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NOT TO BE TAKEN AWAY

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ECONOMIC COMMUNITY OF WEST AFRICAN STATES

REPORT OF THE EXECUTIVE SECRETARY

MEETING OF THE COUNCIL OF MINISTERS
DAKAR, 2 - 4 MAY, 1979

NOT TO BE TAKEN AWAY

The Agenda for the present session of the Council of Ministers may be considered as a continuation of that of the 20-21 November, 1978 Council meeting in Dakar.

In fact the Council was unable to consider all the items on its Agenda for the November Dakar meeting. All the matters placed before Council in relation to the work of the Trade, Customs, Immigration, Monetary and Payments Commission were not touched at all. It was decided at the time that the 4th item of the Agenda "Consideration of the Recommendations of the Trade, Customs, Immigration, Monetary and Payments Commission" would be taken up at the next Council meeting. Considering the importance of these recommendations to the decisions that have to be taken during the May 1979 Summit in Dakar, the relevant part of the Executive Secretary's Report prepared for the November 1978 meeting is being re-submitted to the Council with new additions that reflect subsequent work done by the above-mentioned Commission during its 2-8 April 1979 meeting in Lagos.

A complete report of the Executive Secretary on the operation of the Community since the last Summit in April 1978 in Lagos would be presented to Council during the session to be held prior to the May 1979 Summit in Dakar.

The present Report may therefore be considered as an interim one which deals exclusively with progress made, since the Council meeting of 20-21 November 1978 in Dakar, on the implementation of the priority programme that was decided upon at the time. It may be recalled that during that session Council considered the work programme of the Secretariat to be too ambitious and requested that the programme should be cut down to cover only the following priority areas:

1. Transport and Telecommunications
2. Critical Appraisal of economic and social conditions within the Community
3. Free movement of persons and right of residence and establishment.

4. Liberalization of Trade

- (i) Study on Monetary and Financial Obstacles to the development of intra-Community trade.
- (ii) Policy options in respect of an ECOWAS trade liberalization programme
- (iii) Study on import and export regimes, potential for the expansion of intra-Community trade with special reference to food, livestock and forestry products, and the necessary measures for promotion of intra-Community trade.

The Council requested the Executive Secretary to present, at its next meeting, a progress report on the implementation of the priorities thus defined.

It is worth noting that the decision of the Council did not affect the programme that the Secretariat was implementing in the sense that no new items were introduced; it was simply a question of reducing the scope of the programme. Therefore, the areas which were retained being the same as those that earlier efforts had been concentrated on, the Secretariat was able to implement the priorities established by the Council easily; the results of which may be summarized as follows:

I. Liberalization of Trade

The greater part of the studies to form the basis for drawing up a trade liberalization programme has been completed on schedule.

1. Report on Customs and Statistical Nomenclatures

This Report has been discussed a number of times by a special Commission on Nomenclature and Statistics; the final version was exhaustively considered by the Special Commission in Lagos between 19 March and 3 April 1979. It is planned that the last meeting of the Special Commission will take place between 10 and 17 May before the final Draft of the ECOWAS Nomenclatures is submitted to the Trade, Customs, Immigration, Monetary and Payments Commission on 18 and 19 May, 1979 for its endorsement.

2. Report on the Harmonisation of the External Trade Statistical Standards of ECOWAS Member States

This Report was submitted to the Special Commission on Nomenclature and Trade Statistics. The Report - Common ECOWAS Statistical Standards and Definitions - was considered along with that on Nomenclatures and the adopted final version will be put before the main Commission during its proposed 18-19 May 1979 meeting for endorsement.

3. Report on the Import and Export Regimes of Member States

The Report on this study was submitted to Member States for their comments. These observations were collected by the Secretariat and incorporated in the Report which has subsequently been re-submitted to Member States for any final remarks they may have on the revised version. The final document is intended to be the basis for the compilation of the non-tariff barriers in force at the start of the consolidation of import duties and non-tariff barriers.

4. Report on Monetary and Financial Obstacles to the Expansion of Intra-Community Trade

The study has been completed and the Report is being translated. Considering the rather heavy Agenda of the Trade, Customs, Immigration, Monetary and Payments Commission, it has been decided to await the next meeting of the Commission before presenting the Report for its consideration.

5. Study on Potential for Intra-Community Trade Development and the appropriate Trade Promotion Measures

The Report on this study will be ready by July 1979, according to the work programme being followed. This is the last of the series of studies to be undertaken as part of the preparatory work towards the formulation of the Community Trade Liberalization Programme.

On the basis of the results of all the studies cited above, the Secretariat will proceed to formulate what will be entitled: "Policy Options in the Liberalization of Trade". This aspect of the Secretariat's programme will commence

during the fourth quarter of 1979. It is hoped that we shall be in a position to submit a draft programme for trade liberalization to the May 1980 Summit.

In addition to the above studies, work in other areas related to trade liberalization has been going on. The Ad Hoc Committee on Rules of Origin, which the Secretariat was requested by the Trade, Customs, Immigration, Monetary and Payments Commission to establish, has been in operation since July, 1978. The output of the ad hoc Committee has already been considered and approved by the above-named Commission; the recommendations emanating from the work of the Committee form part of the trade and customs matters before Council. It should be stressed that these recommendations have been made to ensure the satisfactory implementation of the Protocol relating to the definition of the concept of Originating Products.

It is hardly necessary to go into greater detail over the items relating to trade liberalization on the Agenda of Council. I may simply conclude this part of my Report by summing up the two main stages that this aspect of the work involves.

Our first pre-occupation is the establishment of Community procedures and an administrative framework which will create the necessary conditions for the smooth introduction of the trade liberalization programme. It is in this light that one must see the following: the formulation and application of the customs and statistical nomenclatures; the common ECOWAS Statistical Standards and Definitions; the Rules and Procedures for the implementation of the ECOWAS Rules of Origin, and the work related to the harmonisation and simplification of customs documents. It is hoped that decisions will be taken, during the forthcoming May 1979 Council and Summit meetings, which will lead to the realisation of this first step in the long process of trade liberalization.

The subsequent stage involves a series of action aimed at the drawing up of a programme for trade liberalization. A special project is envisaged to co-ordinate all the various studies related to the liberalization exercise, the outcome

of this undertaking will be a paper outlining various policy options for trade liberalization within the Community. As stated earlier, the aim is to be able to have these policy options ready for the May 1980 Summit of the Authority. The programme will contain a schedule for the elimination of customs and non-tariff barriers as well as specific measures for the promotion of intra-Community trade.

II. Movement of Persons

The work undertaken on this subject has been successfully completed; a draft Protocol has been formulated, amended and approved by the Trade, Customs, Immigration, Monetary and Payments Commission and is being submitted to the present session of the Council for its approval.

III. Transport and Telecommunications

1. Telecommunications

Since the beginning of July 1978, an ad hoc Committee, which was established at the request of the Transport, Telecommunications and Energy Commission, has been in operation and has just finished the drawing up of a Community Action Programme in the field of Telecommunications. The report of the ad hoc Committee was submitted to the Transport, Telecommunications and Energy Commission which met in Lagos from 3-6 April, 1979. Recommendations made at that meeting are being submitted to Council for approval.

2. Transport

The exhaustive study on Transport which was commissioned in September 1977 has just been completed and the report is being translated. It is proposed to convene a meeting of the Transport, Telecommunications and Energy Commission during the course of the second half of this year to discuss the findings and recommendations of the Report on Transport. It is expected that a Community Action Programme for this sector would be drawn up during the proposed meeting. It is therefore hoped that an ECOWAS programme on transport would be presented to the May 1979 Summit of the Authority.

IV. Critical Appraisal of Economic and Social Conditions
within the Community

The preliminary draft report on this study was discussed in March 1979 and the final draft report is expected to be completed by the end of April. We propose to present this report to the Council meeting which has been scheduled to take place in Dakar just before the Summit of the Authority in May 1979.

This then is the summary of progress so far made on the implementation of the priority programme which was defined in November 1978 in Dakar. I would like to take this opportunity to express our gratitude to those Member States who have readily responded to our appeal for experts who were needed to carry out some specific tasks in connection with the priority programme.

CONCLUSION

In view of the important work that has had to be undertaken by the Community - which has been amply elaborated upon in this Report - I would like to conclude by pointing out the continued financial problems that the institutions of the Community face as a result of the delays in Member States' contributions.

Finally, I would like to take this opportunity to welcome into our midst the External Auditor, Mr. R.A. DILLSWORTH. He has already audited our accounts and his report is being submitted to Council for consideration.