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ECONOMIC COMMUNITY OF WEST AFRICAN STATES



REPORT OF THE
EXECUTIVE SECRETARY TO THE
COUNCIL OF MINISTERS

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SUMMARY

There are signs that the world economic recession is coming to an end. But for countries in the sub-region there is hardly any evidence that recovery has set in; there is neither any short-term nor long-term relief in sight. The Community Priority Programme that has been developed over the years to contribute to economic development within the sub-region and set in motion the socio-economic integration of ECOWAS Member States provides still the correct basis for combatting the twin problems of economic survival and future prosperity.

The Work Programme of the institutions of the Community for the review period involved principally the elaboration of the details of the programmes already adopted and the initiation of supportive measures required for the effective implementation of these programmes. Thus in the areas of cooperation in customs and immigration matters, seminars were organised to review implementation problems encountered and possible ways of improving performance. On the important issue of monetary cooperation, the Governors of ECOWAS Central Banks met twice to outline the studies needed as follow-ups to the earlier ones: on convertibility and financing mechanisms, and that requested by the Authority towards the creation of an ECOWAS monetary union.

In the vital field of services, the search continued in our bid for an organised system of coastal shipping within the sub-region, and there was further action on the issue of constructing the uncompleted portions of the Trans West African Highway. Our efforts also continued in the definition of a cooperation programme for the airlines of West Africa. With the signature of project contracts and loan agreements, we got closer to the objective of establishing an automatic telecommunications network linking all the capitals of Member States. A study has been completed on a postal routing system for the sub-region.

In the industrial field, a revised version of the earlier drafts of the Protocol on Community Enterprise has been prepared by the Secretariat for re-consideration.

Further action was taken towards the selection of regional projects. The agricultural programme, aimed primarily at achieving regional food self-sufficiency, moved a step forward with the completion of pre-feasibility studies on selected seed and cattle production centres. Our energy programme evolved further with the holding of seminars on sub-regional petroleum cooperation and on the development of renewable energy resources.

The Community social and cultural cooperation programme brought ECOWAS closer to the West African public through the organisation of the football competitions for the Shagari and Houphouet-Boigny Cups. Public enlightenment materials were also published during the period. Further preparatory measures were taken towards the expansion of existing Student Exchange and Cultural Exchange Programmes.

Our Organisation continued to face administrative and institutional problems which we believe could have been resolved much earlier on. We were obliged to comply with the Council decision to request Member States to fill their staff quotas. The arrival of this additional personnel will have to be matched by a significant improvement in the flow of budgetary contributions by Member States and the acquisition of additional office space. In spite of the country missions conducted in the preceding period and the solemn assurances received, there has been no noticeable improvement in the performance of Member States. The ratification and implementation of Protocols and decisions continued to be handled at an unhurried pace. Outstanding financial contributions have remained distressingly high and this severely limited the capacity to carry out Secretariat programmes. Nothing during the period indicated that the repeated request for the establishment or strengthening of National ECOWAS Secretariats had been attended to.

The Community has reached a stage in its life that greater involvement and participation of its Member States is necessary. The hitherto successful strategy of centralising Community activities was needed to formulate cooperation policies and the general outlines of the action programmes that go with these policy decisions. The time has come to make institu-

tional adjustments to usher in a process of decentralisation necessary to foster the more direct Member States' participation required for the successful implementation of Community programmes. It is hoped that when firm proposals are submitted in the near future, this issue will receive the serious consideration it deserves.

INTRODUCTION

It is with gratitude that I seize this second opportunity this year to present a Report to the Council of Ministers. On this particular occasion, I have the chance to give an account of what has happened within the Community since the last session of Council and, in addition, to indicate what the main thrust of the Community programme should be for the coming year.

Forecasts, at the beginning of this year, of the performance of the world economy were that there would be greater evidence of a pull-out of the recession that had prevailed since 1980. However, the recovery has been more sluggish and for our sub-region, a resumption of economic development is not yet in sight. The concerns expressed by delegations from our sub-region and from other parts of the Third World, and the low morale in which these delegations were as they left important international meetings held during the review period, attest to the continuing tight-fistness and the desperation of the Industrialised and Third World countries respectively. I am here referring to the unspectacular results in June at Belgrade of UNCTAD VI whose theme was "Recovery and Development", the undue cautiousness that prevailed within the IMF and the World Bank at the September Joint Annual Meeting in Washington, and the attitudes displayed during the formal opening in October of the re-negotiation of the ACP-EEC Convention in Luxembourg.

The effects of the rain failure this year has already begun to show on the agricultural sector which continues to rely heavily on the natural rhythm of the seasons. More than ever before, the sub-region stands in dire need of a viable food security arrangement; developments in the food supply situation during the year amply demonstrate the urgency with which we must implement the Community Agricultural Programme in order to achieve our objective of sub-regional food self-sufficiency.

The world economic depression has been reflected in a general weakening of the balance of payments positions of the countries of the sub-region, a growing shortage of foreign

exchange leading to both an alarming scarcity of imported commodities and deeper external indebtedness. Any relief that could be worked out with respect to the external trade sector would be most welcome. Since the oil import bill of most Member States constitutes a major concern, Community action through the effective implementation of the ECOWAS Energy Programme should improve the situation considerably. The import scarcities have distorted domestic prices and seriously affected the value of most of our national currencies. Concerted action on the monetary front -as strongly advocated for by the Authority at the May 1983 Conakry Summit- is what is required to save the eventual collapse of some of these currencies.

It is with such topical sub-regional economic issues at the back of our minds that we have conducted the affairs of the Community since the May sessions in Conakry; the same pre-occupations have guided our proposals for the activities to be pursued by the Community in the next twelve months as reflected in the Operational Budgets being submitted for approval at the forthcoming session of Council.

I should like to proceed now to give an account of how various programmes have evolved and indicate the path that should be followed during the coming year.

COMMUNITY COOPERATION PROGRAMMES

It should be recalled that my Reports for the past year or so have been drawing attention to the need for consolidating the achievements of the Community and ensuring the implementation of programmes already adopted. Consequently, the last meetings of the Community held in May 1983 in Conakry did not add any new areas to the ECOWAS Work Programme. Activities of the Community since May have therefore been limited to the facilitation and monitoring of the implementation of the following areas of the Community Priority Programmes:

- trade liberalisation and promotion
- immigration matters
- monetary cooperation
- transport and communications
- industrial cooperation
- agricultural cooperation
- energy cooperation
- social and cultural cooperation; and
- institutional and administrative matters.

A. TRADE LIBERALISATION AND PROMOTION

Utilisation of ECOWAS Customs Documents : The creation of ECOWAS offers new possibilities and opportunities to Member States on the one hand while, on the other hand, it imposes new obligations on them. One such obligation imposed by the harmonisation of policies and administrative procedures is the need to abandon previous national documents for new Community ones. The changeover would not always be easy, especially where it involves numerous junior-level government officials. This has been demonstrated in the introduction of the ECOWAS customs declaration forms. At the invitation of the Trade, Customs, Immigration, Money and Payments Commission, the Secretariat organised a seminar in September at Monrovia on the nature and use of the ECOWAS declaration forms and other Community customs documents and a review of any problems so far

encountered. The very good reception this programme had in Liberia has encouraged us to plan its extension to the other Member States in 1984.

Customs Training Needs : At a more general level, a study has been undertaken to evaluate the customs training needs of Member States in order to improve the efficiency of their customs personnel. The report on the study is being presented to the appropriate Commission for it to consider the recommendations made towards the improvement of the manpower of our Customs Administrations.

Computerisation : With the completion of the first phase of the data processing programme (this phase involved the assessment of the quality of the trade and customs data collection machinery of all Member States), action was pursued on the preparation of project documents, outlining the requirements of each Member State in order to bring its statistical machinery to such an operational level as to function effectively within a Community computerised customs and trade data system. The Trade, Customs and Payments Commission would be presented with a report on the progress made on this project. It may be recalled that part of this project involves the training of statistical and customs officials to enable them operate within the system to be installed.

Harmonised System of Customs Nomenclature: The Customs Cooperation Council (CCC) based in Brussels had been working on the harmonisation of customs nomenclature (essentially concerning the Brussels Tariff Nomenclature -BTN and the Standard International Trade Classification -SITC). During the review period, the Secretariat attended a seminar organised by the CCC on this issue. Since this new system would eventually replace the existing ones, the Secretariat would follow developments in order to plan a joint approach by Member States at the appropriate moment.

A related issue is the Kyoto Customs Convention, to which the international trading community requires its members to adhere. A seminar was organised by the CCC, in collaboration with the French Customs' Ecole Nationale in Paris, in June to discuss the system, its application and adherence requirements. This is one of the areas where our Community members have to act

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in concert and present a common position; the Secretariat will have this objective in view in any subsequent developments.

Trade Promotion Forum : As announced earlier, an ECOWAS Trade Promotion Forum was organised for government officials and the West African business community in Abidjan in September. During the seminar, the ECOWAS trade and customs programmes as well as the other community measures geared towards the development of intra-Community trade were presented; the trade potentials and bottlenecks to trade expansion were critically examined; and various approaches to the development of trade within the sub-region were considered. A report on the proceedings of the Forum and recommendations that were adopted are being submitted to the appropriate Commission for its consideration and action.

Trade Promotion Matters : The report on a study commissioned earlier on the West African handicrafts industry is currently under review. When finalised by an expert group being constituted for that purpose, the recommendations in the report will be submitted to the Trade and Customs Commission as an input for the drawing up of a programme for developing the handicrafts sector.

The first draft of a study report on Packaging, Marking and Labelling has been submitted by the International Trade Centre (ITC). After a preliminary evaluation of this report, it has been thought desirable to seek the contribution of the African Regional Standards Organisations (ARSO), which is in a position to cover the quality control aspects of the second phase of this study. The appropriate Commission would be presented with the recommendations that would emerge from the studies.

The Secretariat has been assigned the task of ensuring a coordinated approach to the organisation and holding of trade fairs within the subregion. Various contacts have been made with the relevant organs of Member States in this connection. It is expected that a meeting of all interested bodies would be held in Lome in January, 1984 to pursue further the problem of harmonising trade fairs and exhibitions in West Africa.

B. IMMIGRATION MATTERS

The importance of achieving free movement of people within the Community was realised very early and resulted in the adoption of the Protocol on Free Movement of Persons, the Right of Residence and Establishment. As I stated in my last report to Council, the application of the first phase of this Protocol has not been smooth. Considering that it is the first Community measure to be implemented, that it affects the ordinary people, that it has political, economic and social implications, and that the subsequent phases of the Protocol and other Community Programmes will depend on how well this first phase is implemented, it is sincerely hoped that every effort will now be made to ensure its success.

The task of improving performance in the implementation of the Protocol should have become much easier since the holding of a meeting in Conakry in October, 1983 to review the administrative, legal and diplomatic problems arising from the application of the Protocol. These and other issues, including an analysis of critical provisions of the Protocol, were thoroughly considered by the legal and immigration personnel who attended the meeting. The recommendations of the meeting are being submitted to the Trade, Customs and Immigration Commission for consideration.

It has been decided that the task of drafting a Manual on the application of the Protocol and the Settlement of disputes should be referred to an Ad Hoc Committee. Meanwhile, the Secretariat continued action on the public enlightenment programme embarked upon earlier. This seeks to provide information in the press and on the radio about aspects of the Community immigration programme.

C. MONETARY COOPERATION

During the May 1983 Summit in Conakry, the Authority committed the Community to working towards the creation of a monetary union. This decision gave our monetary cooperation programme a more specific direction and greater urgency to the on-going activities in this area. It was found necessary to call two meetings of the Committee of Governors of Central

Banks (in July in Conakry and in September in Dakar) to consider the reports on the on-going studies and to examine ways of carrying out the recent decisions of the Authority.

The meeting of the Governors served to re-orient the activities being undertaken in this area. The overall decision finally taken was that all monetary cooperation efforts must be part of the general move towards the establishment of a monetary union in West Africa. The terms of reference of the subsequent phases of the on-going studies were therefore to be set out in such a way that they would contribute to the other studies needed to be carried out before a coherent Community programme could be drawn for the monetary union.

During the next period we are about to enter, the Secretariat's work programme in this sector would include:

- detailed studies on Financing Mechanisms
 - strengthening the West African Clearing House;
 - balance of payments support mechanisms
- second phase of the study on limited currency convertibility
- additional studies aimed at creating an ECOWAS monetary union.

One of the preoccupations of the Governors is how to improve the efficiency of the existing sub-regional payments arrangement so as to promote intra-West African transactions; another concern of theirs is what new financial arrangements could be instituted to sustain Member States whose balance of payments positions would be adversely affected by the expected growth in intra-sub-regional trade. Lastly, efforts would be aimed at defining specific adjustment programmes and monetary policies that should be introduced in each country so as to effect a coordinated move towards a sound and harmonious functioning of the West African economy - a pre-requisite for the establishment of a monetary union.

It may be mentioned here that the Authority requested its Chairman to take whatever measures he deemed necessary to facilitate the implementation of the decision to create a monetary union. There are already some initiatives taken by the

Chairman and the Secretariat would continue to provide the support needed to make this precious contribution and the efforts of the Governors yield the desired result.

West African Commercial Bank (ECOBANK): 'The need is strongly felt for the establishment of a sub-regional commercial bank to promote private investment and the development of intra-West African trade. The Federation of West African Chambers of Commerce has expressed the desire for ECOWAS assistance in the development of this idea. Given the considerable indirect contribution such a bank would make to our Community trade development programme, the Secretariat would collaborate with the Federation during the coming year in undertaking a pre-feasibility study on this venture.

D. TRANSPORT AND COMMUNICATIONS

Transport Programme : Activities undertaken in this field during the period covered coastal shipping, road transport and air transport. On coastal shipping, the two reports on preliminary studies undertaken earlier on by the UNCTAD Secretariat were reviewed. The conclusions of these reports point to a strong possibility of having a viable enterprise if a coastal shipping company is established along some suggested lines. To be able to sell this idea to prospective investors, some important issues need to be spelt out in greater detail and quantified. Attempts are being made to get external financial assistance to cover the next phase of this project preparation exercise. The task to be accomplished includes the determination of the role and relation of existing West African shipping lines, institutional and governmental support mechanisms, initial investment cost, long-term operational strategy and forecast and financing plan.

Road Transport: Having determined at an earlier period what portions of the Trans West African Highway are uncompleted, attention was concentrated during the period on matters connected with the preparation of tender documents. Information on engineering studies already carried out on these sections are being collected from Member States. It is envisaged that in the coming months, a consultant would be engaged to prepare a project justification document for each section, define basic road

standards (width, axle load design and design speed), update the project cost estimates and, ultimately, the tender documents. Separate papers would be prepared for the bridges to be constructed on the highways.

ECOWAS Brown Card : The establishment of National Bureaux for the administration of the ECOWAS Brown Card is envisaged in the basic documents that brought the system into being. The Secretariat has been following compliance by Member States with this provision since it is crucial for the operation of the Brown Card. There has been sufficient response to encourage the convening of the meeting of these National Bureaux in order to establish the Inter-Bureaux body which is required for coordinating and managing the scheme at the sub-regional level. Reminders will be sent to laggard Member States requesting them for designation of their National Bureaux, to enable the Community to convene a full-fledged inter-Bureaux Meeting.

Other Road Transport Matters: Due basically to the very limited availability of resources throughout 1983, progress on many aspects of the general Community Work Programme was very slow. Projects thus affected in the Road Transport Programme included the studies on a highway toll system, regional road maintenance training centre, and the West African Road Master Scheme. It is our hope that budgetary contributions of Member States would be more punctual as from the coming year to enable us accomplish the tasks entrusted to institutions of the Community.

Air Transport: The meetings held with the major airlines of the sub-region led to the definition of an Outline for a study whose aim is to effect a general improvement of the operations of existing air services and to determine the areas and mode of cooperation between these airlines. Air-transport consulting firms which had been short-listed have been invited to submit quotations for undertaking the above study; the study should be commencing in early 1984.

The International Civil Aviation Organisation (ICAO) carried out an African study in 1979/80 covering forty-seven (47) countries on air traffic services: Study on Aeronautical Telecommunications in Africa. The aim is to establish a completely modern network of aeronautical telecommunications and radio

navigational aids in order to have a safe, reliable and economic operation of civil air transport services within the continent.

ICAO appreciates the positive contribution that the existence of ECOWAS could make towards the extension and modernisation of these air traffic aids -this is what is required to form the West African portion of the continental network. Cooperation has begun between the two organisations in order to secure external resources and to collaborate in the implementation of the scheme. On our part, the Secretariat has prepared background papers on the subject; these documents have been despatched to Member States for their comments. If encouraging reactions of Member States are received by the end of this year as requested, it would be possible to pursue the matter without delay and report some progress to the appropriate statutory organs in May, 1984.

Telecommunications Network Programme: The Community programme in the telecommunications sector aims at the establishment of a modern network that would provide a complete automation of telephone and telex links among all the sixteen capitals of Member States without transiting outside the Community. So far, the ECOWAS Tender Board has approved the award of contracts to winners for lots of the Phase A of Intelcom I which attracted competitive bidding. During the period, the Community together with the Member States concerned negotiated contracts with these winners and letters of Intent of Award of Contract have been issued to the firms involved. The Fund has also negotiated and signed loan agreements with the Member States concerned (Benin, Ghana, Mali and Niger) to cover the financial assistance being provided these countries by or through the Fund; similar agreements would be signed soon with Ivory Coast, Nigeria and Upper Volta.

Meanwhile a Management Team has been appointed whose immediate task would be to conduct site visits for the projects of each contractor. Each of the Member States involved has been requested to appoint counterpart staff to work with the Management Team.

As reported earlier, the Phase B of Intelcom I of the telecommunications programme had been receiving attention. This

has involved the preparation of feasibility studies and tender documents for lots which had not been tendered for during Phase A. It is expected that invitations to tender would be published in January, 1984 and the bids opened in May, 1984.

During the period, discussions were held with the European Commission and the European Investment Bank over the extension of a 10 million ECU loan to cover part of the Phase B of Intelcom I. This amount would finance two of the six lots contained in Phase B; funds for the other four lots are yet to be identified and negotiated.

In September, 1983, a seminar on local telecommunications network was organised for the French-speaking countries (participation in this seminar was extended to include Cameroon, Central African Republic, Chad and Congo). The seminar emphasised aspects of construction of telephone networks in urban areas and the need for continued maintenance planning for equipment. Practical exercises on site were performed and an exhibition of local network equipment was also mounted. There are plans to organise a similar seminar/exhibition for the English-speaking countries during the coming year.

Postal Services: A study has been completed on mail circulation in ECOWAS. The study concentrated on the postal infrastructure of the sub-region, actual mail circulation and possible measures to improve postal routing. A meeting of Directors of Postal Services is scheduled in November, 1983 here in Conakry to consider the report on the Study and make the necessary recommendations to the appropriate organs of the Community.

E. INDUSTRIAL COOPERATION PROGRAMME

Protocol on Community Enterprise: A team of legal experts was assembled during the period to review the Protocol on Community Enterprise. The team took into account comments that had been made during joint meetings of the Industry and Trade Commissions. It may be pointed out that this is the sixth revision of the draft Protocol. The problem has been how to balance the interests of the parties concerned: on the one

hand, the potential investors who is to be attracted by the necessary incentives and guarantees of a stable and secure investment climate, and on the other, the Community and Member States who must be assured of sufficient control of investments within the sub-region so as to ensure a positive contribution of these investments to the development of our economies.

The various revisions have tended to turn the earlier draft with fairly strong supra-national characteristics into a Protocol now much under the control of and subject to the laws of the country in which the enterprise would be located. While this should now make the draft acceptable to Member States, it is clear that once our initial fears have been allayed the Protocol would have to be upgraded to increase its attractiveness for the serious investors whom we need to assist in developing our economies. The newly revised Draft Protocol is being presented to another Joint Meeting of the Industry and Trade Commissions for consideration.

Selection of Regional Projects: At the May 1983 meetings, a procedure was adopted for the selection of regional projects. The necessary steps were taken during the review period to apply the new procedure in collecting project ideas and information on them from Member States. Regrettably, the response has been poor. Our hope had been to present a list of the first set of regional projects for consideration by the appropriate Commission and Council this November. Member States were required to submit projects identified by them which have certain regional characteristics or potentials and for which feasibility studies had been completed. Only two projects so far received provide some basis for any serious consideration - the bridges over the Mono and Sazue in Benin and the salt project at Maio in Cape Verde. It is intended that efforts will be renewed to assist Member States in the submission of the information required for the preliminary evaluation of the list of projects so far received.

It is imperative that this exercise be speeded up to yield positive results. Our sub-region has witnessed disappointing rates of investment over the past decade, resulting in stagnant or declining growth rates. We stand in need of

massive doses of investment capital in vital sectors of the West African economy. Regional projects provide the size that modern technology requires for financial viability and, with our emphasis on the use of regional resources, such projects ought to contribute to the development of our human and material resources. When a package of regional projects has been put together as planned above, the relevant international financial institutions would be approached, by organising a donors conference to secure strong support for the establishment of the selected regional projects.

Everything would be done in the coming year to translate these ideas into reality. For example, ECOWAS participation is expected in a seminar to be organised jointly by the American Bar Association and the U.S. Overseas Private Investment Corporation on "Foreign Investment and Trade in ECOWAS Member States". The possibility of having the ACP/EEC Centre for Industrial Development (CID) organise a similar seminar for European investors would be explored.

Sub-Regional Recovery Programme: In the Introduction to this Report, I referred to the world economic recession and its effect on the economies of Member States. Well before the recession, our sub-region had been struggling with the problems created by the global economic crisis that started around 1970 and became accentuated by the so-called oil crisis. The cumulative effect of these untoward economic developments has not been limited to the disruption of the economic development programmes and the weakening further of our already fragile national economies. All other facts of life have been similarly affected: the political climate, social relations, cultural and religious practices; in short, the moral fabric of the West African society stands in need of serious repair

Considering the origins of these current problems, the links between Member States and the peoples of the sub-region that make it impossible for any one country in isolation to effectively tackle the multiple issues involved and, the appropriate forum provided by the existence of our Community, I believe that some of our energies should be devoted to the drawing up of an appropriate sub-regional recovery programme. The recovery programme would have to be multi-faceted -to deal

with the specific problems in the main areas of the West African community- and it should address itself to both short-term and long-term solutions.

While the machinery already exists within the Community to draw up an economic recovery programme -and this will be developed out of the activities outlined in the Industrial Cooperation Programme above- special measures have to be initiated towards the formulation of sub-programmes for the other areas. The necessary steps would be taken in the immediate months ahead to elaborate such programmes. It should be possible to present draft outlines of these programmes to the May 1984 sessions of Council and the Authority for consideration.

F. AGRICULTURAL COOPERATION PROGRAMME

Sub-Regional Food Self-Sufficiency: The short and medium-term agricultural programme adopted in May, 1983 rightly concentrates on the achievement of sub-regional food self-sufficiency. One of the activities that received attention during the period under review was the establishment of regional seed production centres and regional cattle breeding stations. Reports were completed in respect of the preliminary studies being conducted on the selected seed centres and cattle stations. These reports are to be examined by the Agricultural sub-Commission so that further directives could be received for the continuation of the work involved.

Integrated Pilot Projects: ECOWAS was established to bring about the acceleration of the development of the West African economy, and to integrate the national economies in the process. The idea of promoting integrated pilot projects would be a practical demonstration of how the Community can fulfil this dual role. The objective would be to design three or four project schemes -each scheme for a specified portion of the sub-region that incorporates:

- in agriculture, the practical application of adopted policies and strategies such as the use of improved cultural practices, timely provision of agricultural inputs, organising and making credit easily available to the ordinary farmer, encouraging the development of inter-dependent agricultural activities, working out

appropriate producer price scheme, developing a viable distributive and marketing system;

- inter-industry linkage: integrating agriculture into other sector activities such as: developing industries for agricultural tools and machinery, chemicals and feedstuff etc; food processing; and other agro-based industries;
- developing the potential offered by ecological complementarity within the sub-region: activities that exploit the comparative advantage that geographical and ecological differences make possible.

A beginning was made on the series of studies that would be needed to design these schemes. In the course of the coming year, assistance will be sought from the appropriate international organisations in the pursuit of this idea. When the outline of these schemes begins to take shape, action will be initiated in the formation of the corresponding Agricultural Development Committees which are to work out the details of the schemes, seek the endorsement of the respective Member States, initiate and monitor the implementation of the schemes.

G. ENERGY COOPERATION PROGRAMME

Energy Project Profiles: One of the achievements of the Freetown 1981 Energy Symposium was the identification of fourteen priority projects which could form the basis of a Community medium-term cooperation programme. An estimation has now been completed on how much each project would cost. The next step is to prepare project documents that would have to be presented to potential financial institutions for funding.

Petroleum Cooperation Scheme: A major item in the energy sector that has caused concern for most Member States for about a decade is petroleum and its derivatives. Within the sub-region, we have petroleum production, exportation, refining and importation depending on what country is being dealt with. It is strongly felt that the petroleum industry offers an area where the Community could develop a very helpful cooperation programme for its Member States. This idea has been successfully exploited in various forms by economic cooperation groupings in the Caribbean, Latin America and South-East Asia.

As a preparatory measure towards the formulation of such a scheme, an energy seminar on this theme was organised in Lome in October, 1983 to examine various approaches to the issue. The findings of the seminar will be analysed and a scheme developed from that; the proposals will be put before the Council of Ministers through the appropriate Commission.

Renewable Energy: The sub-region has to pay attention to the development of its renewable energy resources. It is important that information is systematically compiled and stored on research findings, case studies and on the application of these non-conventional forms of energy. The data base to be built would be done with the assistance of UNESCO, initially through the services of a consultant. There has already been the taking of an inventory of both national and regional requirements as well as capabilities. Ministries are to be designated in Member States as focal points for coordinating energy information exchange. Together with UNESCO, the Secretariat hopes to install a viable information system fairly soon within the sub-region on renewable energy.

H. SOCIAL AND CULTURAL COOPERATION PROGRAMME

Games and Sports: It may be recalled that at the May, 1983 meetings, the decision was taken to postpone for an indefinite period the organisation of the ECOWAS Games; the issue was to be kept under review and proposals on organising the Games were to be presented at a later date. Since the May meetings, the soccer series for both senior and junior divisions (for the Houphouet-Boigny and Shehu Shagari cups, respectively) have been organised. Already the junior series has ended with the Nigerian team emerging winners of the Shagari Cup. Preparations for the other events are under way.

Public Enlightenment Programme: Preliminary studies on the publication of ECOWAS information to educate various sections of the public indicate that three main types of publications could be prepared, namely trade, agriculture and general ECOWAS information. UNESCO has offered the services of a consultant to help in the design of an appropriate publication.

It may be recalled that a tour has been made already of most Member States to explain the idea behind and the possible modalities for organising ECOWAS Clubs and ECOWAS Week in each Member State. It is hoped that the individual states would take up the challenge.

Exchange Programmes: For the time being too, it has been urged that Member States should step up their existing Student Exchange Programmes. With regard to cultural exchange programmes, a study has been started on bilateral agreements signed by Member States in order to develop a standard agreement to serve as a model for future accords. The preliminary work involved in designing cooperation agreements between training institutions of the sub-region and the drawing up of a register of diplomas awarded and their equivalence will be undertaken in collaboration with UNESCO. The outcome would then be examined by an Ad Hoc Committee, if necessary, before presentation to the appropriate Commission. The ILO would be assisting the Secretariat in working out the modalities for establishing the Association for Women, Labour, Youth and University and Research Institutes.

I. ECOWAS FUND'S RESOURCES AND THEIR PLACEMENT

There was little success with the call to Member States to clear the \$5.5 million outstanding on capital contributions; only Cape Verde paid in \$125,000. Total contributions now stand at \$44,550,242 or 89% of the called-up capital.

Compared to the trends in recent years, 1983 has been characterised by falling interest rates and earnings on the capital of the Fund were consequently low. This has in part prompted the Management to revive the idea of portfolio management, in a bid to generate higher returns on the capital resources of the Fund. Contacts were made with Citibank, Chase Manhattan and Merrill Lynch Asset Management Inc. The situation is still being studied and no commitments have been entered into. Meanwhile an application has been sent to the US Internal Revenue Service to recognise the ECOWAS Fund as an international financial institution so as to exempt any earnings of the Fund in the United States from US taxes.

J. INSTITUTIONAL AND ADMINISTRATIVE MATTERS

Staff Recruitment: There was a request at the end of the May, 1983 meetings that all Member States should be informed about outstanding staff positions which have been reserved for them, through the quota system, with a view to their presenting candidates for the posts involved. This directive has been complied with and we are awaiting country nominations.

It should be pointed out here, however, that most of these vacancies had been allowed to exist on purpose. As Council is well aware, the persistent poor financial situation of the Secretariat, coupled with the already crowded office space had forced the Community to hold back the normal growth, envisaged at the time of adoption of these staff positions, in the volume of work at the Secretariat. If and when Member States present candidates, a crisis will be created unless our financial situation changes and additional office space is acquired.

The last of the interpreters recruited earlier on for the Secretariat assumed duty during the review period. A Secretariat translator has, however, been granted leave of absence to enable him undergo further training.

In order to improve the capacity of the Fund to handle some of its functions that are being developed (disbursement procedures and repayment arrangements for loans extended, portfolio management), a Department of Treasury was carved out of the Department of Finance and a Director of Treasury was recruited during the period.

The ECOWAS Fund's training programme for senior staff continued with the attendance of refresher courses and seminars in the US and UK by officials in the Operations, Legal, Audit and Treasury Departments.

Staff Replacement: Since the staff evaluation exercise some two years ago, it is only now that the process of replacing those staff members adjudged unsuitable seems to have come to an end; during the review period, the replacements at the Secretariat for the post of Director of Agriculture, Industry and Natural Resources and the post of Accountant assumed duty.

Staff Regulations: For over a year now, the Staff Regulations currently in use have been under review in order to harmonise practices at the Secretariat and the Fund and also to incorporate some changes that have become necessary as a result of approvals given over the years to some demands for certain improvements in the conditions of service. The draft of a revised text is being presented to the ECOWAS Staff Establishments Committee in November, 1983 for consideration.

Accommodation Matters: As indicated above, the problem of office space is still very much with us at the Secretariat in Lagos. The cash flow for the period did not allow for any attempt to enter into any serious negotiations for hiring any additional office space. It has been our hope to acquire staff quarters at relatively more secure areas of Lagos for the professional staff and this opportunity would have come at the end of this year but the precariously low level of funds render such a move impossible. Council will appreciate better the meaning of this statement when the budget estimates for the renewal of rental units come to be examined.

Construction of Headquarters: During the period tender notices were put in the Press throughout the sub-region, inviting submissions of architectural designs and models for the ECOWAS Fund by firms established in Member States. The closing date of the tender notice was 30 September, 1983 and the applicants are required to deposit their architectural designs and models by 15 January, 1984. It is hoped that thereafter, the Ad Hoc Ministerial Committee, established to oversee the construction of the Headquarters of the Institutions of the Community, would be convened to a meeting in Lome.

In accordance with the agreed common procedure for the construction of the Headquarters of Community institutions, a firm of architects has been engaged to prepare briefs for tenders and flow-charts for the construction of the Executive Secretariat at the new Federal Capital of Nigeria.

Headquarters Agreement: In spite of repeated demands, no progress was made towards the signing of the Headquarters Agreement between the Community and the Federal Government of

Nigeria. The draft is still with the Nigerian authorities for a final scrutiny; hopefully the issue would be resolved as soon as the new government settles down. It may be noted that the one between the Community and the Government of Togo was signed in March 1980.

Streamlining West African Intergovernmental Organisations: The Secretariat had been requested to study the problems facing the integration process in West Africa as a result of the multiplicity of inter-governmental organisations. Contact was made with the ECA for assistance and during the period under review a first draft of the study undertaken by the ECA on the matter was examined at a meeting in Addis Ababa. That draft report is now being revised by its authors. By the next session of Council in May, 1984, it should be possible to make firm proposals on the course of action to embark upon for streamlining the sometimes contradictory integration arrangements within the sub-region. It should suffice to say for the time being that much precious time, human and material resources continue to be lost by the ambiguous situation we have placed ourselves in in West Africa; this situation erodes the confidence of the believers in regional cooperation and provides unnecessary ammunition for the skeptics. The results of the October, 1983 Summit of the CEAO did not solve the main problem we face in this sub-region: the existence of more than one economic integration grouping in West Africa.

ECOWAS Logo: In a region of the world where symbolism is of such importance to society, the need for the adoption of a logo for our young organisation has always been felt to help establish an identity and provide a symbol to rally around. All artists of the Community were invited through advertisements to submit their proposals. Council will be invited at its forthcoming meeting to view the best submissions and to choose an appropriate symbol to serve as the Logo of the Community.

Undelivered Mercedes Benz: Hopes of recovering the amount paid by the ECOWAS Fund (US\$17,556) for the undelivered Mercedes Benz were revived during the period with the meeting between the Management of the Fund, the Philadelphia-based US firm involved (International Resources Management Inc.), and

the former Managing Director (Mr Romeo HORTON). At that meeting, it came out that the firm was refusing to deliver the car or refund the money because of its claim that the Community owes it. No documentary evidence could be produced by the firm to substantiate that claim. The management of the Fund proposes that a legal firm be engaged to recover the amount and the legal firm be paid a percentage of the sum that gets recovered.

ASSISTANCE TO MEMBER STATES

During the period, the ground was prepared by the World Bank and the Ghanaian authorities for a Donors' Conference in Paris on a "Ghana Recovery Programme". The Secretariat keenly followed these preparations and has sent a high-level delegation to attend the Conference which is being held on 23rd and 24th November, 1983 at the World Bank Office in Paris.

It is the intention to throw the weight of the Community behind any such national programmes that will be initiated in the future. This would be in addition to the support we have sought to give to multilateral projects. In this connection, mention should be made of the possibility of developing for our affected Member States, emergency food aid programmes that will be needed in the coming year to alleviate the overwhelming consequences of recent rain failures in the sub-region.

CONCLUSION

In spite of the persistent economic difficulties that have plagued Member States since the birth of ECOWAS, the authorities of the Community have managed to stand firm and have adopted programmes which are aimed at developing our national economies within a West African framework and enhancing the socio-economic integration of the sub-region. This achievement has been possible in part by the adoption of the strategy of initiating policies and programmes from the centre; that is, centralising the Community decision-making process.

Recent experience is showing that, now that the general orientations of the cooperation programmes have been adopted, there would be positive gain in an institutional adjustment to reflect the greater responsibility that must be borne by each Member State in the implementation of these Community decisions and programmes.

It is becoming more and more obvious that a greater direct involvement by Member States in the affairs of the Community is called for. This should be easier to come about if, institutionally, the Member States are assigned direct responsibility in the running of our Community. In other words, a process of decentralisation should be set in motion. As obtains in the ASEAN Group or in SADCC (Southern African Development Coordination Committee) partner states should be allocated specific cooperation issues for which they would draw up detailed programmes to be considered by the whole Community for implementation. The ASEAN Group has benefitted immensely from this arrangement through the high level of interest and commitment that this engenders at the national level. ECOWAS still lacks these attributes -necessary for effective regional cooperation- and the proposed approach offers a means for remedying this deficiency.

It is the intention of the Secretariat to give this question of instituting a decentralisation process serious consideration so that definite proposals could be presented to Council in the near future. Meanwhile we shall monitor very closely the implementation of the Community decision that strong administrative units should be set up in Member States to handle ECOWAS matters at the national level. It is obvious that much of

the success of this great endeavour of ours hinges on how well Community matters are translated into national issues and integrated into national development programmes.

Prior to the May 1983 meetings in Conakry, the then Chairman of Council had undertaken, together with the Executive Secretary, the management of the Fund and senior officials of the Community, a comprehensive tour of almost all Member States to review the implementation of Community programmes and to discuss ways of improving performance. Contrary to the assurances received and the hopes raised that Member States would seriously begin to shoulder their responsibilities, 1983 has been one of the most difficult years financially for this organisation.

The development of the economies of the countries in the sub-region is the primary responsibility of the individual countries themselves, no matter what basic strategy is adopted. By forming ECOWAS we have come together to seek strength in numbers but that strength will only be equal to the keenness shown and the contribution of each State. The advantage that the establishment of an economic community confers can only be realised through the active and direct participation of the partner states. The Organisation will be as strong as Member States make it through their commitment and involvement and nothing more.

We have for some time now been clamouring for the establishment of high-powered national units that would coordinate ECOWAS issues, see to the integration of regional policies and programmes into national development activities, initiate action and monitor the implementation of Community decisions and to provide the necessary link between each State and the institutions of the Community. Until these units are formed and functioning well, there will be no significant improvement in the situation. The above proposed idea of instituting a decentralisation process is based on the assumption that such focal points would have been created at the national level to shoulder the added responsibility that would devolve on the Member States.

There is every belief that Member States look to regional cooperation for relief and support in the march towards the "economically advanced" status. That relief and support will obviously depend on how well we make regional cooperation work. Once more, an appeal is being made to Member States to make the needed effort and sacrifice to create the conditions for effective subregional cooperation in West Africa.

I thank you for your kind attention.

COMMUNITY WORK PROGRAMME FOR 1984

1. TRADE LIBERALISATION AND PROMOTION

- a) Monitoring Introduction into use of ECOWAS Customs documents
- b) Training of Customs Officials
- c) Monitoring implementation of ECOWAS trade liberalisation programme
- d) Automatic processing of customs and external trade statistics
- e) Study on Establishment of ECOWAS Common External Tariff
- f) Handicrafts development
- g) Study on Packaging, labelling, marking and quality control
- h) Organisation of annual Forum on Intra-Community Trade Promotion
- i) Coordination of the organisation of Trade Fairs in West Africa.

2. IMMIGRATION

- a) Monitoring the implementation of the Protocol on Free Movement of Persons
- b) Drafting Manual on the application of the Protocol on Free Movement and the Settlement of Immigration Disputes
- c) Harmonisation of Travel Documents other than ~~national passports~~

3. MONEY AND PAYMENTS

- a) 2nd Phase of Study on Limited Convertibility of Currencies
- b) Study on measures to strengthen the West African Clearing House
- c) Study on Balance of Payments support mechanisms
- d) Preliminary studies aimed at the establishment of a West African monetary union
- e) Preliminary study on the creation of a West African Commercial Bank

4. TRANSPORT AND COMMUNICATIONS NETWORKS

- a) Development of Uncompleted portions of the Trans West African Highway
- b) Monitoring implementation of ECOWAS Road Legislation Documents
- c) 2nd Phase of Study on Coastal Shipping
- d) Study on Cooperation in Air Transport
- e) Modernisation of West African Air Traffic Navigation Facilities
- f) Monitoring implementation of 1st Phase of Telecommunications Programme
- g) Tendering and Contracting out of the 2nd Phase of the Telecommunications Programme

- h) Improvement of the sub-regional Postal Routing System.

5. INDUSTRIAL DEVELOPMENT

- a) Adoption and implementation of Protocol on Community Enterprises
- b) Feasibility studies on food-processing industries: fruits and vegetables, meat, fish canning.
- c) Identification and selection of Regional project
- d) An Internationals Conference for the financing of Regional Projects Programme.

6. AGRICULTURAL DEVELOPMENT

- a) Feasibility studies on Selected Seed Production Centres
- b) Feasibility studies on Selected Cattle Breeding Centres
- c) Programme of Community Assistance in improving the animal husbandry situation in West Africa, including control of epizootic and other animal diseases
- d) Formulation of Schemes of Integrated Agricultural Pilot Projects
- e) Study on Agricultural Pricing policies
- f) Development of a Sub-Regional Food Security Programme
- g) Prevention of Post-Harvest Food Loss Programme
- h) Elaboration of West African Nutrition Policy and Programme
- i) Sub-regional production of Fertilizers and Pesticides
- j) Sub-regional Programme of Surveillance of Fishing Waters
- k) Cooperation in negotiation and management of Fishing Agreements
- l) Collaboration with relevant organisations in Sahel Green Belt Scheme and other afforestation programmes.

7. ENERGY COOPERATION PROGRAMME

- a) Community Cooperation Scheme for Petroleum
- b) Development of Identified Regional Energy Projects
- c) Identification of Renewable Energy Projects.

8. SOCIAL AND CULTURAL PROGRAMME

- a) Assistance in organisation of ECOWAS Games
- b) Monitoring implementation of Bilateral Student Exchange and Cultural Exchange Programmes (including formulation of Standard Exchange Cooperation Agreement)

- c) Drawing up Register of West African Institutes of Higher Learning, Diplomas awarded and establishing their equivalence
- d) Monitoring the Establishment/Organisation of ECOWAS Clubs and ECOWAS Week in Member States
- e) Assistance in Establishment of various Associations (Women, Youth, Labour, Universities and Research Institutes).

9. ECONOMIC DEVELOPMENT ISSUES

- a) Seminar on Economic Planning
- b) Colloquium on Economic Integration
- c) Study on Current West African economic situation.

10. INSTITUTIONAL AND ADMINISTRATIVE MATTERS

- a) Re-structuring of the West African integration institutional arrangements
- b) Monitoring the strengthening and functioning of National ECOWAS Secretariats
- c) Monitoring ratification and implementation of Community Acts and Decisions
- d) Building of Headquarters of Community Institutions
- e) Formulation of Proposals to resolve problems of Staff Quota System.