communication, industry, development finance technology and technical assistance, cultural, scientific and educational cooperation.

The Secretariat is working out a programme that will seek to educate the business community, through the Federation of West African Chambers of Commerce, on the



various ECOWAS trade and customs measures adopted to facilitate and promote intra-Community trade.

Automatic Data Processing: Council approved in November, 1983, the ASYCUDA Programme which, in the first instance, is designed to ensure the automatic processing of customs and trade statistics for the purpose of calculating the loss of revenue resulting from the liberalisation of intra-Community trade in industrial goods. It should be pointed out that, when fully developed, the ASYCUDA system will provide a data bank for a full range of economic, financial and social statistics for the use of the institutions as well as Member States of the Community.

The ASYCUDA programme is a network: a computerised system of data collection and analysis based on a central unit, to be located in Lome, and national units in all Member States. As reported in the past, fair progress has been recorded on the installation of the national units and the training of national customs and statistics officials to operate the system. The report received from national experts on progress being made on the national units, during the fourth ASYCUDA Donors' Conference in Geneva in September, was encouraging still.

During the review period, the project document on the Lome Central Computer Unit was prepared for the consideration of national experts at the end of last month. Already, through the assistance of the donors, some of the personnel have been engaged in anticipation of the 1986 Work Programme drawn up for the Lome Centre. The Community is called upon to provide about a third of the cost of installing the Centre which is estimated at about \$ 4 million. The actual establishment of the Centre (with the assistance of UNDP, EEC, Commonwealth Secretariat and France) is scheduled to be completed at the end of 1988, after which period, the Community would take over its running.



Estimation of Compensation Budget: It was reported at the last Council session that the Secretariat had set in motion the process of estimating the size of the compensation that would have to be made to Member States when the liberalisation of trade in industrial products begins. The Trade and Customs Commission at its May, 1985, meeting requested that more up to date and accurate data be used to estimate this compensation budget. Therefore during the review period, three field mission teams, made up of Secretariat and Fund staff were conducted in Member States to gather the relevant statistics.

An analysis of the data has already begun and it is expected that fresh proposals on the first compensation budget will be presented to the Trade and Customs Commission at its next sitting. It should be recalled that the resources of the Compensation Budget will be generated through contributions from Member States on the basis of their share of intra-Community trade in industrial products.

Common External Tariff: One of the objectives of the Community, and which can be considered as an intermediate step towards the establishment of an economic community, is the creation of a customs union. We have already agreed on one of the two major components of a customs union: a schedule for the complete liberalisation of intra-Community trade - to achieve a free trade zone. The second component is the establishment of a common external tariff - the application of a uniform set of tariffs by all Member States on third country goods.

The Community has already begun on the sensitive and fairly complex process of working out a common external tariff. In June, 1985, the Trade and Customs Commission agreed on some preliminary steps proposed by the Secretariat including the setting up in all Member States of national committees for the purpose of bringing together all the



departments concerned and actively participating in and coordinating the technical work involved. During the review period, letters were sent from the Secretariat to initiate the establishment of these committees.

#### IMMIGRATION MATTERS

During the last meeting of the Authority, the desire for voluntary and peaceful cooperation among Member States was demonstrated once more when it was decided that the first Community programme to be implemented - the immigration cooperation programme as defined in the Protocol on Free Movement of Persons, Right of Residence and Establishment - should have equal force of application in all Member States. This decision involved the postponement for one year of the introduction of the second phase of the Protocol to enable every Member State to satisfy itself of the smooth application of the first phase. Therefore, the first phase which consisted of the abolition of tourist visa, will run till May 28, 1986, after which time, each Member State will progress on to the granting of the right of residence to all Community citizens. It is to be noted that the details of Phase Two of the Protocol were agreed upon in July, 1985.

A number of decisions have been taken to facilitate the application of this Protocol - principally, decisions relating to the harmonisation of immigration documents and procedures. For example, during the last statutory meetings in July, 1985, a Code of Conduct for the implementation of the Protocol was adopted; so also did the Community agree on a standardised Travel Certificate to be used alongside national passports to facilitate the movement of ordinary citizens within the sub-region. During the review period, the ECOWAS Travel Certificates were printed and despatched to all Member States for their use.



Similarly, the process of reprinting the ECOWAS Laissez-Passer (for the use of persons on Community assignments) was resumed - the reprinting is being done to reflect modifications introduced by Council Decision C/DEC.9/5/81 of May, 1981.

#### MONETARY COOPERATION

Since the important decision of the Authority in May, 1983, requiring all Member States to work together towards the creation of a single monetary zone, some technical studies have been going on to spell out a cooperation programme that will lead the Community to this much needed goal. In May, 1985, the Committee of Governors of Central Banks reviewed progress on these studies and requested the enlargement of the Study Team set up for the purpose. It should be recalled that the complete set of studies is to cover the following main requirements for the creation of a Monetary Union:

- National adjustment measures and policies
- Structure and functions of a sub-regional coordinating and monitoring body
- Modalities for external reserves pooling and convertibility guarantee
- Institutional and operational aspects (including transitional arrangements)
- Statutes of the Monetary Union (Treaty or Protocol).

During the review period, the Enlarged Study Team, which was formed and briefed in early August, conducted field missions to Member States in September and October. A draft report is now in preparation and will be despatched to Member States shortly.

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### AGRICULTURAL COOPERATION

The most important sector of the economy of the sub-region is agriculture and combined with the current crisis that this sector faces, the Community has rightly designated agriculture as a priority development sector. This fits into the general strategy of shifting emphasis, in matters of sub-regional cooperation, from market integration to production integration; priority being given to agriculture also reflects the self-reliance policy of developing the economy on the basis of available national and sub-regional resources. The regional agricultural development strategy and policy (A/DEC.4/5/82 of May, 1982 and C/DEC.1/5/81 of May, 1981) identify such areas of cooperation as nutrition and pricing policies; rural infrastructural development and social welfare; coordinated development of the crops, livestock, fisheries and forestry (including wildlife and conservation) sub-sectors; agricultural credit and inputs supplies, preservation, storage and food security; processing, distribution and marketing; and research, development and training.

The Community has already initiated action on some of the above issues. During the review period, further work was carried out on two of these. Some national production centres for improved seeds and cattle breeding - stocks have been selected for enhancement and strengthening by the Community in order to improve the supply of these vital inputs. The preliminary studies already carried out on these centres are to be taken a step further by undertaking feasibility studies, as directed by the last meeting of the Agriculture Sub-Commission. The terms of reference of the feasibility studies have now been drawn up. The studies will be carried out in 1986.

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It has been felt that pricing policies of Member States need to be examined and improved upon. First, there has been the general tendency for policies on agricultural goods pricing to discriminate against the producer (essentially in the rural dweller) in favour of the urban consumer (in the case of food production) and export development and maximisation of export earnings. Secondly, various agricultural subsidies and price support mechanisms distort prices reigning on either side of national borders, giving rise to smuggling and uncontrolled movement of agricultural products across frontiers. The FAO assisted the Secretariat in conducting a study on agricultural pricing policies of Member States and a draft study report was examined (with the joint sponsorship of USAID) at a Seminar in Accra, Ghana in July. The results are being studied with a view to presenting a recommended cooperation programme in agricultural pricing to the appropriate Commission for consideration.

#### INDUSTRIAL COOPERATION

Industrial cooperation provides one of the main avenues for the practical expression of the collective self-reliance policy ushered in by the formation of ECOWAS. The regional industrial strategy and policy subsequently adopted by the Community (Authority Decisions A/DEC.3/5/83 and A/DEC.4/5/83 of May, 1983) reflect our realisation that the industrialisation of national economies would succeed more if a regional approach is adopted. After the adoption of the above policies and the framework of an industrial programme, attention has been concentrated on the identification of industrial projects. In this connection, it might be recalled that preliminary studies have already been carried out on food processing industries (fish, meat,

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fruits and vegetables) and on iron and steel. As indicated in the last report to Council, we are now engaged in a study whose objective is to propose a set of integrated sub-regional industrial projects.

During the review period, the fourteen core projects, being considered as the first phase of the sub-regional industrialisation programme, received further attention. Two UNIDO consultants and one from the ECA assisted the Secretariat with the gathering of more information on these projects. The request from the Industry, Agriculture and Natural Resources Commission for visits to Member States featuring no projects in the preliminary list was also attended to by organising the missions required. The Secretariat expects to have a draft report on these ready by the end of the year. The draft report will be reviewed by officials from the various organisations concerned before being finalised.

A mission was sent to Ghana, to conclude a project identification programme started by the ECOWAS Fund some three years ago. The programme was meant to discuss with each individual Member State projects in the priority sectors of the Community that the Member State wished to have some sort of Community support. It is on the basis of the findings of these country missions that a number of projects have already been sponsored by the Fund.

#### TRANSPORT COOPERATION

The Community transport programme provides a means for achieving the much needed physical cohesion of Member States. The programme covers both the physical development of the infrastructures of all the different transport modes, and the harmonisation and rationalisation of the legislative and administrative procedures of Member



States. Some progress has already been made with respect to the development of roads, railways and shipping as well as the harmonisation of road legislation.

Roads: The Community is firmly committed to the development of the Trans West African Highways Network. A number of studies have been conducted in the past which enabled us to ascertain the status of this road programme and the magnitude of what remained to be done. During the review period, engineering studies were finalised on some of the uncompleted portions of the network in Togo and in Ghana. Documents on all engineering studies already carried out in the other countries were assembled by the Secretariat and the Fund, with a view to assisting the Member States concerned in their search for external financial assistance.

Air transport: Two sub-programmes are simultaneously being undertaken under air transport. The first one concerns the promotion of cooperation among the existing airlines of the sub-region. A study has been completed on means of improving the operations of these airlines - various rationalisation schemes and coordination among them - and the report has been submitted to officials of these airlines. The recommendations of the report will subsequently be sent to Council through the Transport and Communications Commission.

The second sub-programme relates to the possibility of establishing a sub-regional airline. A preliminary study conducted earlier indicated that this could be a viable proposition. During the review period, therefore, the terms of reference for the necessary feasibility study was drafted. It may be pointed out that future progress on, and, indeed, the fate of this sub-programme would depend on how the existing airlines' cooperation programme turns out.



Shipping: The Community has been reflecting on how best to improve and develop coastal shipping; already pre-feasibility studies have been conducted on the establishment of a coastal shipping service. During the review period, the Secretariat, with the assistance of UNCTAD prepared a Profitability Study on a ECOWAS Coastal Shipping Line. This report has been submitted to national shipping experts for consideration. After this review, the recommendations will be passed on to interested economic operators - in line with an earlier recommendation that the Shipping Line would be a semi-public venture.

Railways: The Community programme aims at establishing a railway network within the sub-region. The main arteries have been identified and efforts are being concentrated on constructing those links that would serve our priority transport needs and for which some previous study reports are available. It was within this framework that I reported in last July the joint initiatives with the Vienna Institute for Development concerning the proposed Togo-Burkina-Niger-Mali rail system.

Contact continued to be maintained with the Vienna Institute in our search for the funding of the feasibility study that needs to be conducted. It should be noted that, within Burkina Faso, part of this system is already at the execution stage - the Tambao Project; the Secretariat and the Fund are assisting in identifying additional sources of funding for this project.

#### COMMUNICATIONS PROGRAMME

The priority that the Community has placed on physical infrastructural development is further demonstrated by the adoption of a telecommunications programme which seeks to modernise telecommunications and establish a



complete network. A programme with similar objectives has been adopted for improving the efficiency of postal services within the sub-region. The first phase of the telecommunications programme (INTELCOM I) is being executed on schedule. However, the postal programme is considerably behind schedule because of lack of funds.

In the field of telecommunications, two aspects of the programme received attention, apart from the on-going physical infrastructural development works. The first concerns a study that the English consultancy firm - Organisation for Rehabilitation through Training (ORT) International - had been commissioned to undertake on the training needs, at the higher level, of telecommunications establishments in Member States. The report on this study was received in the Secretariat and, after a critical appraisal, was sent with our recommendations to Member States, in preparation for the October, 1985, meeting of the Communications Sub-Commission.

The second issue relates to the on-going study on the establishment of a sub-regional enterprise to manufacture telecommunications spare parts. A few more of the questionnaires to be completed by all Member States as part of this study, were received during the review period (eight are still outstanding). The very slow reaction of Member States to our request for information has held up the study and I would like to appeal to the remaining Member States through Council to make the completed questionnaires available at the Executive Secretariat as soon as possible.

The on-going postal study concerns the identification of national sorting and transit mail centres and what needs to be done to improve mail circulation in the sub-region. A draft report has been written which will be sent



to Member States after the necessary review at the Secretariat. The draft report makes a preliminary recommendation that, over the medium-term period, seven centres need to be constructed; in Ouagadougou, Niamey, Conakry, Nouakchott, Bamako, Freetown and Lome.

#### ENERGY COOPERATION PROGRAMME

Since most Member States have been battling with serious energy problems for over a decade now, the Community has adopted a priority energy cooperation programme meant to eliminate some of the immediate problems and also ensure a rational development of the energy resources available in the entire sub-region. The Authority decision on Energy Policy for the Sub-region (A/DEC.3/5/82) identifies measures to be undertaken in both the short and medium-term and covers energy conservation and rational utilisation of available resources, increased use of energy-efficient machinery and equipment, diversification of the energy resource base to include renewable and non-conventional forms of energy. Quite a few projects have already been initiated in some of these areas.

Energy Conservation: A project that is being developed concerning energy conservation is the plant audit scheme. This project is to promote the efficient use of energy in petroleum-based electricity generating plants. The project which is supported by USAID, was started as a pilot scheme involving six Member States (Ivory Coast, Mali, Niger, Nigeria, Senegal and Sierra Leone) and involves direct audit service and the training of local senior personnel. During the past few months, attention has been concentrated on the recruitment of engineers from indigenous consultancy firms (in the field of energy conservation) to start the training programme.

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Joint ECOWAS Refinery Programme: The report of a study on possible areas of cooperation in the petroleum field was presented to Council in July, 1985, through the Energy Sub-Commission. Among the proposals retained by the Sub-Commission were the creation of a proper mechanisms in each Member State to coordinate all energy matters, and the adoption of a cooperation programme for the full utilisation of the refinery facilities of the sub-region. In line with the July Council directive that the report should be improved, the Secretariat has been working on the terms of reference for the supplementary study.

#### ECONOMIC RECOVERY PROGRAMME

The Authority demonstrated in November, 1984, its concern for the economic deterioration that the sub-region had been facing by making the Lome Declaration on the recovery of the West African economy. The Declaration limited itself to the definition of the broad areas in which action was to be taken by Member States and the Community. Since the adoption of the Lome Declaration, the Secretariat has been working with three West African research institutes (Nigerian Institute of Social and Economic Research - NISER - in Ibadan; Centre Ivoirien de Recherche Economique et Sociale - CIRES - in Abidjan; and Centre de Recherches Economiques Appliquées - CREA - in Dakar) on a study of the economic situation in Member States and what programmes to propose for getting out of the economic crisis.

Due to lack of funds, the study could not proceed as initially envisaged. For example, instead of end of May, 1985, it was not until the end of September that copies of all the preliminary draft reports on groups of countries covered by the various institutes became available at the

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Secretariat. The overall report that was subsequently prepared by the Secretariat and sent to Member States proposes short and medium-term measures to be taken at national levels and at the Community level. In the short term, emphasis is placed on the need to optimise the use of available resources through rationalisation and re-organisation exercises as well as the rehabilitation of installed capacity and infrastructural facilities. In the medium-term, it is recommended that measures should be taken that would initiate the restructuring of the economies to match domestic demand and production, improve the quality of economic management and promote general efficiency.

The draft report is to be debated at a meeting of national experts before being presented on 15 and 16 November, 1985, to the Ad Hoc Ministerial Committee established to assist with the implementation of the Lome Declaration.

#### SOCIAL AND CULTURAL COOPERATION

The Community adopted in 1983, a set of cooperation programmes in the social and cultural fields as an integral part of involving all segments of the West African population in the development process and promoting greater social cohesion within the sub-region. One of the programmes adopted concerns the establishment and running of associations for labour, women, the youth, and universities and research institutes. All the four associations have already been inaugurated. The statutes of the Organisation of Trade Unions of West Africa (OTUWA) have been drafted and were presented to a meeting of Ministers of Labour at Niamey last month. During that meeting, the Ministers also reviewed the findings of a Labour Conference held in December, 1984, on the theme 'The Role of the Organisation of Trade Unions of West Africa in ECOWAS'.

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A seminar sponsored by UNESCO was held in Conakry from 7 to 12 October, 1985, to consider the prospects for developing West African cultural industries. It may here be recalled that in March this year a meeting was organised by UNESCO at its headquarters in Paris for the OAU, ECOWAS and UDEAC on the social and cultural aspects of development programmes. The objective is that the links between cultural and economic development should be identified and fully established.

As part of the ECOWAS social and cultural programme, games and sports are organised on an annual basis in the sub-region. In soccer, trophies are competed for in both the junior and senior divisions. The 1985 competition for the Senior Football Cup (donated by President Houphouët Boigny) is being held in Dakar very soon. Apart from modern games, the ECOWAS programme includes the promotion of traditional African games and sports. Questionnaires sent to Member States to gather relevant information on these activities are being received at the Secretariat. After an analysis of the information obtained, a set of proposals will be made for the consideration of the Social and Cultural Commission.

#### ADMINISTRATIVE AND INSTITUTIONAL MATTERS

Appointments: This year has marked the end of the first decade of the existence of ECOWAS and the beginning of its second decade. 1985 has also coincided with the first change of the top officials of the Community. During the review period, my two deputies, Messrs Kadre Désiré OUEDRAOGO a Burkinabe, and Adelino Mano QUETA from Guinea Bissau, assumed duty. Mr. OUEDRAOGO is the Deputy Executive Secretary responsible for economic affairs and Mr. QUETA is Deputy Executive Secretary in charge of Administration. The terms of the Financial Controller and the Deputy Managing Director of the Fund would expire by

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the end of this month. The Gambia has already communicated to us the name of the in-coming Deputy Managing Director; we are yet to receive news of the Niger nominee for the post of Financial Controller.

I am happy to announce the assumption of duty of three professional staff at the Secretariat to man the Industry, Agriculture and Social Affairs Divisions. Until their arrival, the entire Community programmes in these fields had had to be managed by the Directors of the two Departments involved. The Secretariat, however, lost the services of one of its interpreters who resigned to take up an appointment elsewhere.

Finances: It has not been possible to run the Secretariat's work programme for the year on schedule because of financial difficulties. The inflow of Member States' contributions has been very poor and at various points, our bankers discontinued their overdraft facilities to the Secretariat. The bulk of our budgetary resources are derived from Member States' contributions and it is imperative that this financial obligation is promptly met (according to the Community regulations, before the end of the first quarter of each new financial year) by each Member State. The Community is suffering in many ways because of this chronic financial crisis and things cannot just go on much longer the way they are. I am sure the report of the Financial Controller fully describes the situation. The Chairman of Council proposes to visit Member States to discuss problems of meeting financial and other Community obligations.

Rationalisation of West African IGOs: The problems posed by the multiplicity of inter-governmental organisations in the sub-region have been fully recognised by our political leaders. That is why the Authority directive was



given in 1983 to seek the assistance of the ECA in looking for practical solutions. During the November, 1984 Summit, the Authority requested further details on some specific aspects of the matter and during the year the ECA and ECOWAS Secretariats have been in constant touch to find the right answers. A draft report has just been received from the ECA Secretariat and after a joint ECA/ECOWAS review, a second draft will be circulated within the sub-region to begin the series of meetings that should be held to consider the proposals. Council will be presented with a set of recommendations on this matter at its next session.

Assessment of the Community: Council will recall that at the end of the July statutory meetings, two main decisions emerged with respect to the report of the Ministerial Ad Hoc Evaluation Committee. On the one hand, I was requested to ensure the immediate implementation of a set of administrative directives by the institutions of the Community. These directives were meant to improve the performance of these institutions. Steps were taken soon after the meetings to respect those directives. On the other hand, it was decided that a Committee of Finance Experts should be convened to look into some specific financial matters on which definite decisions could not be taken last July. The Chairman of Council convened this Committee which has been working for the post part of the review period. It is hoped that a report will be made to Council during the present session.



### C H A P T E R 3: PROGRAMMES FOR 1986

As the Community enters the second year of its second decade, the attention of the institutions will be concentrated on facilitating the implementation of Community policies and programmes in Member States. Priority will have to be given to those policies and projects that will directly contribute to and complement the new measures that will be adopted under the proposed economic recovery programme. The economic recovery programme covers a wide-range of activities but in the short-run, priority is accorded to agriculture, fiscal and monetary policies and measures to introduce greater efficiency in the management of our economies. The regular activities of the institutions presented below in the different sectors will, therefore, have to be modified to take account of the relevant recovery measures that will be adopted at the end of the coming session of Council.

#### TRADE AND CUSTOMS

- a) Establishment of Trade Information Service to promote trade in agricultural surpluses
- b) Programming of the organisation of trade fairs within the sub-region
- c) Adoption of cooperation programme in the presentation of industrial products
- d) Implementation of traditional handicrafts development programme
- e) Organisation of GATT-sponsored sub-regional seminar on trade development
- f) Implementation of Community trade liberalisation scheme and related measures

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- g) Determination of Compensation Budget
- h) Establishment of Automatic Data Processing System
- i) Preparations towards establishment of Common External Tariff
- j) Formulation of proposals on harmonisation of Indirect Internal Taxes
- k) Closer cooperation with Federation of West African Chambers of Commerce.

#### IMMIGRATION

- a) Introduction into use of ECOWAS Travel Certificate
- b) Application of ECOWAS Immigration Code of Conduct - monitoring implementation of Phase I of Protocol on Free Movement
- c) Introduction of Phase II of Protocol on Free Movement
- d) Harmonisation of Resident Cards and Permits:
- e) Study on Rules and Regulations regarding Border Communities.

#### MONEY AND PAYMENTS

- a) Adoption of recommendations of Phase II of the studies on establishment of single monetary zone
- b) Study of Phase II of establishment of single monetary zone
- c) Measures to improve operation of West African Clearing House.

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## AGRICULTURE

- a) Development of sub-regional agricultural information system
- b) Establishment of a system for organising emergency food aid and relief schemes
- c) Establishment of a sub-regional food security system
- d) Re-commissioning of feasibility studies on selected centres for production of seeds and cattle breeding stocks
- e) Development of programme on the prevention of post-harvest losses
- f) Development of integrated agricultural pilot scheme
- g) Development of fishery cooperation programme.

## NATURAL RESOURCES

Adoption of a Community Natural Resources Cooperation Programme.

## INDUSTRY

- a) Monitoring rehabilitation of industrial enterprises in Member States
- b) Finalisation of the project documents of the Sub-Regional Integrated Industrial Programme
- c) Adoption of Iron and Steel Development Programme
- d) Feasibility studies on food-processing enterprises.

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## TRANSPORT

- a) Monitoring road rehabilitation programmes of Member States
- b) Continuation of programme on construction of uncompleted portions of Trans-West-African Highway
- c) Study on Inter-connecting roads
- d) Monitoring implementation of harmonised road legislations, including ECOWAS Brown Card
- e) Monitoring establishment of West African Coastal Shipping Service
- f) Launching West African airlines cooperation programme
- g) Feasibility studies on railway system linking Mali, Burkina Faso, Togo, Benin and Niger.

## COMMUNICATIONS

- a) Implementation of INTELCOM I
- b) Development of telecommunications training programme
- c) Monitor application of ECOWAS Telephone Tariff Scheme
- d) Promotion of establishment of enterprises to produce telecommunications equipment parts
- e) Detailed studies on identified mail sorting and transit centres.

## ENERGY

- a) Implementation of Energy Conservation - Audit Programme

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- b) Further study on sub-regional Joint Energy Refinery Programme
- c) Finalisation of 14 regional energy projects.

#### GENERAL ECONOMIC ISSUES

- a) Adoption and implementation of Economic Recovery Programme
- b) Adoption of special programme on drought and desertification
- c) Review of economic conditions in Member States
- d) Improvement of the general statistical base of the sub-region
- e) Publication of general economic and social indicators.

#### SOCIAL AND CULTURAL AFFAIRS

- a) Preparation of Directory of West African Institutions of Higher Learning and Diplomas awarded; study on the establishment of equivalences
- b) Adoption of Standard Cultural Cooperation Agreement
- c) Assistance with merger of Sub-Regional Health Institutions: OCCGE and WAHC
- d) Monitoring organisation of West African Games
- e) Development of traditional West African Games and Sports
- f) Assistance with formation of ECOWAS Clubs
- g) Monitoring organisation and celebration of ECOWAS Week

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- h) Monitoring functioning of the 4 West African Associations (Women, Labour, Youth and Universities and Research Institutes)
- i) Seminar for West African Journalists: Introduction to ECOWAS policies and current programmes.

#### INSTITUTIONAL AND ADMINISTRATIVE ISSUES

- a) Re-structuring of Sub-Regional Economic Integration Institutional Arrangements
- b) Monitoring strengthening and functioning of national Economic Cooperation Secretariats
- c) Monitoring ratification and implementation of Community Acts and Decisions
- d) Construction of Offices of Community Institutions
- e) Resolving residential accommodation problems of Secretariat staff
- f) Formulating proposals on resolving staff quota problem
- g) Revision of Staff Conditions of Service
- h) Formulating proposals on financing of operational budgets of the Community.

## C O N C L U S I O N

The Community has celebrated ten years of its existence. The past decade happens to have been a particularly difficult period for the economy of the sub-region. These difficult times were in no way caused by the existence of our Organisation. It may also be remarked that, unfortunately, these economic hardships were not relieved by the Organisation either. We should, however, rejoice in the fact that none of our Member States has had cause to resort to withdrawing its membership as a way of lightening its economic burden, or for any other reason.

It is gratifying to note that our leaders are anxious to see ECOWAS play a leading and dynamic role in the development of our countries. I have particularly in mind the exercise ordered a year ago to assess the functioning of the Community as a development instrument of the sub-region. A year before this directive was given, the Authority had requested that the co-existence of the numerous West African inter-governmental organisations be examined very closely with a view to rationalising the institutional arrangements for economic integration. The Authority has also sought to find solutions to our common economic problems.

This self-analysis and common desire to establish a strong regional basis for tackling our development problems augurs well for the future integration of the economies of this sub-region. We have begun the second decade of our existence together as one economic entity with an opportunity to reinforce our desire to cooperate together and re-dedicate ourselves to economic regionalism. As we embark on the path of physical integration of our countries, I would urge that all Member States recognise the difficulties and sacrifices that are required of us all.

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Re-orienting our production structures is neither going to be swift nor easy, but it is now that the scars of the economic hardships of the past five years are still visible that we should embark on this restructuring assignment.

The economic recovery programme being proposed as a possible means lays emphasis on rehabilitation, re-organisation and rationalisation of economic activities to achieve greater efficiency. It is suggested further that top priority be given to food and agricultural development with the necessary support from infrastructure and other allied sectors. The bulk of what has to be done rests on the shoulders of Member States - since even at the Community-level measures ultimately depend on the goodwill of the individual Member States for effectiveness. What each one of us has to recognise is that there needs to be a much greater capacity to translate Community acts and decisions and to implement these and our cooperation programmes at the national level.

This is the challenge facing us all as members of the Community. I pray that the new decade be a decade of positive action so that when the time comes to assess the socio-economic performance of the sub-region ten years hence, we can point to visible economic progress - some of which would be attributable to the existence of ECOWAS. To achieve such a record and to build a viable organisation, we would have to begin right now!