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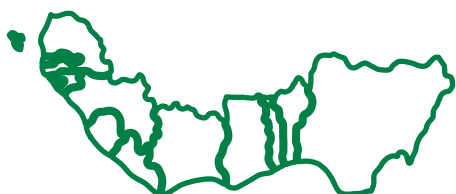
ECOWAS REGIONAL ECONOMIC OUTLOOK 2024 EDITION

Transport and Communications Infrastructure as
Enablers of Economic Integration in ECOWAS Region



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Enablers of Economic Integration in ECOWAS Region



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LIST OF ABBREVIATIONS AND ACRONYMS

AfCFTA: African Continental Free Trade Area

AfDB: African Development Bank

AFPP: African Flight Procedure Programme

AFRAA: African Airlines Association

AGETU: Agence de Gestion du Transport Urbain

AGOA: African Growth and Opportunity Act

AI: Artificial Intelligence

ARREST: Agriculture, Roads, Rule of Law, Education, Sanitation, and Tourism

ASECNA: Aerial Navigation Safety in Africa and Madagascar

BCEAO: Central Bank of West African States / Banque Centrale des États de l'Afrique de l'Ouest

BRT: Bus Rapid Transit Systems

CBL: Central Bank of Liberia

CBN: Central Bank of Nigeria

CEMAC: Economic and Monetary Community of Central Africa

CETUD: Conseil Executif des Transports Urbains de Dakar

COA: Coast of Africa

CRS: Computerised Reservation System

DDEP: Domestic Debt Exchange Programme

DTT: Digital Terrestrial TV

ECOWAS: Economic Community of West African States

EGDI: E-Government Development Index

EMDEs: Emerging Market and Developing Economies

ETLS: ECOWAS Trade Liberalisation Scheme

EU: European Union

FAA: Federal Aviation Administration

FAO: Food and Agriculture Organization

FDI: Foreign Direct Investment

FTTH: Fibre to the Home

GAPTIE: Greater Accra Passenger Transport Executive in Accra

GDP: Gross Domestic Product

GSMA: Global System for Mobile Communication Association

HD: High-definition

IATA: International Air Transport Association

ICAO: International Civil Aviation Organisation

ICT: Information and Communication Technology

IFC: International Finance Corporation

IMF: International Monetary Fund

INE: National Statistics Institute

IoT: Internet of Things

ITU: International Telecommunication Union

IXP: Internet Exchange Point

LAMATA: Lagos Metropolitan Area Transport Authority

LDC: Least Developed Countries

LIC: Low Income Countries

LSCI: Liner Shipping Connectivity Index

NIS: National Identification System

PBN: Performance Based Navigation

PKI: Public Key Infrastructure

SADC: Southern African Development Community

SDG: Sustainable Development Goals

SIGMAT: System for the Management of Goods in Transit

SIM: Subscriber Identity Module

SMS: Short Message Services

TII: Telecommunication Infrastructure Index

USA: United States of America

WAEMU: West African Economic and Monetary Union

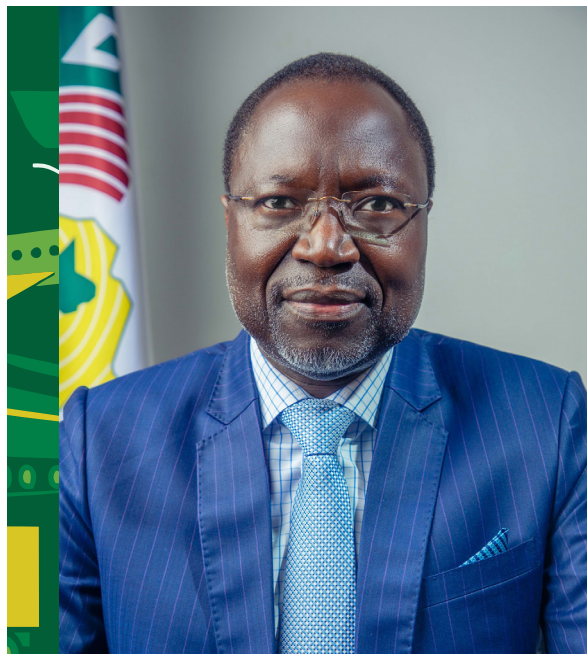
WAMZ: West African Monetary Zone

WHO: World Health Organization

WURI: West Africa Unique Identification for Regional and Inclusion



Message from the President of the ECOWAS Commission



It is with great enthusiasm that we present the 2024 edition of the ECOWAS Regional Economic Outlook (EREO 2024). It remains a publication that continues to shed light on the economic dynamics of our region while fostering conversations on its path toward prosperity and sustainable development.

Building on the foundation set by the inaugural 2023 edition, which explored the interplay between political instability, security threats, and economic development, this second edition marks a considerable evolution. Examining the actual economic performance of 2023 against earlier forecasts provides a clearer

and more nuanced understanding of how economic projections materialise in real-world scenarios. Additionally, it revisits the prospects for 2024, 2025, and 2026, offering forward-looking insights into our region's economic trajectory.

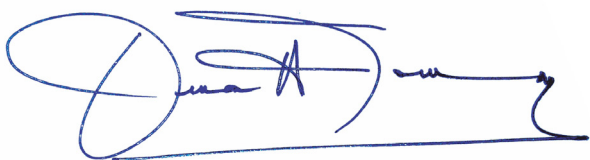
This year we focus on a critical question: How can transport and communication infrastructure serve as catalysts for regional integration in ECOWAS? As globalisation continues to redefine economic landscapes, the importance of interconnected and efficient infrastructure cannot be overstated. Whether it is through the seamless movement of goods or the accelerated exchange of ideas, such infrastructure holds the promise of unlocking the untapped potential of intra-regional trade and investment.

The findings of the 2024 edition underscores the transformative power of robust infrastructure in bridging gaps, fostering economic inclusiveness, and strengthening the bonds among ECOWAS Member States. We also recognise that challenges persist, from resource mobilisation to policy harmonisation. This publication aims to inspire dialogue and action to address these barriers.

The 2024 edition of the ECOWAS Regional Economic Outlook reaffirms our commitment to providing accurate, data-driven analyses and fostering informed decision-making across the region. It is our hope that this document serves as a valuable resource for policymakers, stakeholders, and partners working tirelessly to advance the collective vision of an integrated, resilient, and economically vibrant ECOWAS.

We extend our gratitude to the contributors, researchers, and experts who dedicated their intellect to make this publication possible. Your contributions enable us to deepen our understanding and broaden our perspectives.

We look forward to more collaborative efforts that will continue to shape the future of our region.



H.E. Omar Alieu Touray

President of the ECOWAS Commission



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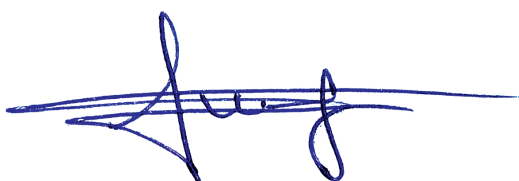
The data was sourced from the National Statistical Offices of ECOWAS Member States, Ministries in charge of Finance, Economy, and Planning via the National Committee of Economic Policy (CNPE)/ National Coordinating Committee (NCC). This data was complemented with additional statistics from the Convergence Reports. The data collation and analysis made by experts were consolidated, enriched and validated during the national workshops, which ensured ownership of the information. These experts are Roland Médjigbodo

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The 2024 Edition of EREO is here. Congratulations. Thank you for your hard work and let us get ready for the 2025 edition.



Mahamadou Yahaya

Director of Research and Statistics,
ECOWAS Commission



Executive Summary



The 2024 edition of the ECOWAS Regional Economic Outlook (EREO) presents an in-depth analysis of economic indicators, trends, and forecasts, focusing on the role of transport and communication infrastructure in regional economic integration, in line with the ECOWAS Vision 2050. It stresses the importance of these sectors in driving sustainable growth and prosperity for Member States.

Chapter One analyses the global and regional economic outlook for 2024 to 2026, drawing on World Bank and IMF forecasts. Global growth is projected at 2.6 percent in 2024, 2.7 percent in 2025 and decrease to 2.4 percent in 2026. Advanced economies are expected to grow by 1.5 percent in 2024, while Emerging Markets and Developing Economies (EMDEs) should achieve 4.0 percent growth in 2024 and 2025, easing to 3.8 percent in 2026. Regionally,

East Asia and the Pacific will slow from 4.8 percent in 2024 to, 4.2 percent in 2025 and 4.0 percent in 2026 due to China's structural slowdown. Europe and Central Asia will ease from 3.2 percent in 2023 to 3.0 percent in 2024, 2.9 percent in 2025 and 2.5 in 2026, influenced by Russia's slowdown.

Latin America and the Caribbean will record 1.8 percent in 2024, rising to 2.3 percent in 2025 and 2.4 percent in 2026, supported by Argentina's recovery. South Asia will maintain strong but slowing growth at 6.2 percent, hampered by India and Bangladesh's deceleration. Sub-Saharan Africa is expected to grow from 3.5 percent in 2024 to 3.9 percent in 2025 and 4.1 percent in 2026, benefiting from higher commodity prices. Global inflationary pressures are forecast to ease from 5.8 percent in 2024 to 4.3 percent in 2025, while Africa's inflation will remain high at 18.6 percent in 2024 before dropping to 9.5 percent in 2025 and 2.9 percent in 2026, due to currency depreciation and supply chain issues.

Chapter Two reviews the socio-economic performance of the ECOWAS region from 2020 to 2023 and projections to 2026. With the official withdrawal of Burkina Faso, Niger, and Mali, the ECOWAS region now comprises 12 Member States and remains Africa's second fastest-growing region. Coastal states such as Nigeria, Ghana, and Côte d'Ivoire drive activity, with Nigeria contributing 66.7 percent of GDP. GDP growth peaked at 4.4 percent in 2021 but slowed to 3.6 percent in 2023 due to rising global food

and energy prices, climate change, and insecurity. WAEMU outperformed WAMZ with average GDP growth of 4.6 percent compared to 2.4 percent between 2020 and 2023.

Inflation rose sharply from 9.6 percent in 2020 to 20.8 percent in 2023, driven by currency depreciation and food supply disruptions. Central Banks tightened monetary policies in 2023, raising interest rates, while the money supply to GDP ratio rose from 29.1 percent to 34.9 percent over the same period. Fiscal revenues grew due to tax reforms, but rising public expenditure caused persistent deficits, and public debt reached 49.5 percent of GDP in 2023. External trade expanded from US\$184.4 billion in 2020 to US\$219.5 billion in 2023. Socially, electricity access remained low at 42 percent, and income inequality varied, being lowest in Guinea-Bissau and moderate in The Gambia, Nigeria, and Sierra Leone. GDP growth rate for 2024 to 2026 is projected at 4.1 percent in 2024, 4.7 percent in 2025, and 4.6 percent in 2026, with WAEMU continuing to outperform WAMZ. Inflation will fall in most Member States except Nigeria, Ghana, and The Gambia. Risks include the Sahel States' withdrawal from ECOWAS, US tariff hikes, and the temporary suspension of USAID activities.

Chapter Three examines transport and communication infrastructure as enablers of regional economic integration. Road transport dominates, with key projects such as the Dakar-Lagos Corridor and Lagos-

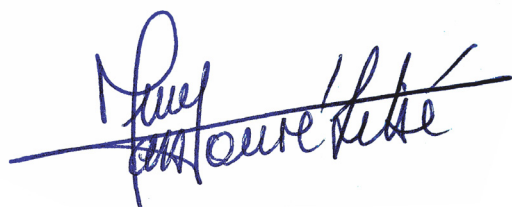
Abidjan Highway, but infrastructure remains underdeveloped, with only 18.7 percent of roads paved. Overloading, ranging from 4 to 75 percent of axle loads, accelerates road damage, and the region requires US\$9.6 billion annually for road maintenance amid funding constraints. Rail transport suffers from incompatible gauges and low operational tracks, while air transport holds potential but faces degraded infrastructure and inefficiencies. Digital communication is growing, with telecommunications investment up 125 percent between 2018 and 2024, but fixed broadband penetration remains below 10 percent and internet access is largely mobile-based. Improved transport is projected to boost intra-regional trade from 10 percent in 2020 to 15 percent by 2025 and 25 percent by 2040 under AfCFTA.

The SWOT analysis identifies strengths in investment along natural corridors, multi-modal transport, strong telecommunication investment, and a robust legal framework, but weaknesses in inadequate infrastructure, complex customs, low internet access, and slow local content creation. ECOWAS targets universal internet access, expanded digital financial inclusion, and improved broadband to meet SDG 9. Addressing the infrastructure gap, funding shortages, and human capital needs is critical. This will require coordinated implementation of the ECOWAS Infrastructure Master Plan and long-term planning for future development.

In conclusion, the transport and communication infrastructure are strategic



enablers for the realisation of the region's vision of becoming a **“fully integrated community of peoples living in a peaceful, prosperous region with strong institutions that respect fundamental freedoms, working towards inclusive and sustainable development.”** However, several challenges can impede the realisation of the vision and hence, these challenges need to be addressed. These include, but are not limited to, appropriate funding of infrastructural projects, development and retention of human capital in the transport and communication sectors.



Massandjé TOURÉ-LITSE

Commissioner for Economic Affairs and Agriculture





CHAPTER 01

RECENT ECONOMIC DEVELOPMENT WITHIN GLOBAL AND REGIONAL ECONOMIC PERSPECTIVES

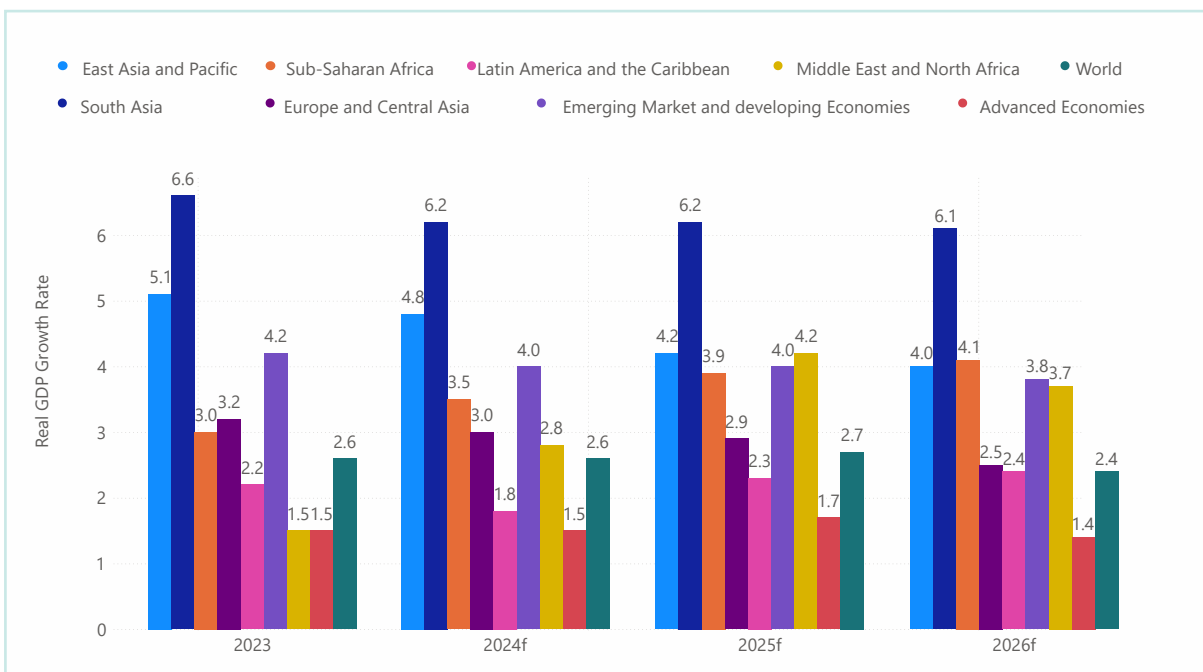
The global economy is stabilising from the economic shocks triggered by the COVID-19 pandemic and the Russian-Ukraine crisis. Despite high interest rates and rising geopolitical tensions sparked by wars in the Middle East, Europe and terrorists' attacks in some West African countries, the World Bank (2025) projected global economic growth to stand at 2.6 percent in 2024 with prospects of further increase to 2.7 percent in 2025 and decrease to 2.4 percent in 2026. Real GDP growth in advanced economies was projected to 1.5 percent in 2024, largely driven by low growth expectations of 0.7 percent in the Euro Area and Japan respectively. In the United States of America (USA), real GDP growth in 2024 was projected to 2.5 percent, maintaining the same growth rate as the previous year.

Actual real GDP growth for Emerging Market and Developing Economies (EMDEs) in 2023 stood at 4.2 percent and expected to

moderate at 4.0 percent in 2024 and 2025, and 3.8 percent in 2026. This performance can be attributed to varying regional economic growth rates. In East Asia and Pacific, growth is expected to decline from 5.1 percent in 2023 to 4.8 percent in 2024, 4.2 percent in 2025 and 4.0 percent in 2026. This regional performance is the result of the continuous structural slowdown of China as economic growth is expected to decline from 5.2 percent in 2023 to 4.8 in 2024 and 4.1 percent in 2025, in spite of the expected increase in growth rate of Thailand from 1.9 percent in 2023 to 2.4 percent and 2.8 percent in 2024 and 2025.

Growth in Central Europe is expected to decline from 3.2 percent in 2023 to 3.0 percent in 2024, 2.9 percent in 2025 and 2.5 in 2026. This is a result of the expected decrease in growth rate of Russian Federation from 3.6 percent in 2023 to 2.9 percent and 1.4 percent in 2024 and 2025 respectively.

Figure 1: Real GDP Growth Rate by Region in 2023 and Projections for 2024 to 2026 (Percent)



Source: ECOWAS Commission Using Data from The World Bank, June 2025

In Latin America and the Caribbean, real GDP stood at 2.2 percent in 2023. In 2024, it is expected to decrease to 1.8 percent before increasing to 2.3 percent in 2025 and 2.4 percent in 2026. The decline in 2024 was mainly due to the slowdown in activity in the region's main economies, particularly Argentina (-3.5 percent compared to -1.6 percent in 2023), Mexico (2.3 percent compared to 3.2 percent in 2023), and Brazil (2 percent compared to 2.9 percent in 2023). However, the expected growth of the region in 2025 is due to the remarkable economic recovery of Argentina of 5.0 percent.

In the Middle East and North Africa (MENA), real GDP growth rate stood at 1.5 percent in 2023 and would increase to 2.8 percent in 2024, 4.2 percent in 2025 and 3.7 percent in 2026. The region's economic performance is due to economic recovery and performance of Saudi Arabia and Egypt. Saudi Arabia recorded remarkable growth from 2.5 percent in 2024 to 5.9 percent in 2025, and Egypt from 2.8 percent to 4.2 percent in 2025.

Forecasts for South Asian economic growth for 2024 were estimated to average around 6.2 percent, down from 6.6 percent in 2023. It is expected to moderate at 6.2 percent in 2025 and 6.1 percent in 2026. For India, real GDP was projected to grow at the rate of 6.6 percent in 2024, compared to 8.2 percent in 2023. Similarly, real GDP growth projection of Bangladesh is expected to decline from 5.8 percent in 2023 to 5.6 percent in 2024. Pakistan's economic growth increased from -0.2 percent in 2023 to 1.8 percent in 2024. Growth in Low-Income-Countries (LICs) is projected to increase from 3.8 percent in 2023 to 5.0 percent in 2024. This is largely driven by a surge in activities of commodity-

exporting economies – particularly metal exporters as well as anticipated improvement in fragile economies. However, the increasing uncertainties and escalating conflicts in most fragile economies gave cause for a considerable downgrade on the growth prospects of most LICs. Furthermore, recovery from the 2020 global recession remained weak as the growth in many LICs is expected to underperform at pre-pandemic levels by at least half percentage point.

Sub-Saharan Africa (SSA) real GDP growth rate was 3.0 percent in 2023 and is expected to increase to 3.5 percent in 2024, 3.9 percent 2025 and 4.1 percent in 2026. This can be attributed to the expected increase in Nigeria's real GDP growth from 2.9 percent in 2023 to 3.3 percent and 3.5 percent in 2024 and 2025, respectively. The trend is the same for South Africa and Angola as the countries witnessed growth of 0.6 percent and 0.9 percent in 2023 to 1.2 percent and 2.9 percent in 2024, respectively.

REGIONAL REAL GDP GROWTH RATE

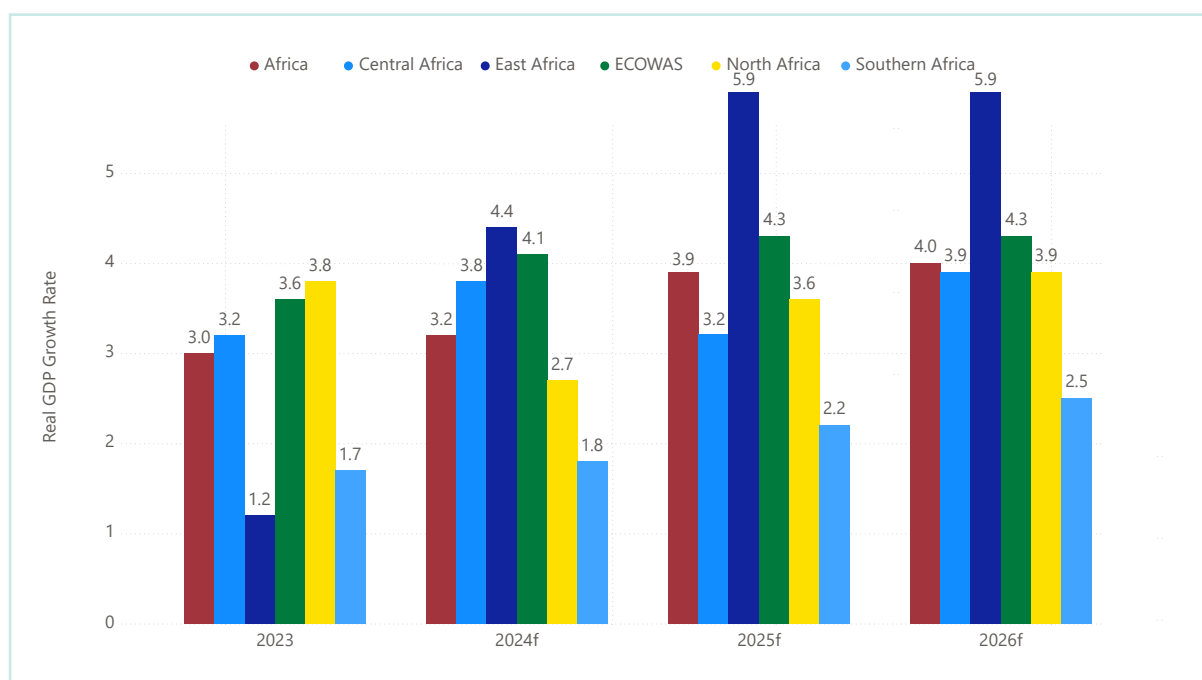
Top GDP Gainers in 2025	Argentina 5.0	Saudi Arabia 5.9	Egypt 4.2
Comeback Economies	Pakistan -0.2 → 1.8	Angola 0.9 → 2.9	
Regions with Most Acceleration	MENA 1.5 → 4.2	LICs 3.8 → 5.0	



Real GDP growth of Africa and its Sub-regions in 2023 and projections for 2024 and 2025 appear less volatile as observed in other regions of the world. The African Development Bank (2025) projected real GDP growth rate in Africa and its sub-regions to marginally increase from 3.0 percent in 2023 to 3.2 percent in 2024, 3.9 percent in 2025 and 4.0 percent in 2026. From a sub-regional perspective, East Africa is emerging as Africa's fastest growing region as real GDP growth rate of 1.2 percent in 2023 is expected

to increase to 4.4 percent in 2024 and 5.9 percent in 2025 and 2026. The performance of the region in 2023 was below the African average of 3.0 percent and the lowest on the continent. However, the projections indicate that the regional growth rate will be above African average in 2024 through 2026. The growth drivers of the East African region - Ethiopia, Kenya, South Sudan, Tanzania, Rwanda and Uganda - are all expected to grow at the rate of 5.0 percent or more during the period of 2024 to 2025.

Figure 2: Real GDP Growth Rate in Africa and its Sub-regions in 2023 and Projections for 2024 to 2026 (Percent)



Source: ECOWAS Commission Using Data from African Development Bank, 2024

As observed in Figure 2, North African countries were experiencing modest real GDP growth, which will decline from 3.8 percent in 2023 to 2.7 percent in 2024 but increase to 3.6 percent in 2025 and 3.9 percent in 2026. The projected increase in 2025 and 2026 are driven by expected growth in Libya, Egypt and Morocco. In Central Africa, real GDP growth is projected

to decline from 4.5 percent in 2023 to 3.8 percent in 2024, to 3.2 percent in 2025 and 3.9 percent in 2026. For the Southern African region, real GDP growth is projected to increase from 1.7 percent in 2023 to 1.8 percent in 2024, 2.2 percent in 2025 and 2.5 percent in 2026. This projected growth can be attributed to performance in Eswatini, Zambia, and Zimbabwe.

West Africa is regarded as the second fastest growing region after East Africa. According to the African Development Bank (2025), the region was the largest on the African continent in terms of shares in continental GDP. It accounted for more than 27.3 percent of the continent's GDP in 2022, followed by North Africa, a close second at 26.7 percent and Southern Africa, at 22.6 percent. The region's real GDP growth rate is projected to increase from 3.6 percent in 2023 to 4.1 percent in 2024, 4.3 percent in 2025 and 2026.

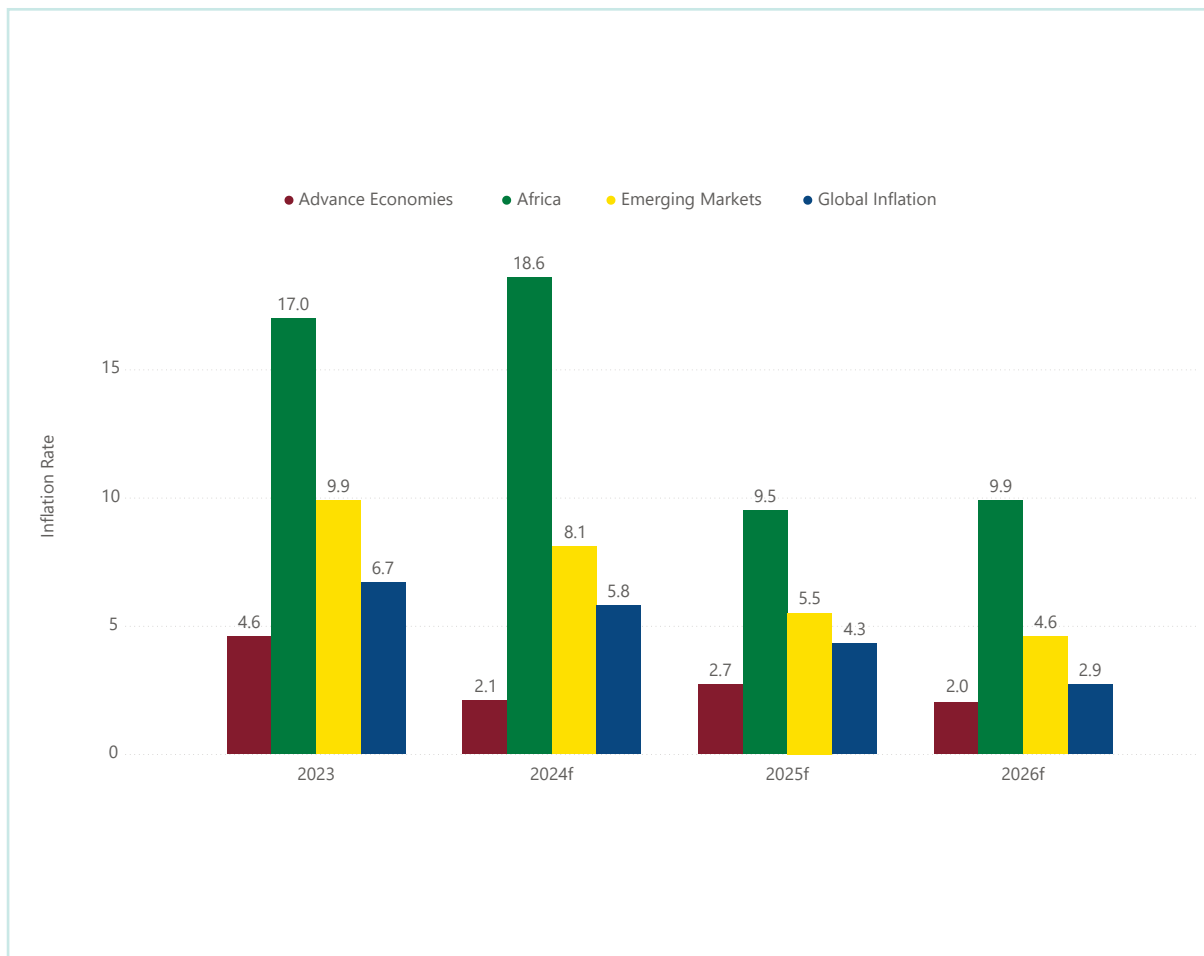
In terms of inflation, the global inflationary pressure started declining as a result of the sustained implementation of tight monetary policies by Central Banks in both advanced economies and EMDEs. The global headline inflation is expected to decline from an average of 6.7 percent in 2023 to 5.8 percent in 2024, 4.3 percent in 2025 and 2.9 percent in 2026. The core inflation continued to remain persistent in many economies owing to the rapid growth of prices of services.

The International Monetary Fund (2024) and World Bank (2025) note that inflationary pressure is declining in advanced economies from 4.6 percent in 2023 to 2.1 percent in 2024. However, it is projected to increase to 2.7 percent in 2025 before slowing down to 2.0 percent in 2026. In EMDEs, inflation is projected to decline from 9.9 percent in 2023 to 8.1 percent in 2024, 5.5 percent in 2025 and 4.6 percent in 2026. The sustained tightening of monetary policy stances and moderating wage increases is expected to further reduce inflation globally.

In Africa, inflation surged steadily from 17.0 percent in 2023 to 18.6 percent in 2024 before declining to 9.5 percent in 2025. However it is projected to rise to 9.9 percent in 2026. The reduction in energy prices and the sustained tightening of monetary policy in many economies will likely lead to a slowdown in inflationary pressure in the medium term. Africa's inflation was consistently above that of EMDEs, partly explained by currency depreciation across Africa as well as the disruptions in supply chains occasioned by the Russia-Ukraine war.

The adverse effects of macroeconomic stabilisation on household consumption, unabated inflationary pressure, mounting fiscal deficits and elevated debt vulnerability undermined prospects for economic growth of the region.



Figure 3: Global and Regional Inflation Rate in 2023 and Projections for 2024 to 2026 (Percent)

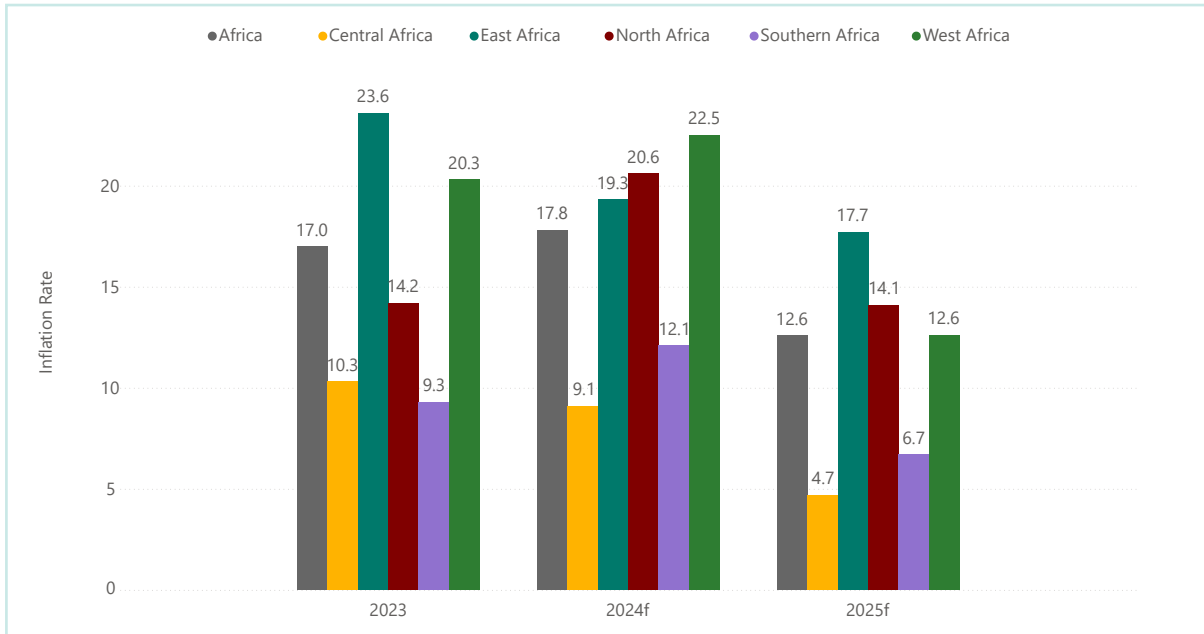
Source: ECOWAS Commission Using Data from IMF and AfDB, 2024

In terms of sub-regional analysis, inflation in North Africa was 14.2 percent in 2023 and is expected to increase to 20.6 percent in 2024 and down to 14.1 percent in 2025. In Southern Africa, inflation was 9.3 percent in 2023 and increased to 12.1 in 2024 and it is projected to decrease to 6.7 percent in 2025. The inflationary trend was mainly driven by the pass-through effects of the depreciation of local currencies, rising energy and food prices as well as the global supply chain disruption. The East African region had the highest inflation in Africa at 23.6 percent in 2023. However, it is projected to decline to 19.3 percent in 2024 and 17.7 percent in 2025. Key factors driving high inflation in East Africa include droughts, conflicts and

instability, rising interest rates, exchange rate depreciation, and supply chain disruptions.

Inflation in the Central African region was the lowest in Africa during the period under review. This was largely due to the fact that the region has a common monetary policy with an inflation threshold of 3 percent. The inflation rate of the region was 10.3 percent in 2023 and projected to decline to 9.1 percent in 2024 and 4.7 percent in 2025. Similarly, for West Africa, the inflation rate surged above the continent's average at 20.3 percent in 2023 and 22.5 percent in 2024. The average inflation rate is expected to decline to 12.6 percent in 2025 (Figure 4).

Figure 4: Inflation Rate in Africa's Sub-Regions in 2023 and Projections for 2024 and 2025 (Percent)



Source: ECOWAS Commission Using Data from African Development Bank, 2024



For West Africa, the inflation rate surged above the continent's average at 20.3 percent in 2023 and 22.5 percent in 2024. The average inflation rate is expected to decline to 12.6 percent in 2025



As concluding remarks, the adverse effects of macroeconomic stabilisation on household consumption, unabated inflationary

pressure, mounting fiscal deficits and elevated debt vulnerability undermined prospects for economic growth of the region.







CHAPTER 02

DYNAMICS OF ECONOMIC PERFORMANCE OF ECOWAS REGION

2.1. INTRODUCTION

The ECOWAS region is regarded as the second fastest-growing region in Africa. It encompasses twelve (12) Member States with the official withdrawal of Burkina Faso, Niger, and Mali on 29 January 2025. Benin, Cabo Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Nigeria, Senegal, Sierra Leone, and Togo are coastal Member States that exhibit a wide range of economic structures, sizes, and performance levels. The location offers them access to international markets and economic development opportunities. Five of them belong to the West African Economic and Monetary Union (WAEMU) and use a common currency.

Many regional indicators¹ are used to analyse the dynamics of the economic performance of the region. The regional indicators are computed using the validated data of ECOWAS Member States, and each member state indicator was sourced from either the validated country report or the ECOWAS convergence report. Nigeria, the region's major oil exporter, is the largest economy in the region as its share in the regional GDP was 66.7 percent in 2023. Nigeria, Ghana and Côte d'Ivoire together hold 87.6 percent

of the regional GDP. Due to their remarkable contribution to the regional economy, macroeconomic changes, whether positive or negative, in these Member States will have a notable impact on the overall regional aggregates.

2.2. MIXED ECONOMIC GROWTH PERFORMANCE

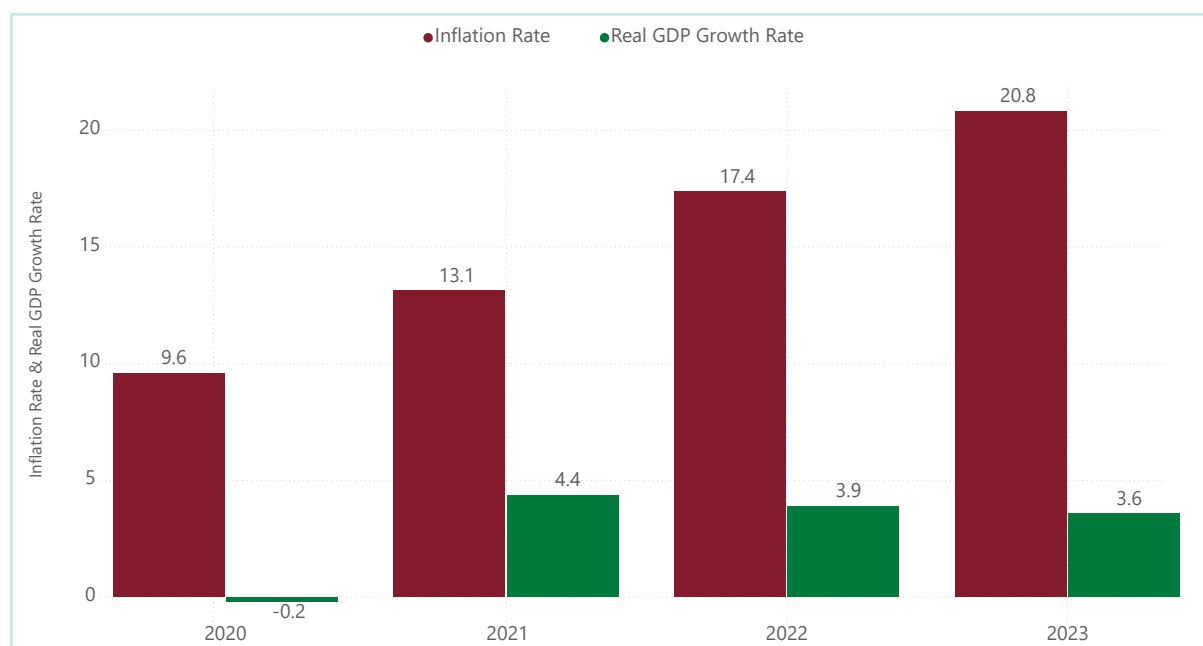
The regional real GDP growth rate showed mixed results between 2020 and 2023. In 2020, the real GDP growth rate increased considerably from -0.2 percent to 4.4 percent in 2021. The growth in 2021 was mainly attributed to post-COVID-19 recovery efforts and economic policies implemented by Member States to build greater resilience. In addition, governments prioritised public investment in key infrastructure projects and implemented social protection measures to help vulnerable households cope with the ripple effects of global disruptions. For instance, the implementation of the Government's Social Programme in Côte d'Ivoire led to a reduction in the national poverty rate from 37.5 percent in 2021 to 35 percent in 2024. Also, Togo strengthened economic activity through the continuous implementation of the Government Roadmap.

The regional indicators were computed using the validated data of ECOWAS Member States, and each member state indicator was sourced from either the validated country report or the ECOWAS convergence report.



¹ Regional indicators are computed using the real values of relevant indicators of ECOWAS Member States, ECOWAS Exchange rate (Annex 1) and ECOWAS Country weights (Annex 2).

Figure 5: Average Real GDP Growth Rate and Inflation Rate in ECOWAS from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

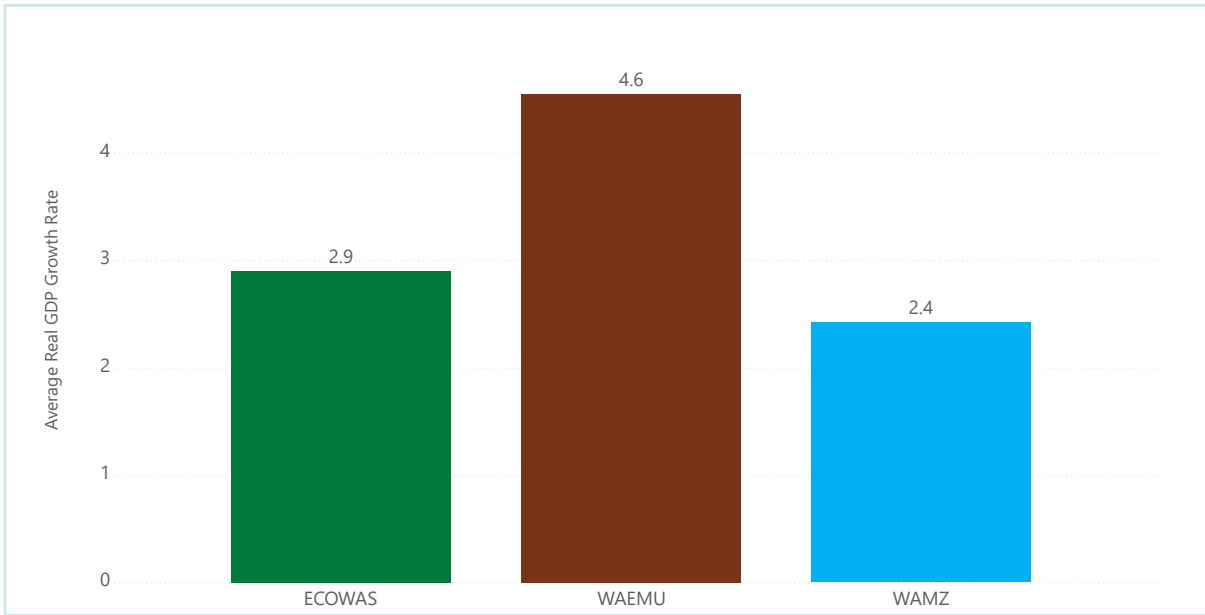
The region's economic growth rate declined from 3.9 percent in 2022 to 3.6 percent in 2023. One of the key causes of the slowdown of regional economic growth in 2023 was the increase in global prices of food and energy products due partly to the Russia-Ukraine war. According to the FAO (2024), the global food price index stood at 118.5 points in 2023 compared to 98.1 points in 2020. The continued increase in the index coupled with increase in freight, affected local

businesses and households. Issues related to climate change and its adverse impact on agricultural productivity and pockets of insecurity in some Member States are other factors attributable to this decline. The West African Economic and Monetary Union (WAEMU) had a higher average GDP growth rate of 4.6 percent compared to West Africa Monetary Zone (WAMZ) rate of 2.4 percent. In addition, the WAEMU rate was higher than the ECOWAS average of 2.9 percent.

The West African Economic and Monetary Union had a higher average GDP growth rate of 4.6 percent compared to West Africa Monetary Zone rate of 2.4 percent. In addition, the WAEMU rate was higher than the ECOWAS average of 2.9 percent.



Figure 6: Average Real GDP Growth Rate of ECOWAS, WAEMU and WAMZ from 2020 to 2023 (Percent)

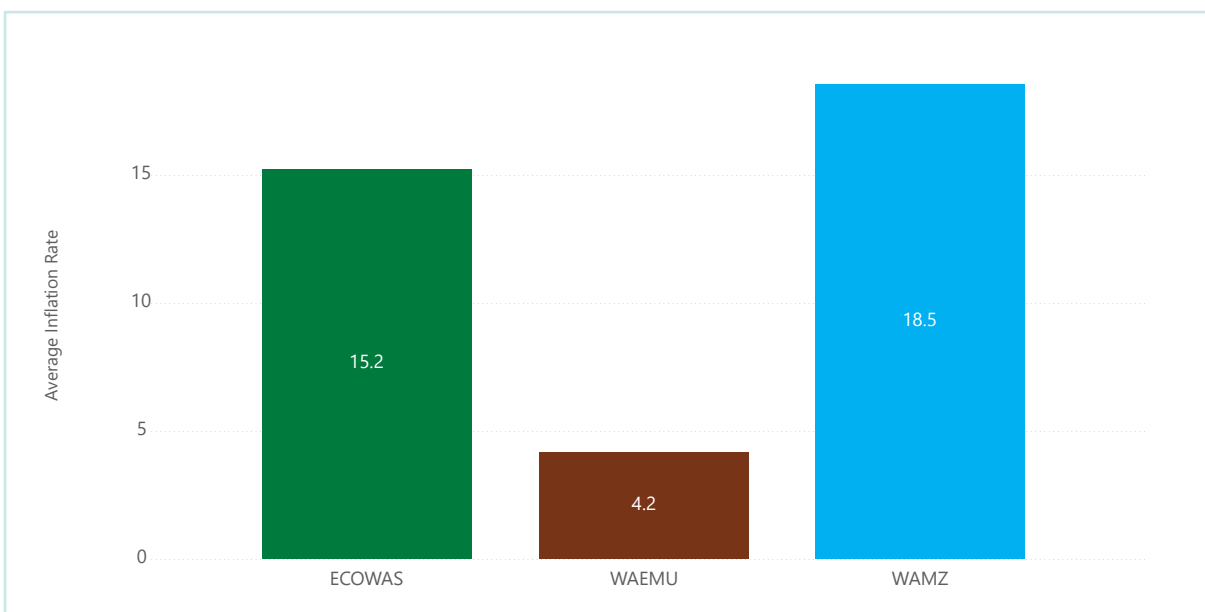


Source: ECOWAS Commission, 2024

With respect to regional inflation, there was an increase in the inflation rate from 9.6 percent in 2020 to 13.1 percent in 2021 and 17.4 percent in 2022. In 2023, there was a surge in inflation to 20.8 percent as three Member States reported inflationary rates higher

than the regional average. Sierra Leone had a remarkable surge at 54.7 percent, Ghana at 39.2 percent and Nigeria trailing at 24.7 percent. Other high inflation rates reported were in The Gambia at 16.9 percent and Liberia at 10.1 percent.

Figure 7: Average Inflation Rates of ECOWAS, WAMZ and WAEMU from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

As shown in Figure 7, the average inflation rate in ECOWAS was high, at 15.2 percent, driven mainly by WAMZ, which averaged 18.5 percent over the period under review. WAEMU reported much lower inflation rates over the same period. From 2.2 percent in 2020 to 3.6 percent in 2021, the WAEMU zone's inflation rate increased to 7 percent in 2022, before declining to 3.9 percent in 2023. This moderate trend in price trends in the zone is favored on the one hand by an improvement in the supply of food products and on the other hand by monetary tightening by the Central Bank of West African States (BCEAO). Indeed, the increase in the Monetary Policy rate at which the BCEAO (Refinancing Rate) lends its resources to banks, from 2.8 percent on December 09, 2022 to 3.5 percent on December 16, 2023, seems to have borne fruit. Similarly, the good agricultural seasons over the 2020-2023 period, particularly in coastal countries, have led to an easing in food prices.

The main cause of the inflationary trend within the ECOWAS region is currency depreciation in the WAMZ. The region's inflationary pressure persists despite monetary policy rate adjustments. This increased import costs, leading to higher

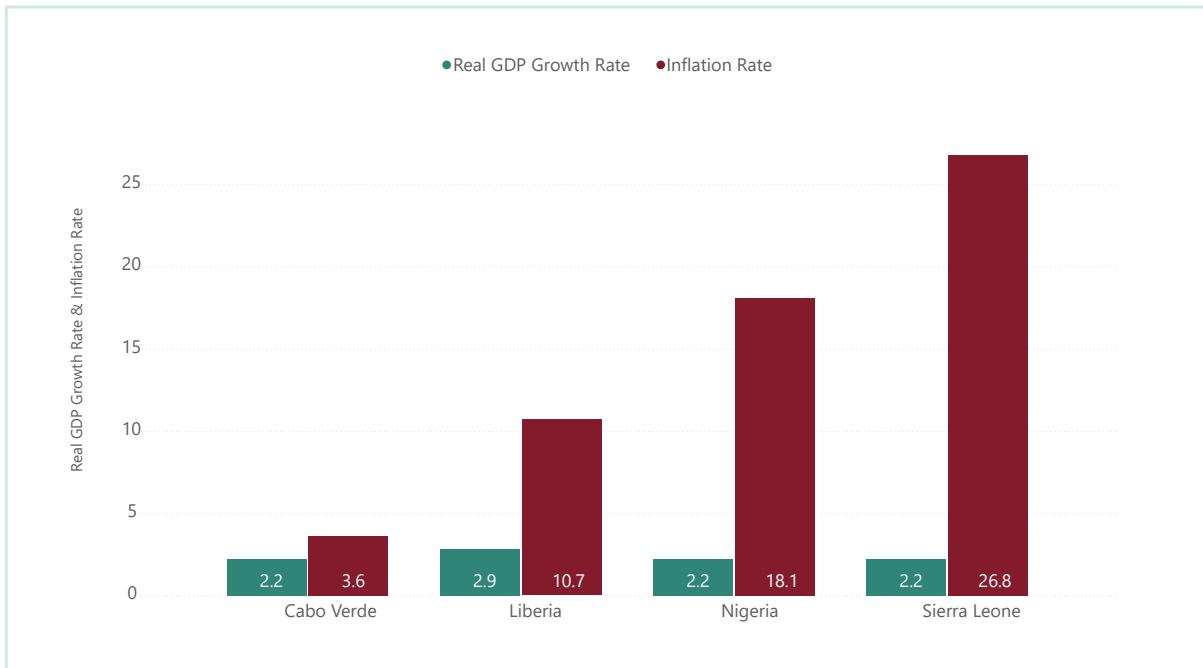
consumer prices and rising energy prices. The high inflation was driven primarily by currency depreciation, increase in the prices of certain raw materials, and disruptions to food supply occasioned by adverse weather conditions.

To complement the analysis of the economic performance of the region, the ECOWAS Member States were categorised by their average real GDP growth rate from 2020 to 2023. The first category consists of Member States with an average real GDP growth rate of less than 3 percent: Sierra Leone (2.2 percent), Cabo Verde (2.2 percent), Nigeria (2.2 percent) and Liberia (2.9 percent). These Member States reported double-digit inflation rates: Sierra Leone (26.8 percent), Nigeria (18.1 percent) and Liberia (10.7 percent), except for Cabo Verde (3.6 percent). In Nigeria, two major policy shifts – the removal of fuel subsidies and the unification of exchange rates – led to a sharp rise in monetary policy rates as authorities sought to manage inflation. The combined effects of fuel subsidy removal and exchange rate harmonisation constrained businesses across various sectors, as rising operational and production costs weighed heavily on their capacity to sustain output.

The increase in the Monetary Policy rate at which the BCEAO (Refinancing Rate) lends its resources to banks, from 2.8 percent on December 09, 2022 to 3.5 percent on December 16, 2023, seems to have borne fruit.



Figure 8: Average Real GDP Growth Rate of Less Than 3 Percent and Average Inflation Rate of Selected ECOWAS Member States from 2020 to 2023 (Percent)

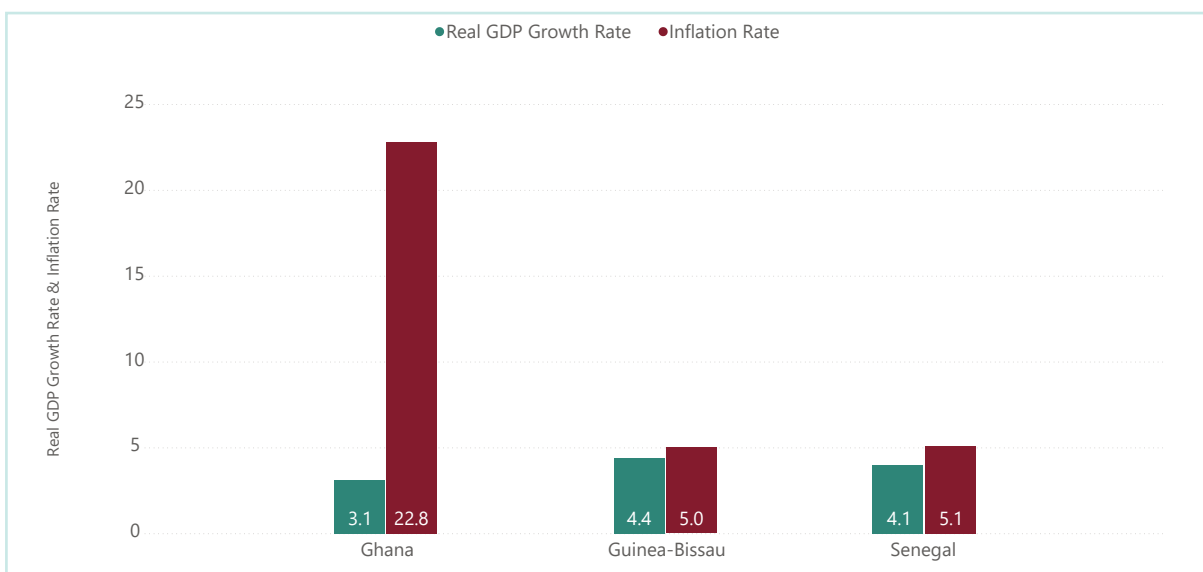


Source: ECOWAS Commission, 2024

The second category consists of Member States with an average real GDP growth rate from 3 percent to 5 percent: Ghana (3.1 percent), Senegal (4.1 percent), and Guinea-Bissau (4.4 percent). In this category, only

Ghana reported a double-digit inflation rate (22.8 percent), while other Member States had modest inflation rates between 5.0 percent and 5.1 percent.

Figure 9: Average Real GDP Growth Rate from 3 Percent to Less Than 5 Percent and Average Inflation Rate of Selected ECOWAS Member States from 2020 to 2023 (Percent)

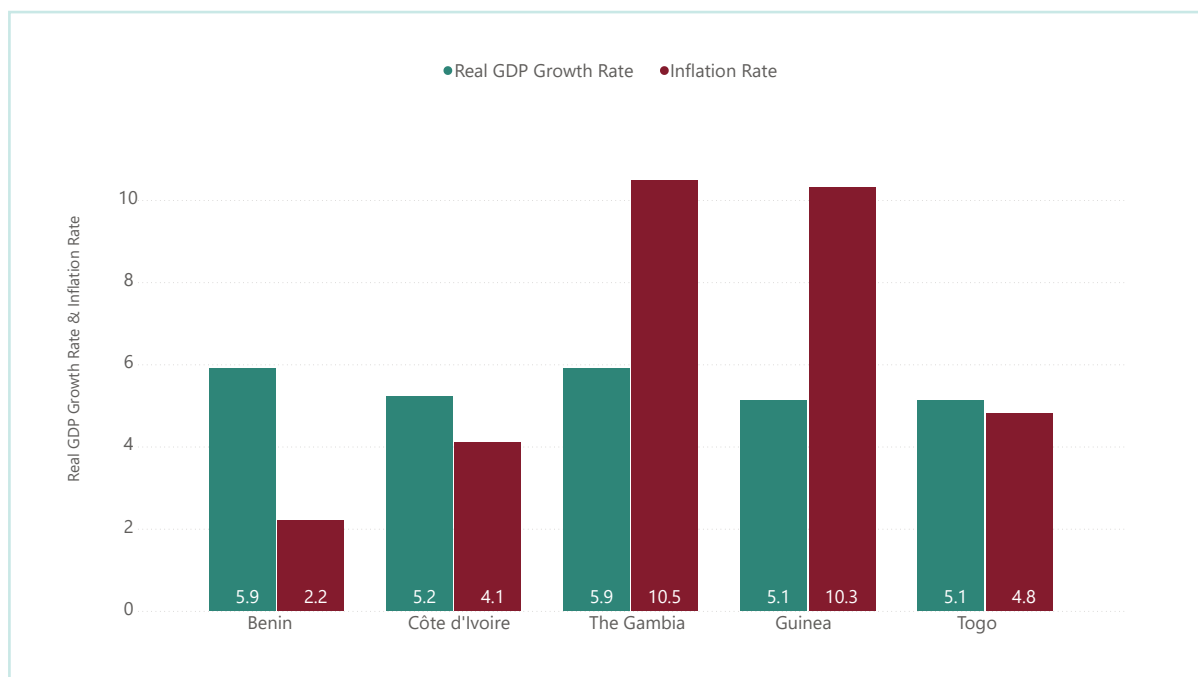


Source: ECOWAS Commission, 2024

The last category is Member States with average GDP growth rate of greater than 5 percent: Togo (5.1 percent), Guinea (5.1 percent), Côte d'Ivoire (5.2 percent), Benin (5.9 percent) and The Gambia (5.9 percent).

Two of these Member States reported double-digit inflation rates: Guinea (10.3 percent) and The Gambia (10.5 percent). Overall, six Member States reported double-digit average inflation rates in the ECOWAS region.

Figure 10: Average Real GDP Growth Rate of More Than 5 Percent and Average Inflation Rate of Selected ECOWAS Member States from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

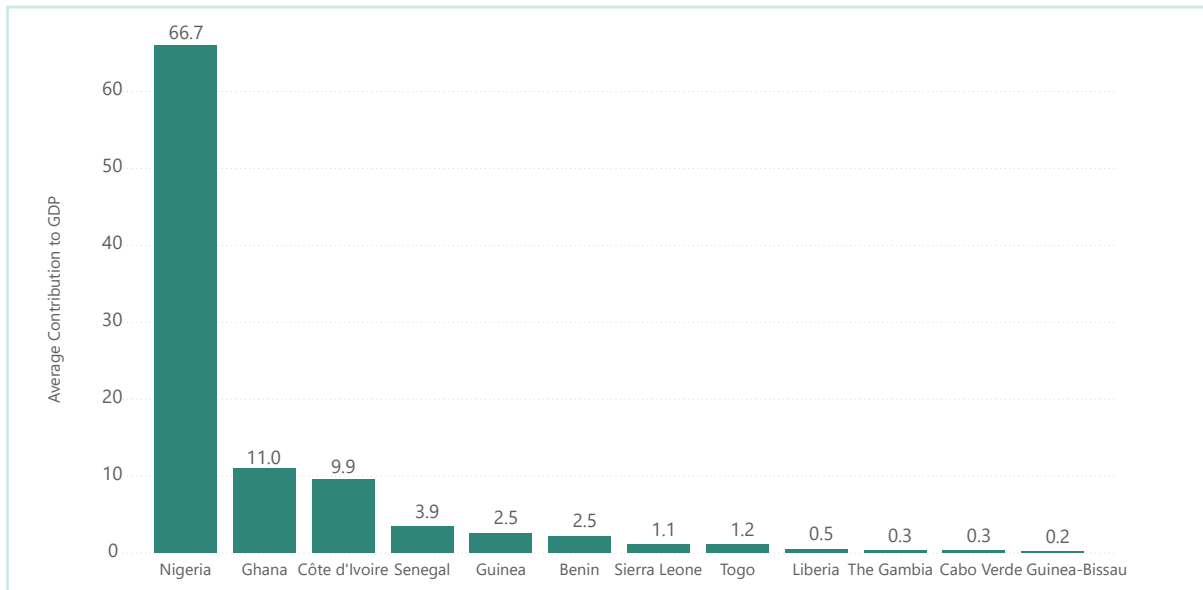
2.3. ECONOMIC GROWTH DRIVERS

Analysis of the regional GDP shows that Nigeria contributed 66.7 percent, followed by Ghana at 11.0 percent, Côte d'Ivoire (9.9 percent) and Senegal (3.9 percent) from 2020 to 2023. These four Member States remain the driving force of economic performance in the ECOWAS region. As such, economic policies implemented in these Member States like the removal of fuel subsidy (Petroleum Motor Spirit) and

exchange rate unification in Nigeria and tightening of fiscal and monetary policies in Ghana have a considerable impact on the performance of the entire region. Considerable growth in Côte d'Ivoire resulting from infrastructure development as well as an increase in hydrocarbon extraction and energy production, coupled with improved performance of the agricultural sector in Senegal, led to positive developments in the region.



Figure 11: Average Contribution of ECOWAS Member States to Regional GDP from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

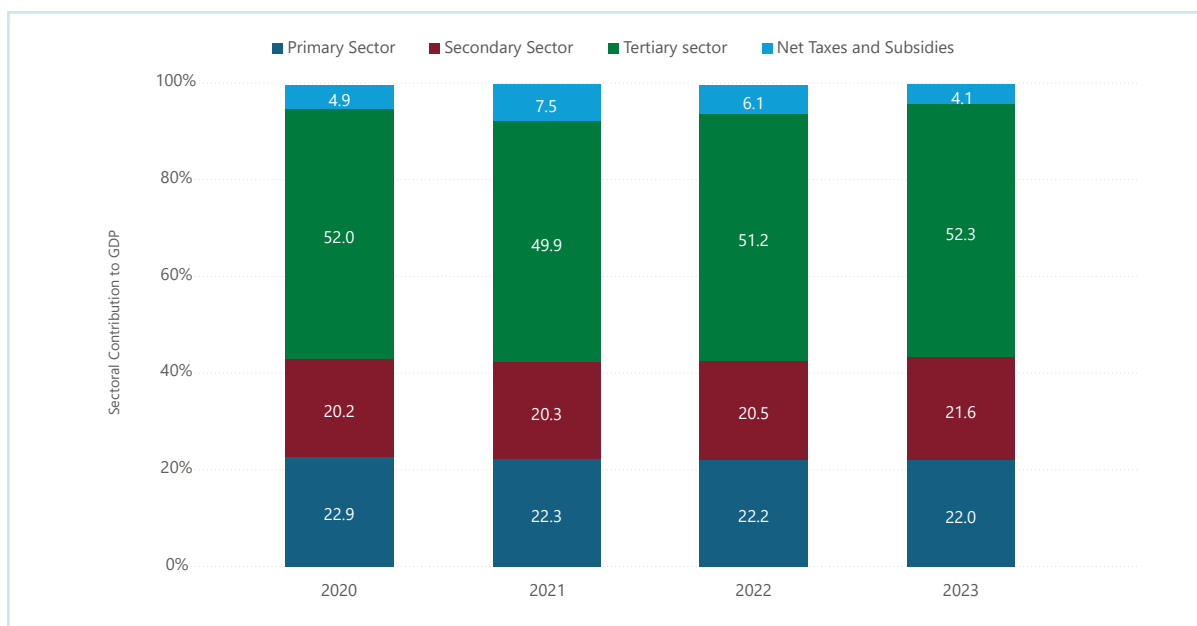
The regional growth is led by the tertiary sector on the supply side and by household consumption on the demand side. On the supply side, the tertiary sector led the regional economy by 52.0 percent in 2020, declined to 49.9 percent in 2021, and increased to 51.2 percent in 2022 and 52.3 percent in 2023. In 2020, the primary sector followed with 22.9 percent, while the secondary sector was the least contributor at 20.2 percent. The years 2021 and 2022 mirrored the same decomposition pattern,

with similar contributions in the primary and secondary sectors. As shown in Figure 12, there was an increase in the tertiary sector (52.3 percent) and secondary sector (21.6 percent) contributions to regional GDP in 2023. These shifts in sectoral shares are happening on the back of the stagnating primary sector because of climate change and the high cost of food production but the increase in the share of the secondary sector is a positive development.

Shifts in sectoral shares are happening on the back of the stagnating primary sector because of climate change and the high cost of food production but the increase in the share of the secondary sector is a positive development.



Figure 12: Sectoral Composition of Real GDP in the ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

In Côte d'Ivoire, the tertiary sector contribution to GDP was 45.2 percent and 44.9 percent in 2022 and 2023 respectively. The secondary sector contribution moderated at 23.0 percent in 2022 and 22.9 percent in 2023. However, the primary sector contribution declined from 16.6 percent in 2022 to 15.5 percent in 2023. The secondary and tertiary sectors were the main drivers of real GDP growth rate, as the tertiary sector had 3.8 percent and the secondary sector had 2.5 percent in 2023. On the other hand, the contraction of the primary sector had a negative impact on GDP growth by 0.7 percentage points.

Also, in Nigeria, the tertiary sector contribution to GDP increased from 52.4 percent in 2020 to 55.4 percent in 2022 and 56.0 percent in 2023. The secondary sector contribution declined from 21.4 percent in 2020 to 19.0 percent in 2022 and 2023. However, a contrast is the case in Ghana, as the secondary sector was the main reason

for the decline in economic growth in 2023. The secondary sector reduced the real GDP growth rate by 0.4 percent while the tertiary sector contributed 2.3 percent, and the primary sector contributed 0.9 percent in 2023. In 2023, Nigeria was the largest contributor to the regional tertiary sector, with 48 percent contribution, followed by Côte d'Ivoire with 15 percent and Ghana with 12 percent. These three Member States accounted for about 75 percent of regional tertiary sector growth.

On the demand side, private consumption and investment (gross fixed capital formation) were the main drivers of regional economic growth. The pulse of domestic demand – private consumption and investment – rebounded strongly in 2021. The private consumption to GDP ratio increased from 13.9 percent in 2020 to 20.1 percent in 2022 and decreased to 18 percent in 2023. On the other hand, the public consumption to GDP ratio experienced an initial decrease

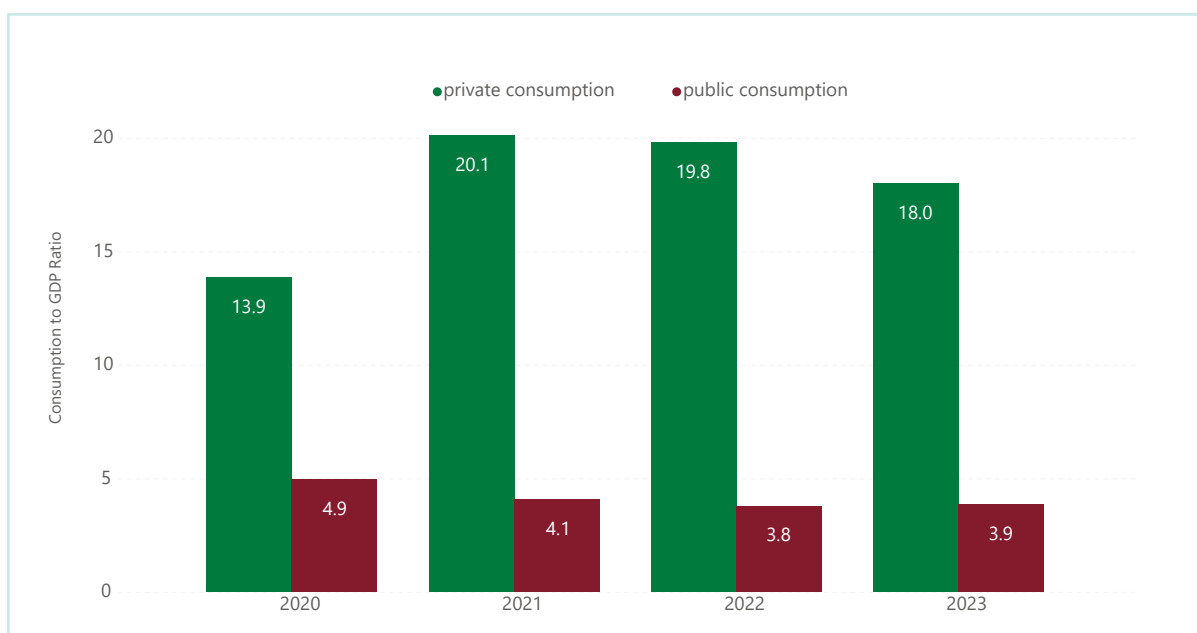


from 4.9 percent in 2020 to 4.1 percent in 2022 and further decreased to 3.9 percent in 2023. Stronger domestic demand reflected an overall surge in economic activity, with services and industry leading growth on the supply side. In the short to medium term, the heightened inflationary environment could impact household consumption.

The trend of consumption and investments varies widely across Member States. In Nigeria, the share of private consumption to

GDP decreased from 66 percent in 2022 to 58 percent in 2023. The decrease in private consumption was due to the continued rise in the cost of living and inflation associated with growth. Notably, the consumption expenditure accounted for over 70 percent of total gross domestic expenditure, with private consumption dominating. For instance, in Ghana, private consumption grew by 10.2 percent in 2023, while in Togo, private consumption grew by 8.1 percent.

Figure 13: Private and Public Consumption to GDP Ratio of the ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

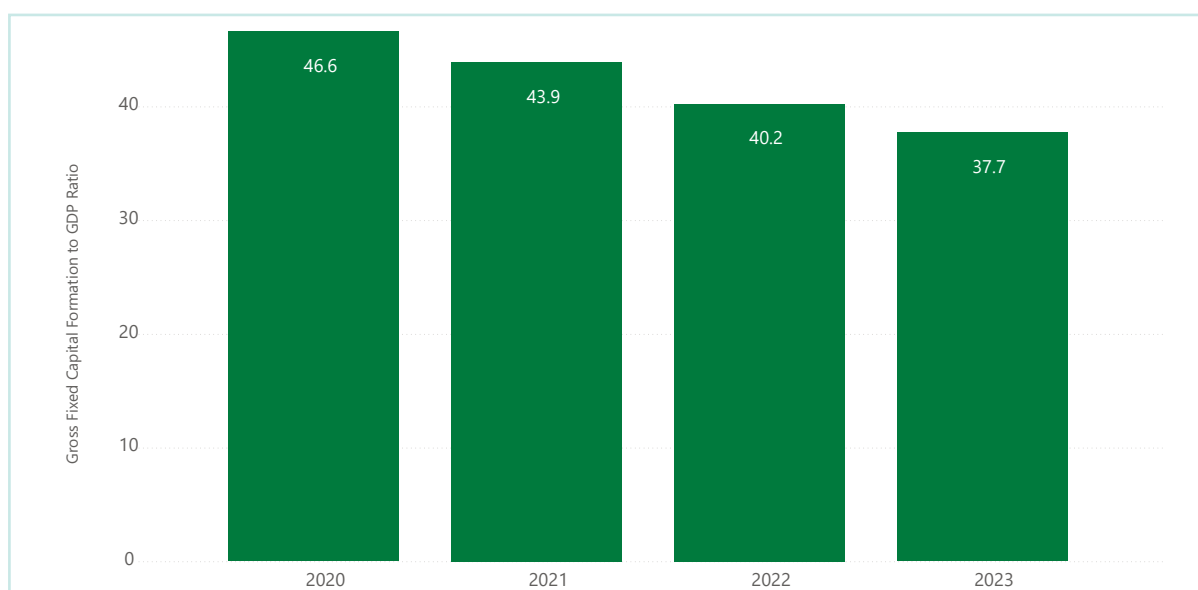
In 2023, Nigeria was the largest contributor to the regional tertiary sector, with 48 percent contribution, followed by Côte d'Ivoire with 15 percent and Ghana with 12 percent. These three Member States accounted for about 75 percent of regional tertiary sector.



The Gross Fixed Capital Formation (GFCF) as a percentage of GDP in the region decreased from 46.6 percent in 2020 to 37.7 percent in 2023. This decline at the regional level is mainly due to Nigeria's GFCF to GDP ratio which fell from 64.0 percent in 2020 to 48.9 percent in 2023. In Ghana, GFCF as a percentage of GDP decreased from 17.7 percent in 2020 to 9.7 percent in 2023. In addition, The Gambia also recorded a decrease in the ratio from 32.3 percent in 2020 to 27.3 percent in 2023. Guinea-Bissau also experienced the same trend with 25.6 percent in 2020 and 21.1 percent in 2023.

In Côte d'Ivoire, growth on the demand side was driven by strong investment dynamics as GFCF contribution to growth increased from 0.9 percentage points in 2020 to 2.3 percentage points in 2023; as a percentage of GDP, GFCF increased from 21.1 percent in 2020, to 26.2 percent in 2023. The situation is the same in Sierra Leone, as the share of investment increased from 16.6 percent in 2020 to 21.2 percent in 2023. Also, in Senegal, GFCF to GDP ratio increased from 30.5 percent in 2020 to 35.4 percent in 2023.

Figure 14: Gross Fixed Capital Formation to GDP Ratio of the ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

2.4. MONETARY POLICY DILEMMA

The monetary performance revolves around balancing the dual objectives of managing inflation and supporting economic recovery. Against a backdrop of inflation-targeting monetary policy, Central Banks in ECOWAS region adopted tighter monetary policies. For instance, in The Gambia, the Central Bank maintained a restrictive policy stance,

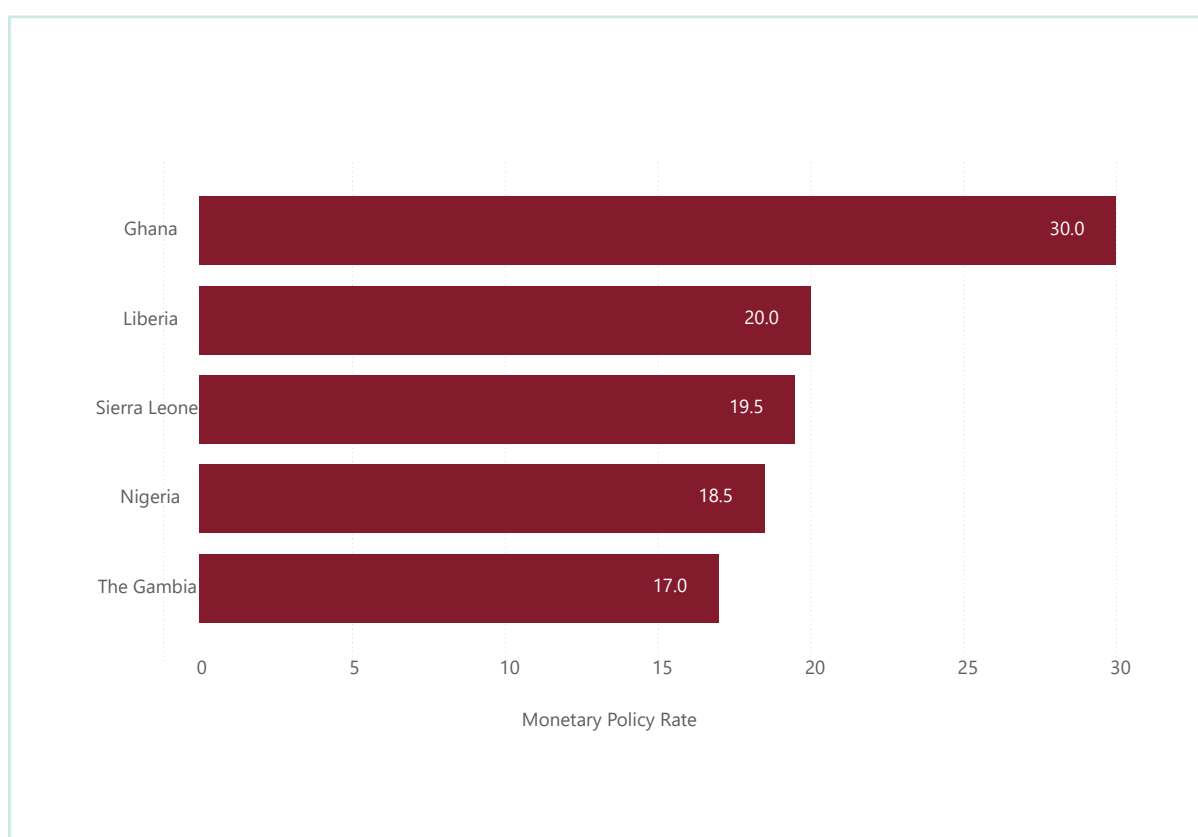
by raising the monetary policy rate (MPR) from 13.0 percent in 2022 to 17.0 percent in 2023. It also put in place measures in the foreign exchange market to limit liquidity and ease pressures on foreign currency availability. The Bank of Ghana took decisive action, raising its MPR from 27.0 percent in 2022 to 30.0 percent in 2023 to manage the inflationary pressure and stabilise the national currency.



The Central Bank of Nigeria pursued a restrictive monetary policy stance to manage inflation. After maintaining the MPR at 11.5 percent in 2020 and 2021, the Bank raised it to 16.5 percent in 2022, and further to 18.5 percent in 2023. The Bank of Sierra Leone raised its MPR from 15.6 percent in 2022 to 19.5 percent in 2023. This was aimed at reducing inflationary expectations and managing liquidity in the economy.

The Central Bank of Liberia (CBL) maintained a tight monetary policy stance, focusing on achieving price stability. The CBL's main objective was to ease inflationary pressures, promote price stability, and increase financial inclusion. In line with this strategy, the Bank raised its MPR by 500 basis points, from 15.0 percent in 2022 to 20.0 percent in 2023.

Figure 15: End-Year Monetary Policy Rate and Inflation in WAEMU by End of 2023 (Percent)



Source: ECOWAS Commission, 2024

Also, in the WAEMU, the regional monetary policy, led by the Central Bank of West African States (BCEAO), was characterised by a restrictive approach in 2023, prioritising price stability and mitigating the rising cost of living. According to the BCEAO (2023), the policy rate was raised multiple times, from 2.7

percent in December 2022 to 3.0 percent in March 2023, then to 3.2 percent in September, and finally to 3.5 percent in December 2023. These policy measures of Member States, while necessary to manage price instability, had considerable side effects on the broader economy (Box 1).

Box 1: Currencies and inflation across Sub-Saharan Africa in 2024: Divergent experiences

In the high-inflation group, most countries have pegged their currency to another one (say, the dollar or the euro) or to a basket of currencies within a narrow band. In many of these countries, contractionary monetary policies were ineffective in bringing down inflation due to uncoordinated fiscal policies (i.e., monetary financing of the deficit) or existing foreign exchange distortions that led to the emergence of parallel markets. While rising parallel rates fueled inflation, foreign exchange market interventions by central banks delayed the adjustment of the official rate. This led to an overvaluation of the currency and a loss of reserves. The scarcity of reserves, along with high inflation, created further pressures which weakened the currency. Ensuing realignment in the exchange rate led to a vicious circle that now risks un-anchoring inflationary expectations.

By contrast, many countries with low inflation have a hard peg currency regime (e.g., countries in the West African Economic and Monetary Union, or WAEMU, and the Economic and Monetary Community of Central Africa, or CEMAC) which has helped them impose discipline on inflation. Others were able to lower inflation by tightening monetary policy (i.e., South Africa and the rand-pegged countries). In some of these, tightened monetary policies, along with greater coordination between monetary and fiscal policies, led gradually to a strengthening of their currency, thus reducing the cost of imported consumer goods (including food and energy) and, hence, curbing inflation.

In our view, these developments should now lead to nuanced and differentiated responses in monetary policy between low- and high-inflation countries.

Source: World Bank, 25th November 2024

<https://blogs.worldbank.org/en/africacan/currencies-and-inflation-across-sub-saharan-africa-in-2024-divergent-experiences-afe-1124>

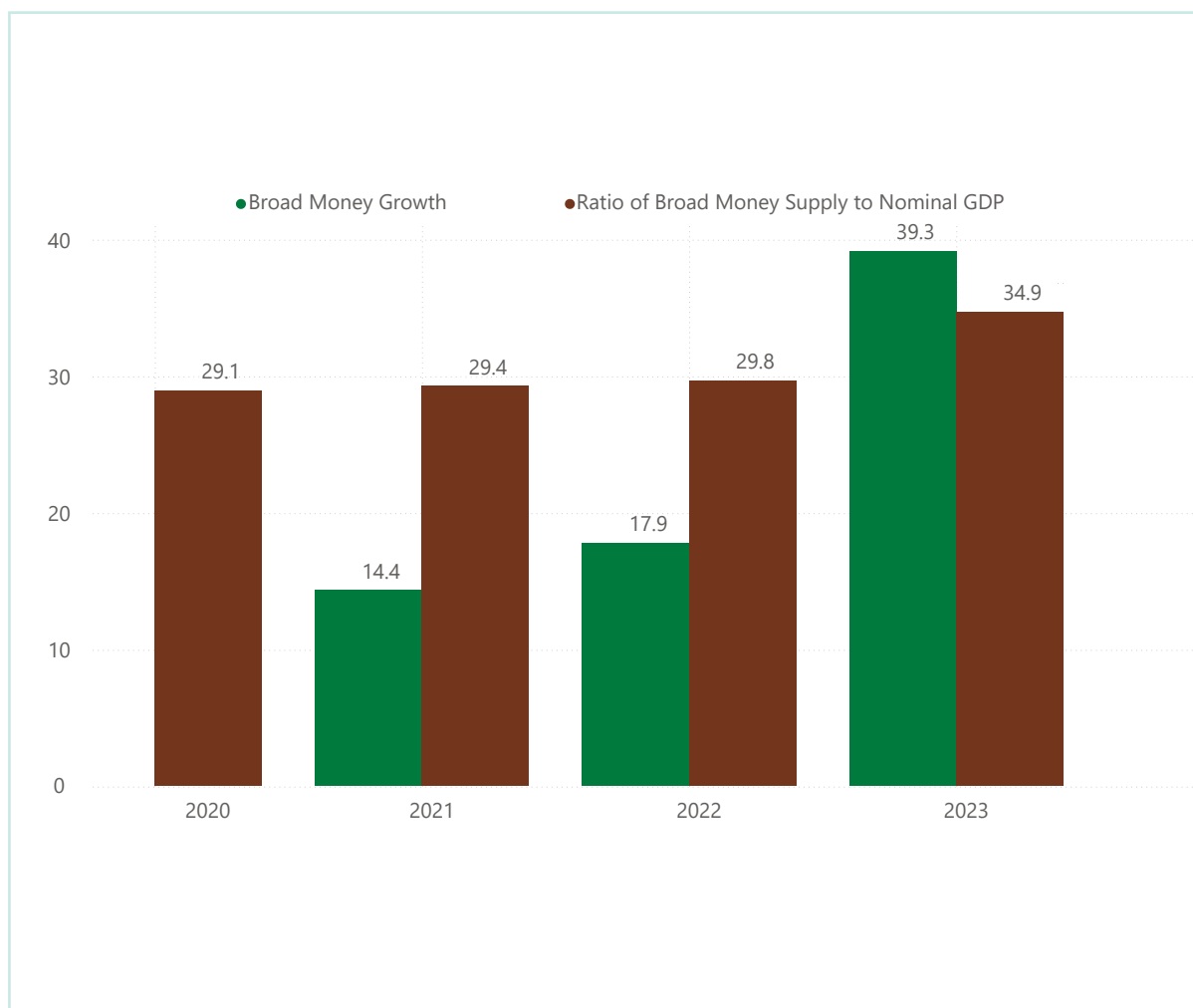
The analysis of the money supply in ECOWAS region between 2020 and 2023 highlights an overall increase in the money supply relative to GDP. On average, the money supply in the region increased from 29.1 percent of GDP in 2020 to 34.9 percent in 2023. This increase reflected liquidity injections into the economy, stimulated by expansionary monetary policies in several Member States. Despite BCEAO's efforts to reduce broad-money supply in Member States, Senegal experienced continuous growth in its money supply relative to GDP. This growth was evident in the increase from 45.3 percent of GDP in 2020 to 52.8 percent in 2023. On the contrary, Côte d'Ivoire maintained moderate growth, rising from 36.0 percent in 2020 to 36.5 percent in 2023.

On the contrary, Cabo Verde recorded a decline in the money supply, from 115.3 percent in 2020 to 92.8 percent in 2023, resulting from the growth in GDP relative to the total amount of money in circulation in the country. This change can be ascribed to monetary tightening aimed at narrowing interest rate differentials and maintaining a fixed exchange rate with the Euro.

At a regional level, Nigeria ranked first in terms of average contribution to the total money supply with an average share of 55.5 percent over the period 2020 to 2023. Côte d'Ivoire followed with 11.3 percent and Ghana with 10.0 percent. The least contributors were Guinea-Bissau (0.3 percent), Liberia (0.4 percent), The Gambia (0.5 percent), Sierra Leone (0.6 percent) and Cabo Verde (0.9 percent).



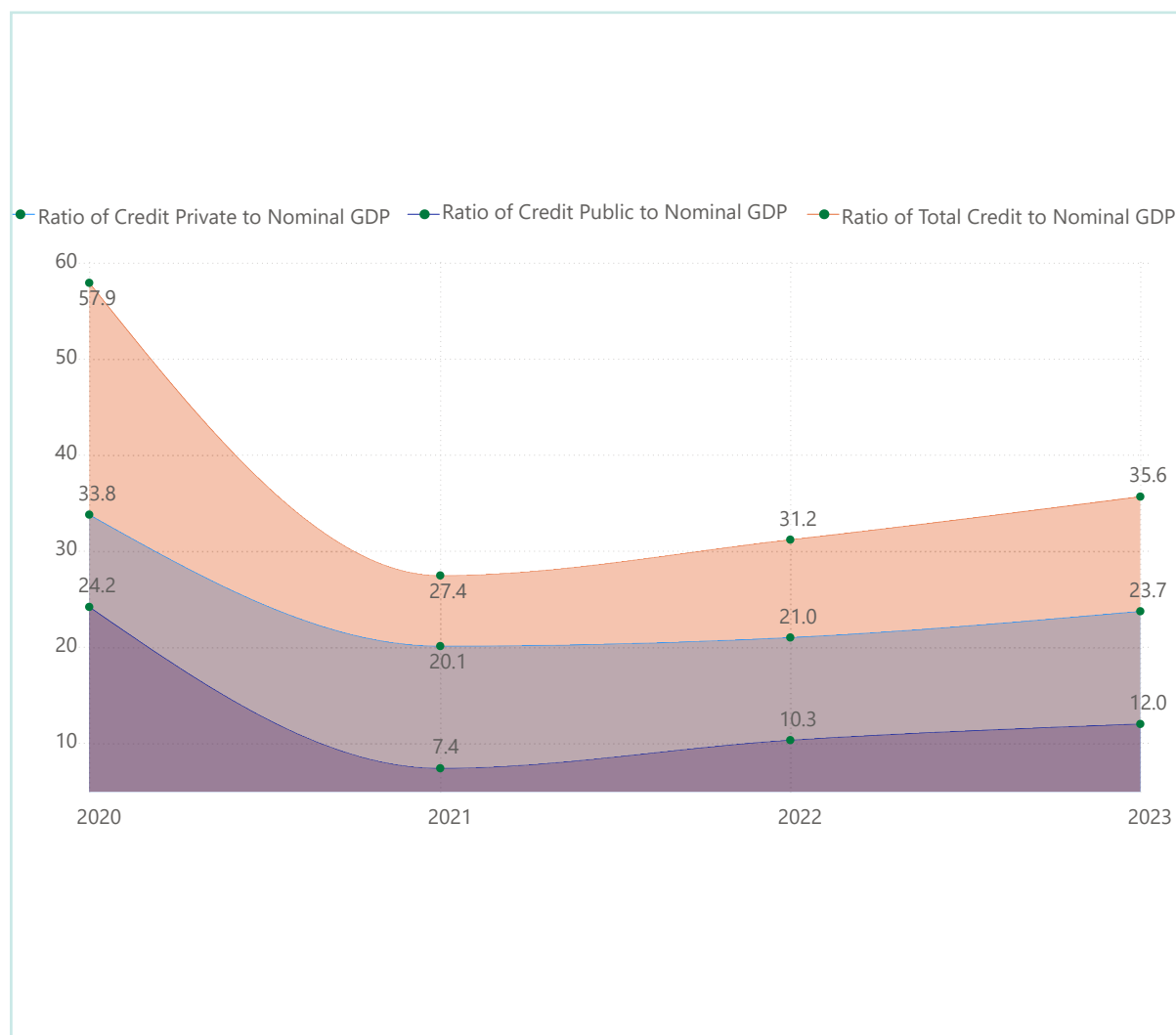
Figure 16: Broad Money Supply to GDP Ratio and Broad Money Growth in ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

This growth in the money supply was accompanied by mixed developments in terms of total credit allocation to private and public sectors. In the ECOWAS region, the ratio of total credit to the private sector to GDP increased from 19.8 percent of GDP in 2020 to 23.7 percent in 2023. Senegal recorded sustained growth in this ratio from 33.1 percent in 2020 to 36.2 percent in 2023, supported by a strengthened banking

system and improved access to business financing. In Benin, the ratio increased from 18.4 percent in 2020 to 21.4 percent in 2023. In Liberia the ratio decreased from 28.4 percent in 2020 to 19.6 percent in 2023. Nigeria's ratio also increased from 19.4 percent in 2020 to 47.4 percent in 2023. Côte d'Ivoire also witnessed an increase from 22.4 percent in 2020 to 23.9 percent in 2023.

Figure 17: Total Credit to GDP Ratio in the ECOWAS Region from 2020 to 2023 (Percent)

Source: ECOWAS Commission, 2024

Analysis of the allocation of total credit to private and public sectors produced mixed results. ECOWAS Member States such as Benin, Cabo Verde, Guinea-Bissau, and Togo issued the least credit to the public sector, while public credit grew through budget deficit financing and increased domestic borrowing. In Nigeria, credit to the government increased substantially from 20.4 percent in 2021 to 71.2 percent in 2022 and subsequently declined to 41.6 percent in 2023. Sierra Leone, experienced a slight increase in public credit, standing at 17.1 percent of GDP in 2023.

Also, the growth rate of credit to private sector increased from 12.3 percent in 2020 to 47.3 percent in 2023. In Togo, total credits increased primarily due to increased bank loans to the private sector (BCEAO, 2024). The increase in bank credit to the private sector is linked to the increase in loans to households, nonprofit institutions, private non-financial corporations, and non-bank financial institutions. At the regional level, the increase in total credits to the private sector was largely driven by personal loans and advances at the expense of credit to the productive sectors like agriculture, construction, extractive and manufacturing sectors.

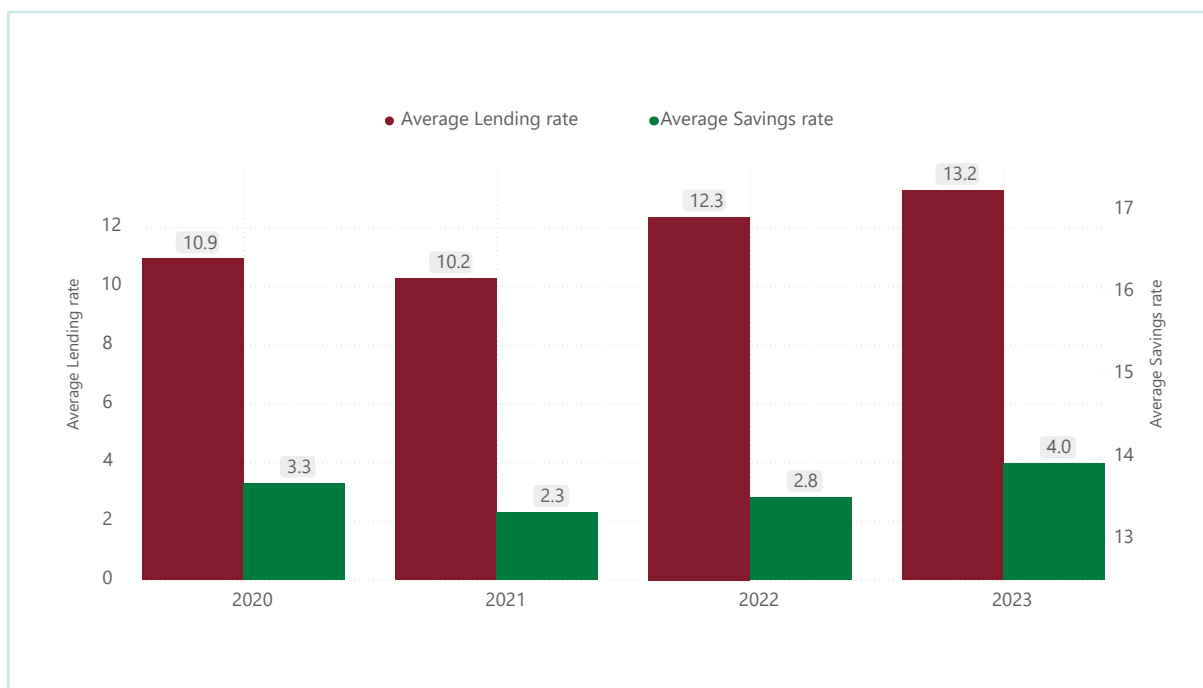


The situation in Ghana was different as total credits to the private sector to GDP ratio stood at 11.4 percent in 2020 and decreased to 8.4 percent in 2023. This development reflected banks' heightened risk aversion towards lending which was driven by rising lending rates, high non-performing loans, unfavourable macroeconomic conditions and the impact of the Domestic Debt Exchange Programme (DDEP) on banks' balance sheets. The contraction in private sector credit was influenced by the restrictive monetary policies implemented by the Central Bank to manage high inflation.

The trend of lending and saving rates in the region also played a crucial role in shaping credit and liquidity dynamics. The evolution of savings rates meets expectations regarding the region's expansionary monetary stance. This monetary stance reduces the cost of credit, disincentivises

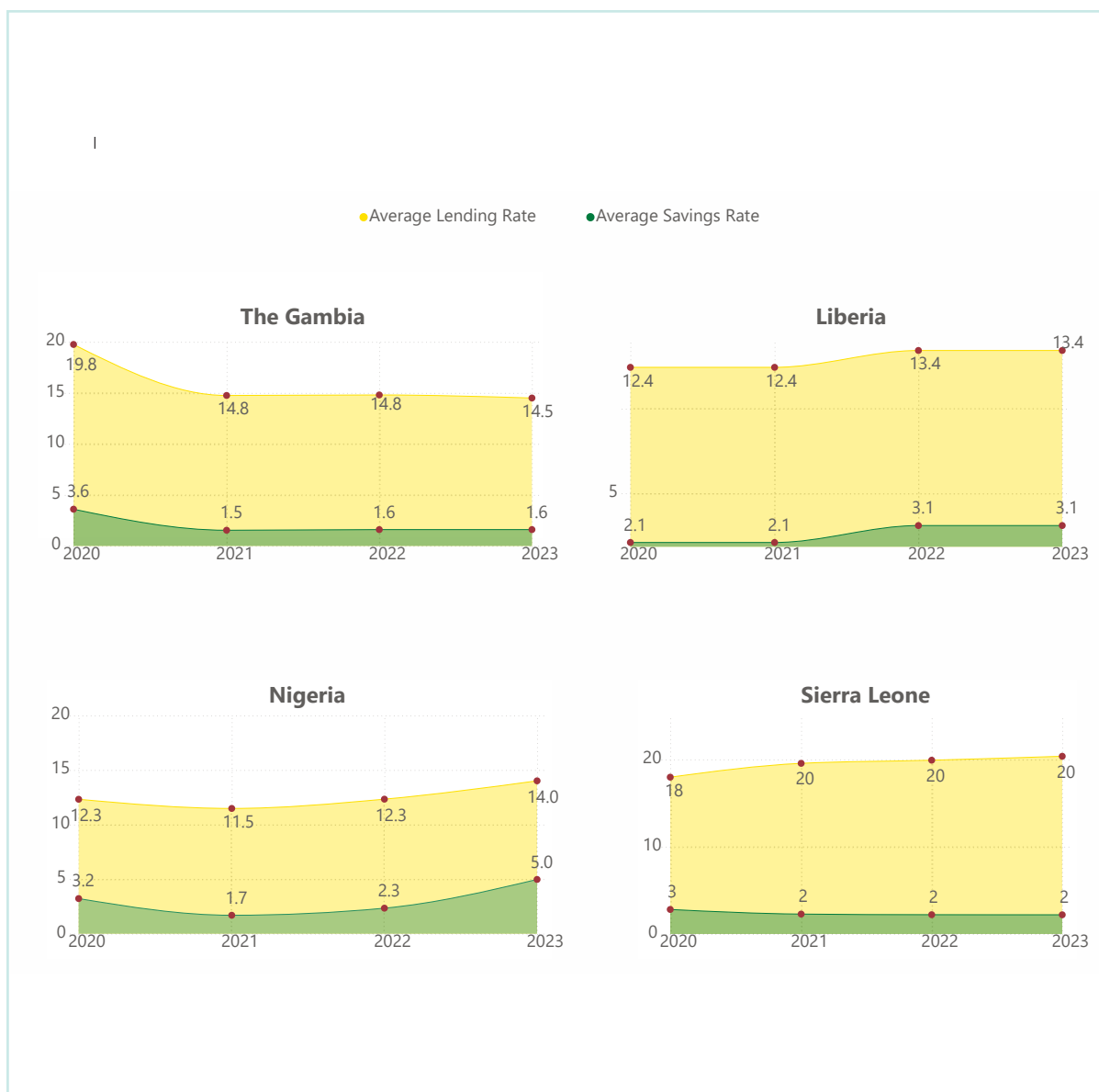
saving, and consequently creates the gap between average lending rate and average savings rate in the region (Figure 19). For instance, in Liberia, interest rates on loans and savings followed this upward trend, with an average loan rate of 13.4 percent and a savings rate of 3.1 percent. In The Gambia, higher bank interest rates led to a decline in available credit for businesses and households. In Sierra Leone, while the average saving rate was relatively stable at 2.2 percent, the gap with the lending rate was considerable, limiting incentives for savings and private investment. The rise in non-performing loans in the banking sector also constrained credit allocation in the economy. In Nigeria, there was a sharp increase in interest rates, which was linked to currency depreciation, inflationary pressure, volatility of the exchange rate and shortage of foreign currencies.

Figure 18: Average Lending and Saving Rates in the ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

Figure 19: Average Lending and Savings Rates in Selected ECOWAS Member States from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

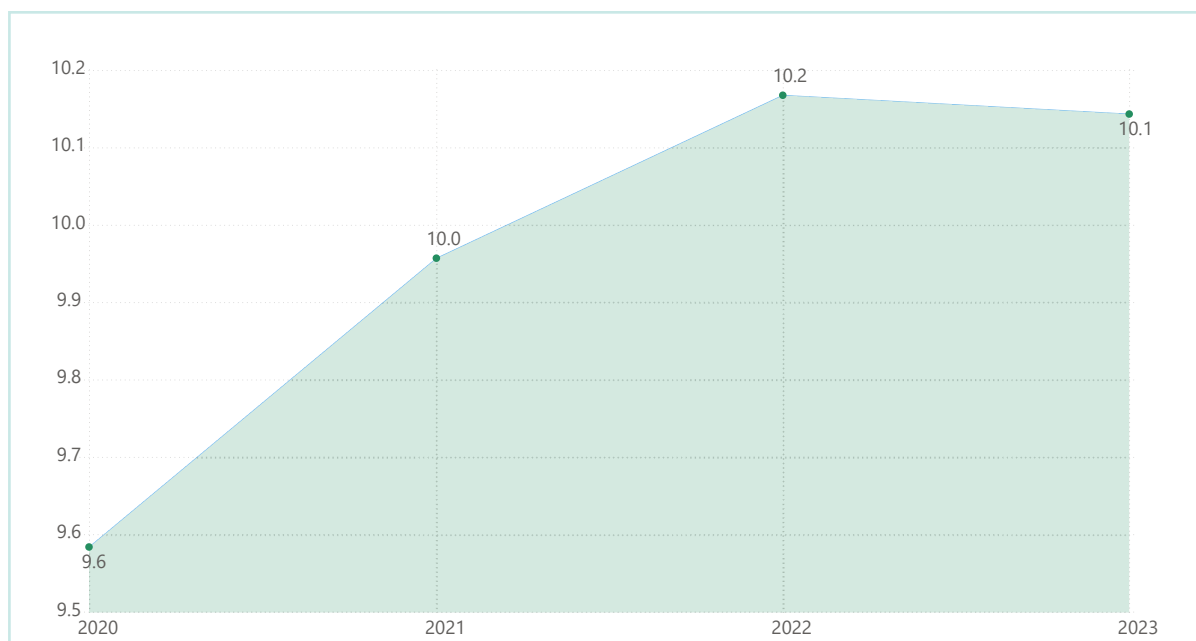
2.5. IMPROVED FISCAL PERFORMANCE

The total revenue including grants as a percentage of GDP in the ECOWAS region increased from 9.6 percent in 2020 to 10.1 percent in 2023. ECOWAS Member States’ efforts at enhancing resource mobilisation are commendable as there were improvements in terms of domestic revenue as a percentage of GDP. Benin improved from 12.7 percent in 2020 to 14.3 percent

in 2023; Cabo Verde from 21.3 percent in 2020 to 24.6 percent in 2023; Côte d’Ivoire from 14.1 percent in 2020 to 15.6 percent in 2023; Ghana from 14.1 percent in 2020 to 16.2 percent in 2023; Guinea-Bissau from 11.9 percent in 2020 to 14.3 percent in 2023; Nigeria from 26.5 percent in 2020 to 36.3 percent in 2023; Senegal from 17.8 percent in 2020 to 20.0 percent in 2023; and Togo from 14.1 percent in 2020 to 16.5 percent in 2023.



Figure 20: Total Revenue (Including Grants) to GDP Ratio of the ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

Towards increasing domestic revenue mobilisation, Nigeria continued to implement the Strategic Revenue Growth Initiative (SRGI) launched in 2019 to increase tax revenue. Côte d'Ivoire remains committed to boosting tax revenue by implementing the Medium-Term Revenue Strategy (MTRS) of 2024. Also, Ghana aims to optimise domestic revenue mobilisation by broadening the tax base, increasing non-tax revenue collection, adopting enhanced tax collection measures, and modernising tax administration through digitalisation. In 2023, the government introduced revenue-enhancing measures, such as increasing the top marginal income tax rate from 30 percent to 35 percent, raising the Value Added Tax (VAT) rate from 12.5 percent to 15 percent, and implementing higher excise duties.

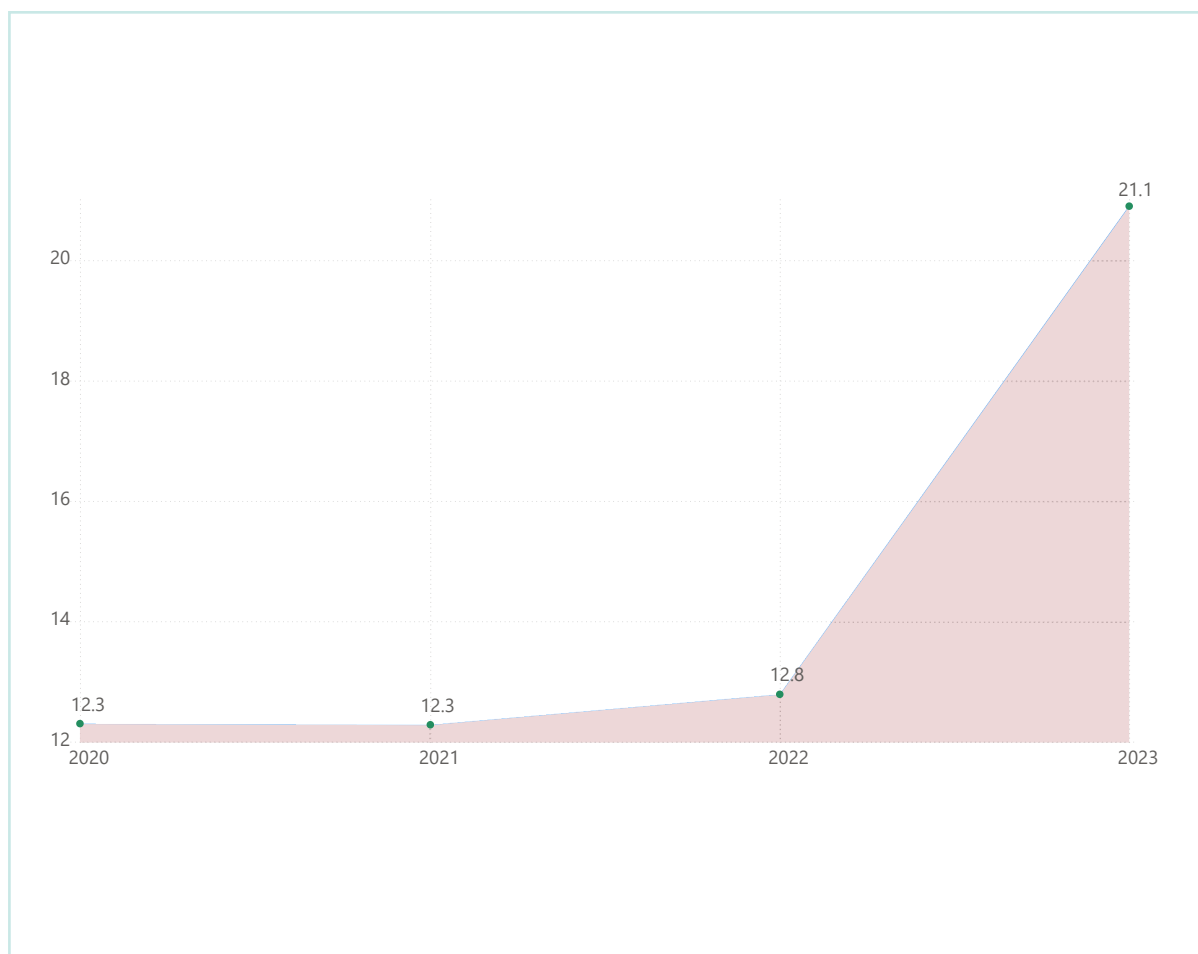
The regional public expenditure as a percentage of GDP increased from 12.3 percent in 2020 to 21.1 percent in 2023 despite

the efforts of Member States to reduce public spending. For instance, Cabo Verde reduced expenditure as a percentage of GDP from 34.6 percent in 2020 to 24.8 in 2023. Ghana reduced spending from 25.3 percent to 19.4 percent with the introduction of a 30 percent pay cut for political officeholders and reduced transfers to earmarked funds. However, Côte d'Ivoire, Nigeria and Togo increased their expenditure as a percentage of GDP by 1.5, 1.6 and 2.4 percentage points in 2023, respectively.

MEMBER STATES THAT REDUCED SPENDING

	2020	2023	points
Cabo Verde	34.6	24.8	↓ 9.8
Ghana	25.3	19.4	↓ 5.9

Figure 21: Total Expenditure Net Borrowing to GDP Ratio in the ECOWAS Region from 2020 to 2023 (Percent)



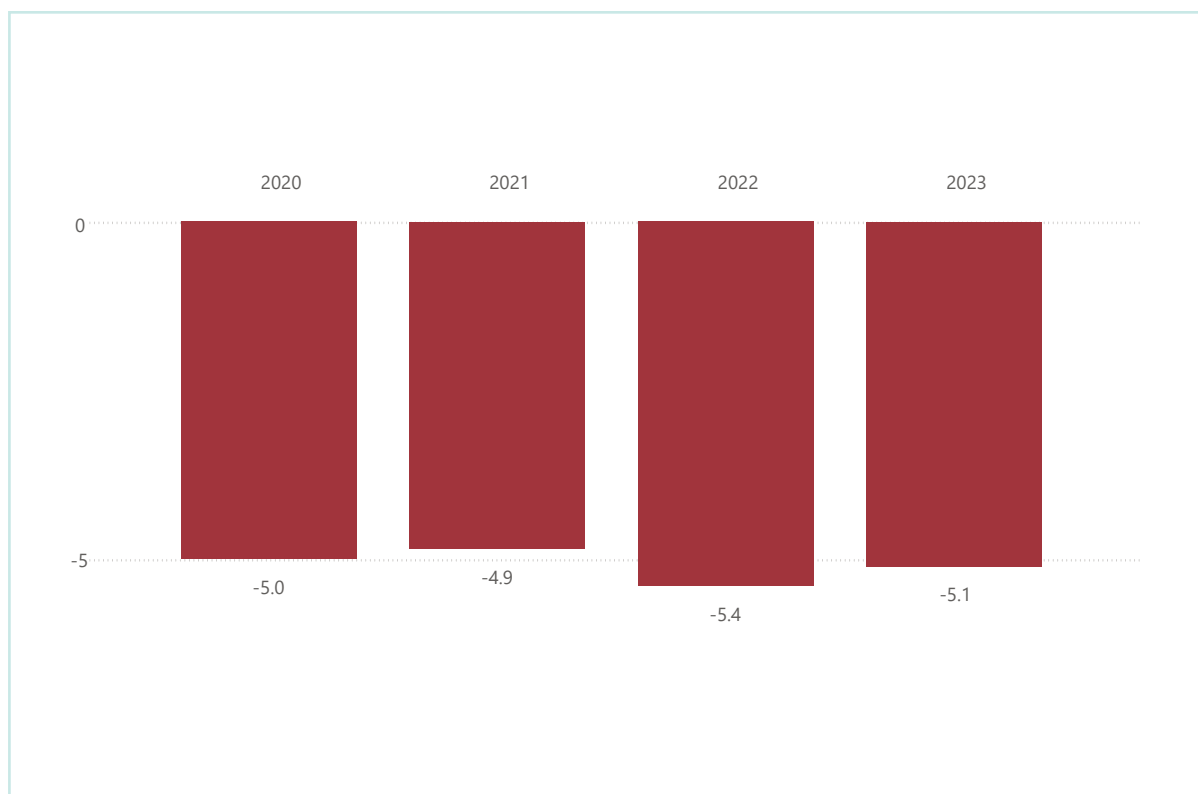
Source: ECOWAS Commission, 2024

The ECOWAS region had a fiscal deficit with implications for debt accumulation. Before the COVID-19 pandemic, only six ECOWAS Member States, - Ghana, Guinea-Bissau, Liberia, Senegal, Sierra Leone and Nigeria exceeded the ECOWAS' fiscal deficit convergence benchmark of 3 percent of GDP. This scenario changed as ECOWAS Member States reduced the fiscal deficit in the face of dwindling revenue by reducing expenditures.

To reduce the fiscal deficit, Nigeria, planned to increase the VAT rate from 7.5 percent to 15 percent in line with the regional arrangement. Many ECOWAS Member States undertook "above-the-line" fiscal measures amid constrained revenues because of the COVID-19 pandemic. Fiscal deficits as a percentage of the GDP increased from 5.0 percent in 2020 to 5.1 percent in 2023. It should be noted that Cabo Verde considerably reduced its fiscal deficit from 9.9 percent in 2020 to 0.2 percent in 2023, and Ghana from 11.5 percent in 2020 to 3.3 percent in 2023.



Figure 22: Fiscal Balance (Including Grants) to GDP Ratio of the ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

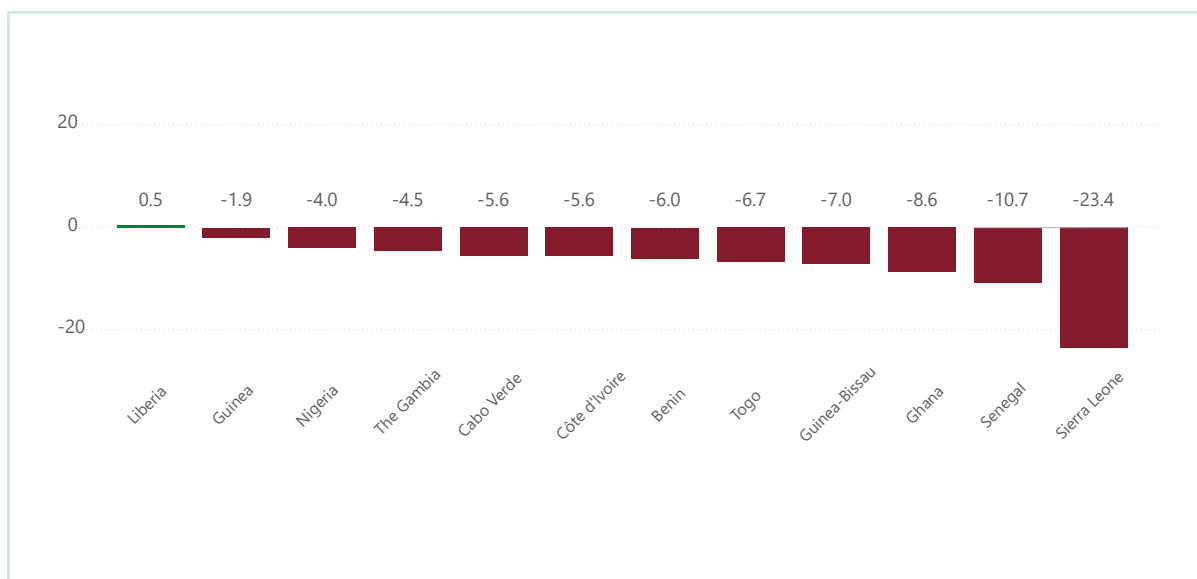
The aggregate fiscal balance including grants as a percentage of GDP of the WAMZ Member States deteriorated from -4.8 percent in 2020, to -5.5 percent in 2023. The deficit position of the WAEMU Member States improved marginally from -5.6 percent in 2020 to -5.4 percent in 2023. The persistent fiscal deficit among ECOWAS Member States was due to weak domestic revenue mobilisation, worsened by dependence on a single source

of revenue (exports of primary commodities), persistent expansionary fiscal policy and the dominance of recurrent expenditure in government spending. The performance of ECOWAS Member States regarding the criterion on fiscal deficit showed that only Guinea and Liberia met the target of fiscal deficit (Including Grants) / GDP \leq 3 percent. Figure 23 shows the situation of all the 12 Member States.

The performance of ECOWAS Member States regarding the criterion on fiscal deficit showed that only Guinea and Liberia met the target of fiscal deficit (Including Grants)



Figure 23: Average Fiscal Deficit (Including Grants) to GDP Ratio of ECOWAS Member States with a Budget Deficit Greater than 3% from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

Figure 24 shows that the regional public debt to GDP ratio increased from 34.2 percent in 2020 to 36.5 percent in 2022 and 49.5 percent in 2023. This was because of the combined effects of debt service obligations, depreciated values of national currencies, and inflation, posing economic development challenges. In 2023, Cabo Verde had a debt-to-GDP ratio of 118.9 percent, followed by Guinea-Bissau with a ratio of 81.8 percent, The Gambia (74.7 percent), Senegal (73.6 percent), Ghana (72.6 percent), Togo (66.7 percent), Côte d'Ivoire (57.5 percent), Benin (54.5 percent) and Liberia (53.9 percent). Guinea and Nigeria had the lowest ratio of 40.2 percent and 42.3 percent, respectively. The debt dynamics reflects the continuous debt burden due to a large increase in nominal dollar-denominated public debt and higher debt service obligations.

MEMBER STATES WITH LOWEST DEBT-TO-GDP RATIOS

Guinea

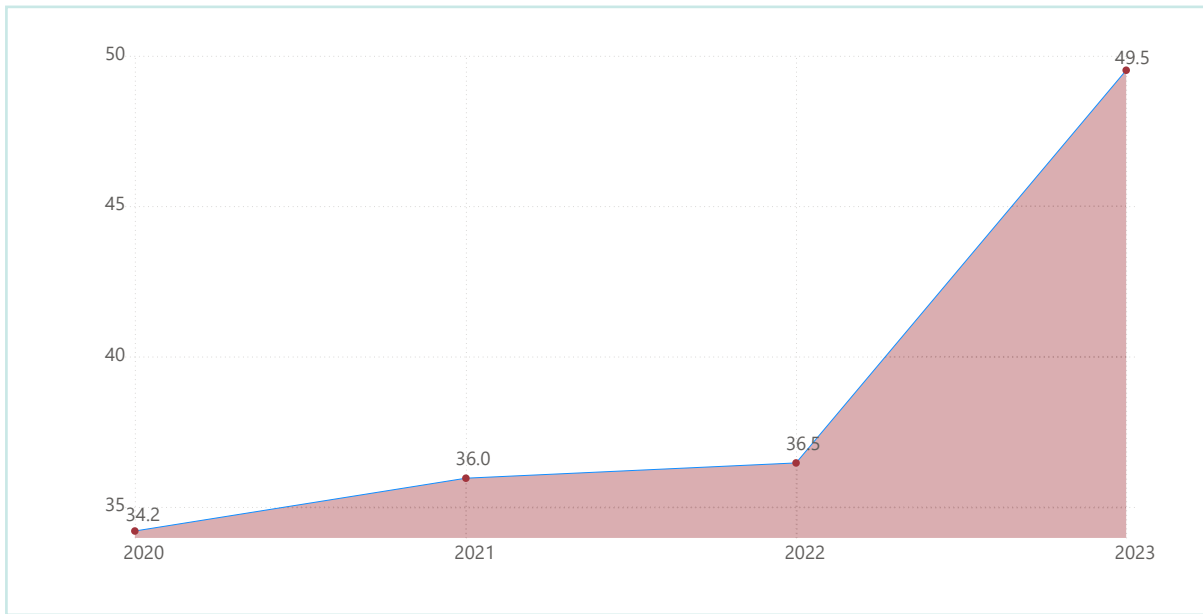
40.2

Nigeria

42.3



Figure 24: ECOWAS Public Debt to GDP Ratio from 2020 to 2023 (Percent)



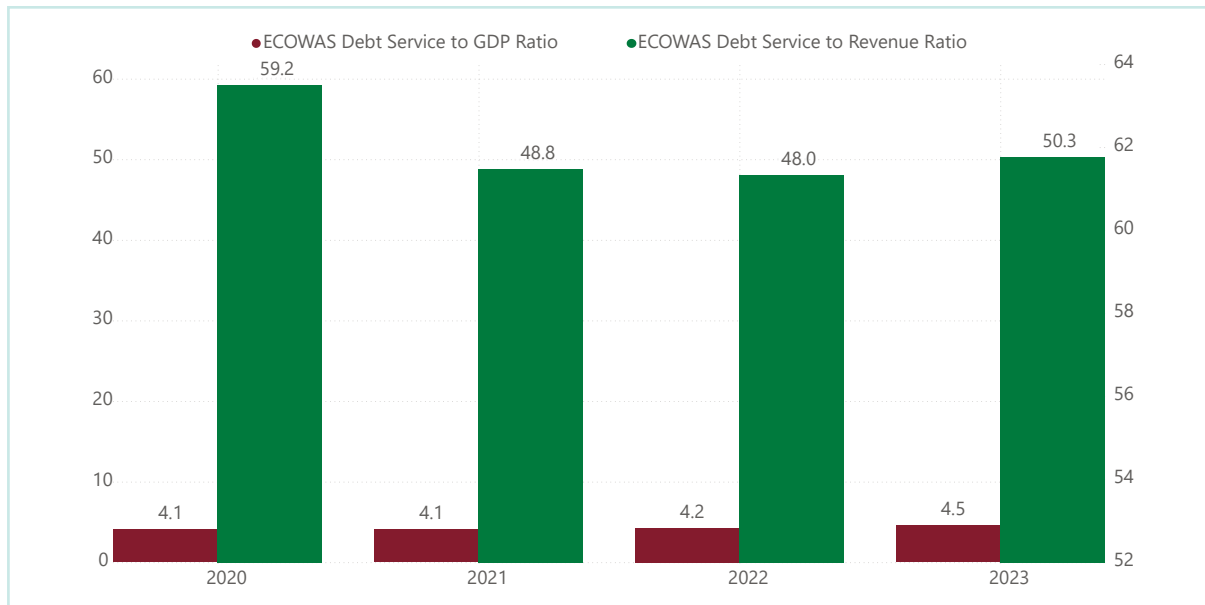
Source: ECOWAS Commission, 2024

Debt service obligation is heavy for most ECOWAS Member States and is an issue of serious concern for policymakers in the region. A huge debt service burden strains the economy and hinders economic growth by diverting resources from key sectors like education and healthcare. It exerts significant impacts on economic stability and capital flight. In the period 2020 to 2023,

the debt service to GDP ratio in the ECOWAS region was low, ranging between 4.1 percent and 4.5 percent. Figure 25 shows that the effort of ECOWAS Member States to lessen debt burden was yielding positive results as debt service to revenue reduced from 59.2 percent in 2020 to 50.3 percent in 2023. However, the ratio is still very high.



Figure 25: Debt Service to GDP and Debt Service to Revenue Ratios from 2020 to 2023 (Percent)



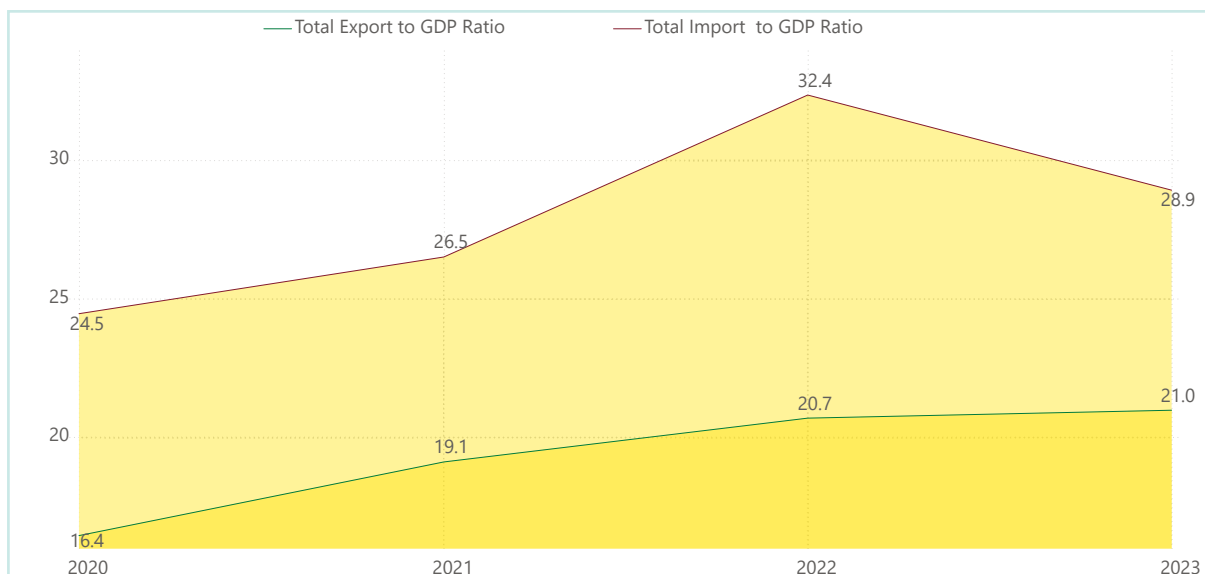
Source: ECOWAS Commission, 2024

2.6. EXTERNAL POSITION AND TRADE BALANCES

Total exports to GDP ratio experienced an increase from 16.4 percent in 2020 to 21.0 percent in 2023. The total imports to GDP ratio experienced an increase from 24.5

percent in 2020 to 28.9 percent in 2023. In terms of Member States' contribution to total regional trade, Nigeria's exports were the largest with 42.7 percent, followed by Côte d'Ivoire with 14.9 percent and Ghana with 13.7 percent in 2023.

Figure 26: Total Import and Export to GDP Ratios of the ECOWAS Region from 2020 to 2023 (Percent)



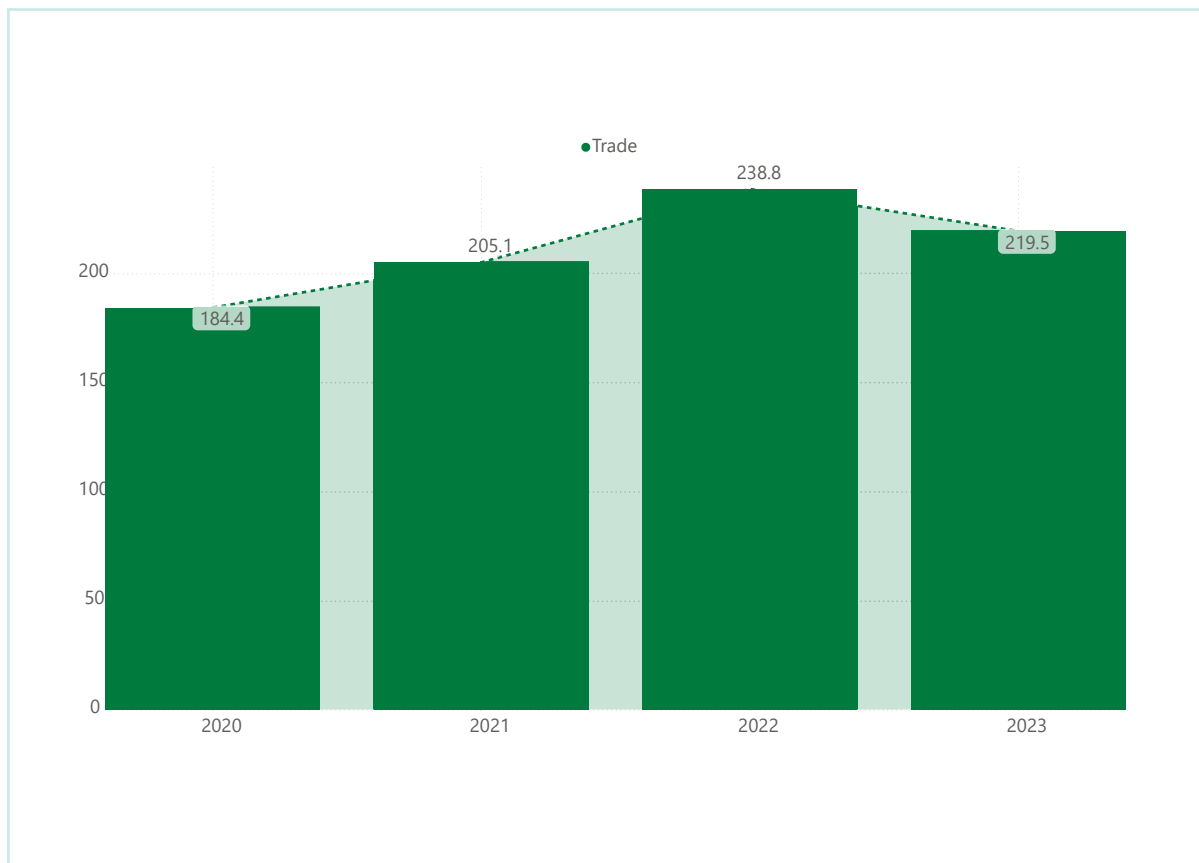
Source: ECOWAS Commission, 2024



From 2020 to 2023, total trade experienced considerable growth from US\$184.4 billion in 2020 to US\$219.5 billion in 2023, reflecting a strengthening of external trade.

The dynamics can be attributed to the post-COVID economic recovery and a rebound in both domestic and external demand².

Figure 27: Total Trade in ECOWAS in Billion US Dollars from 2020 to 2023



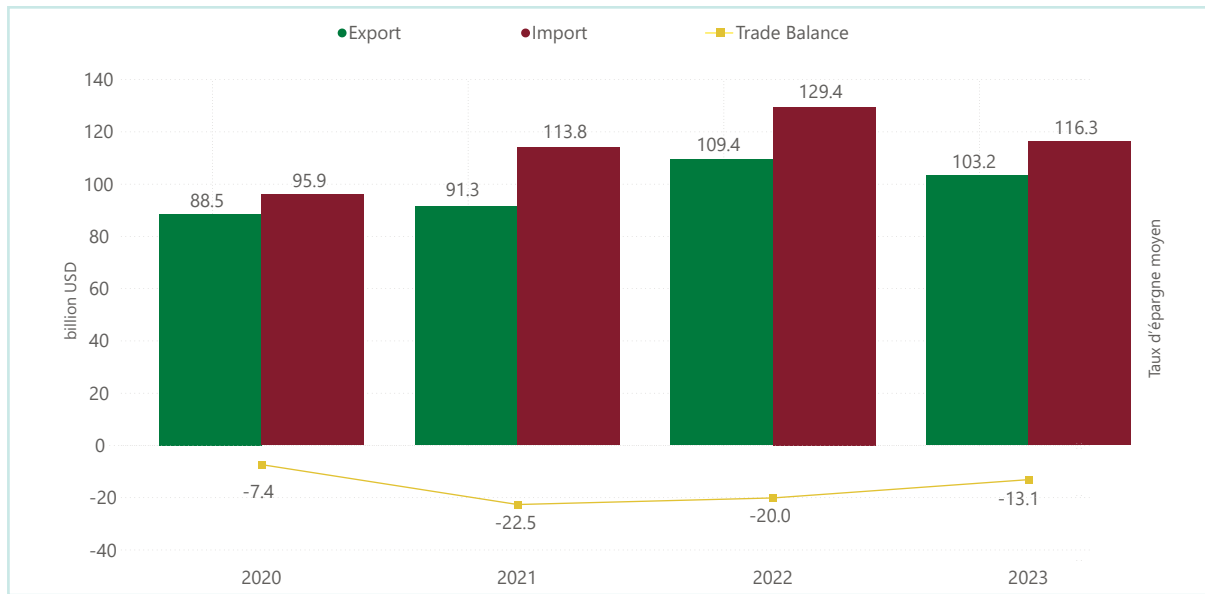
Source: ECOWAS Commission, 2024

In terms of exports, there was an increase from US\$88.5 billion in 2020 to US\$103.2 billion in 2023. Imports, on the other hand, increased from US\$95.9 billion in 2020 to US\$116.3 billion in 2023. This trend partly explains the widening of the trade deficit in 2023 (US\$-13.1 billion) due to an increase in imports. Thus, although the trade balance remains structurally in deficit, it showed a relative improvement in 2023, reflecting a gradual rebalancing of trade flows.

ECOWAS TRADE PERFORMANCE (US\$ billion)		
2020	Exports	88.5
	Imports	95.9
.....		
2023	Exports	103.2
	Imports	116.3

² However, between 2022 and 2023, a decline was observed, with total trade decreasing by 8.1 percent, which may indicate an economic slowdown because of cyclical adjustments related to prices, trade volumes, or a drop in demand.

Figure 28: Exports, Imports and Trade Balance in ECOWAS (Billions US Dollars) from 2020 to 2023

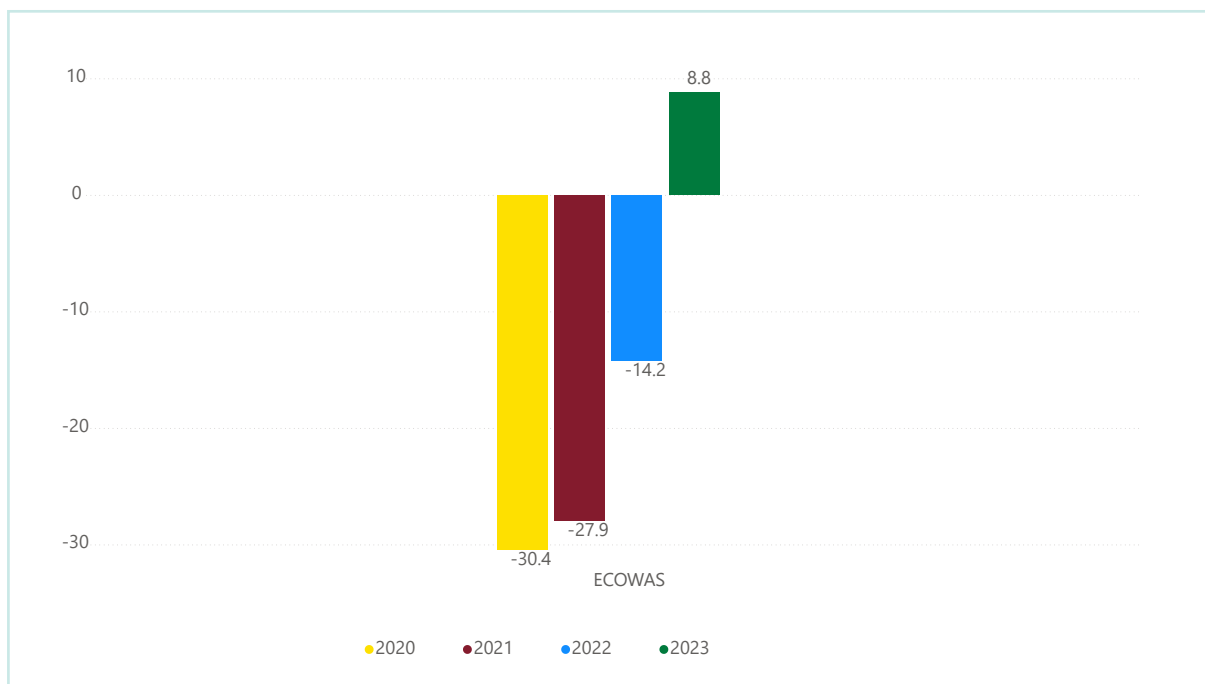


Source: ECOWAS Commission, 2024

The regional trade balance to GDP ratio was at -30.4 percent in 2020 before it reduced to 8.8 percent in 2023. This was because of a reduction of trade deficit in Member States such as Nigeria. Nigeria’s trade deficit was

reversed as the country reported its highest trade surplus in 2023. In Ghana, the trade balance to GDP remained in surplus at 1.4 percent in 2023.

Figure 29: Trade Balance to GDP Ratio of the ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024



There was a fluctuating trend in the current account balance of the ECOWAS region from 2020 to 2023. The overall ECOWAS average was -2.3 percent. In 2020, it was at an all-time low of -3.6 percent before it improved to -1.7 percent in 2023. Three Member States

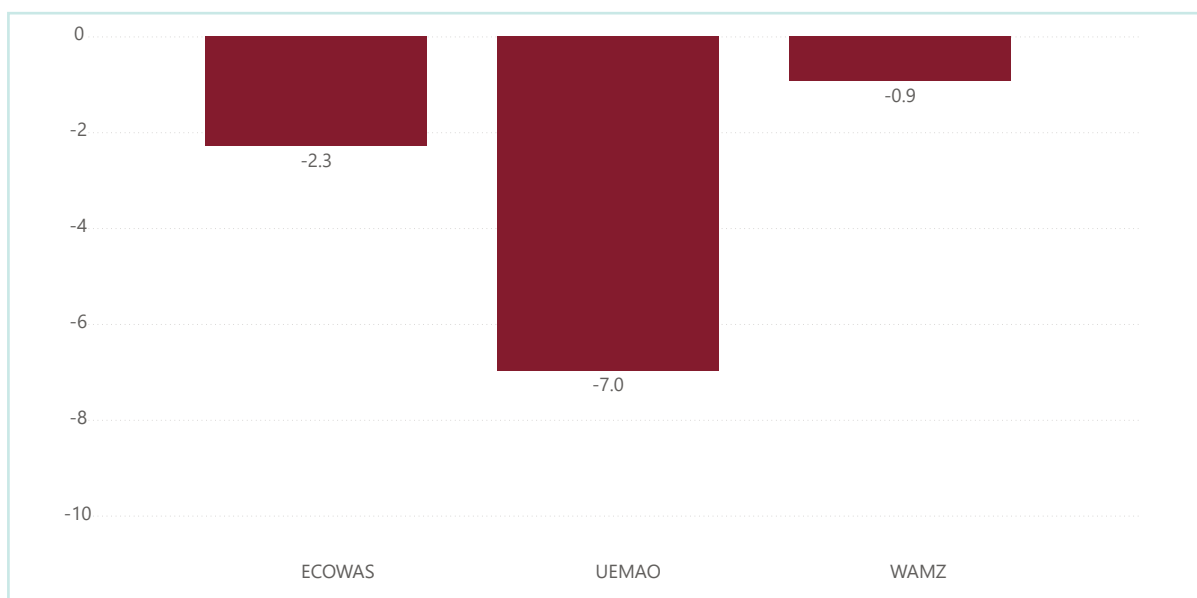
reported lower current account balances: Senegal (-14.7 percent), Liberia (-10.7 percent) and Sierra Leone (-10.1 percent), while Nigeria and Ghana had current account balances of -1.1 percent and -1.7 percent, respectively.

Figure 30: Average Current Account Balance of the ECOWAS Region from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

Figure 31: Average Current Account Balance of ECOWAS, WAMZ and WAEMU from 2020 to 2023 (Percent)



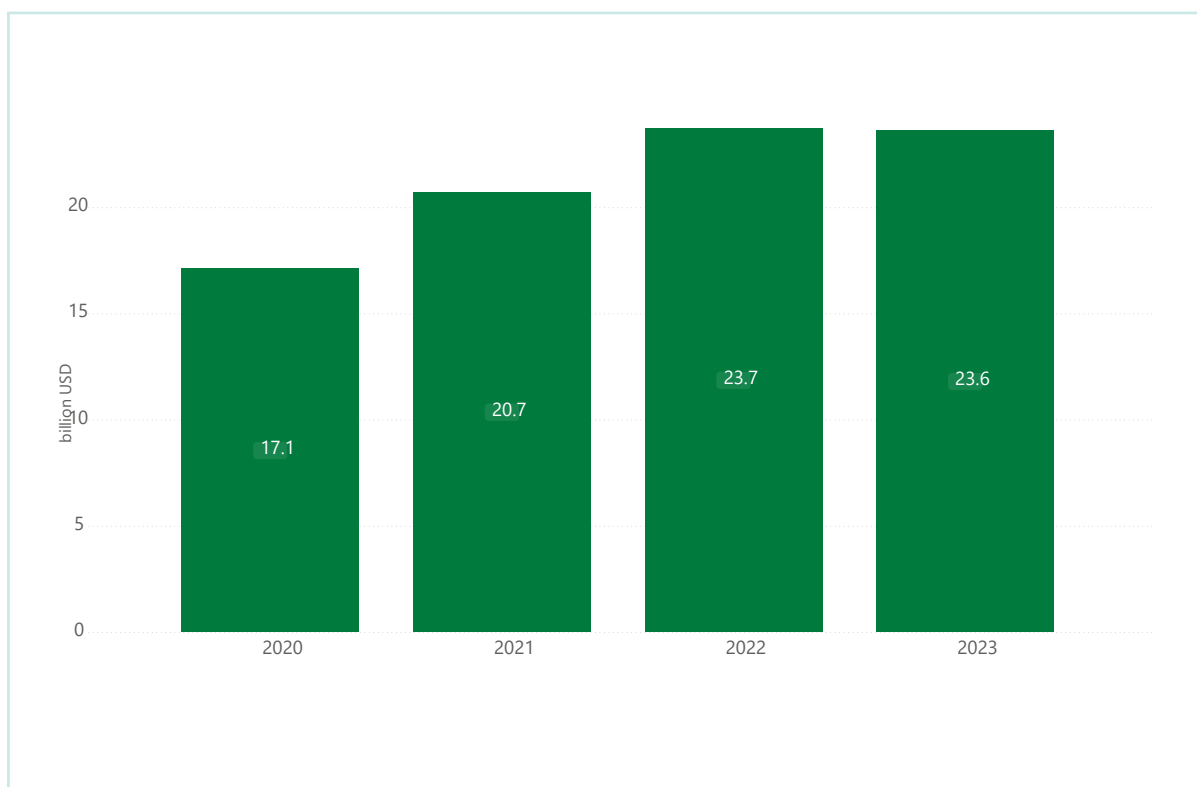
Source: ECOWAS Commission, 2024

During this period, the WAMZ Member States reported improvement in current account balance from -3.3 percent in 2020 to 0.1 percent in 2023. The WAEMU Member States reported a deficit of 4.3 percent in 2020, to 7.6 percent in 2023. The performance of ECOWAS Member States differs. Côte d'Ivoire's current account deficit worsened from -3.1 percent in 2020 to -5.8 percent in 2023. The current account balance of Ghana improved from a deficit of -3.3 percent in 2020 to a surplus of 1.8 percent in 2023 due

to the performance of exports. Guinea's current account balance was a deficit of -19.5 percent in 2020 and 2.4 percent in 2023 which was the result of an increased import of capital goods and petroleum products.

In terms of intraregional trade performance, there was a steady increase from US\$17.1 billion in 2020 to US\$23.6 billion in 2023 driven by exports of petroleum and bituminous minerals, other than crude oils.

Figure 32: Intra-Regional Trade of ECOWAS Member States from 2020 to 2023 (US\$ billion)



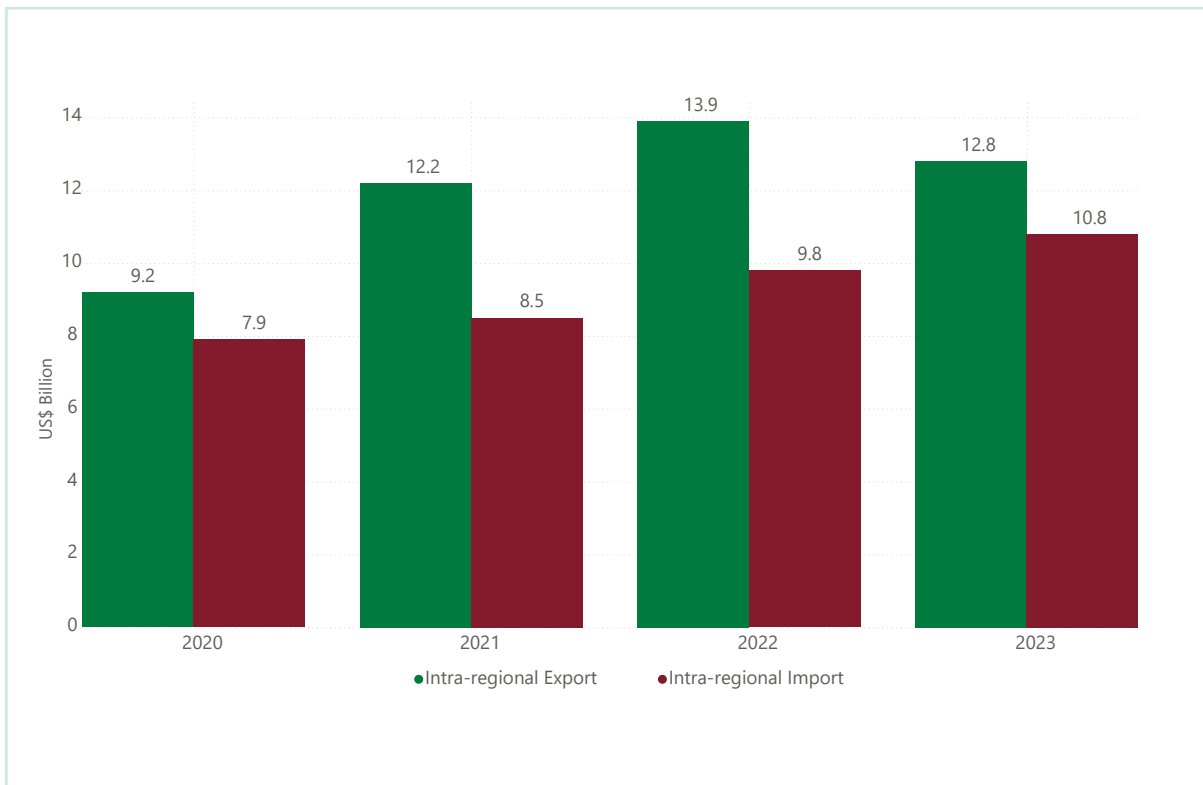
Source: ECOWAS Commission, 2024

Intra-regional exports showed a notable increase from US\$9.2 billion in 2020 to US\$12.8 billion in 2023. In terms of the performance of Member States, Côte d'Ivoire was the highest at 28.1 percent with agricultural products, followed by

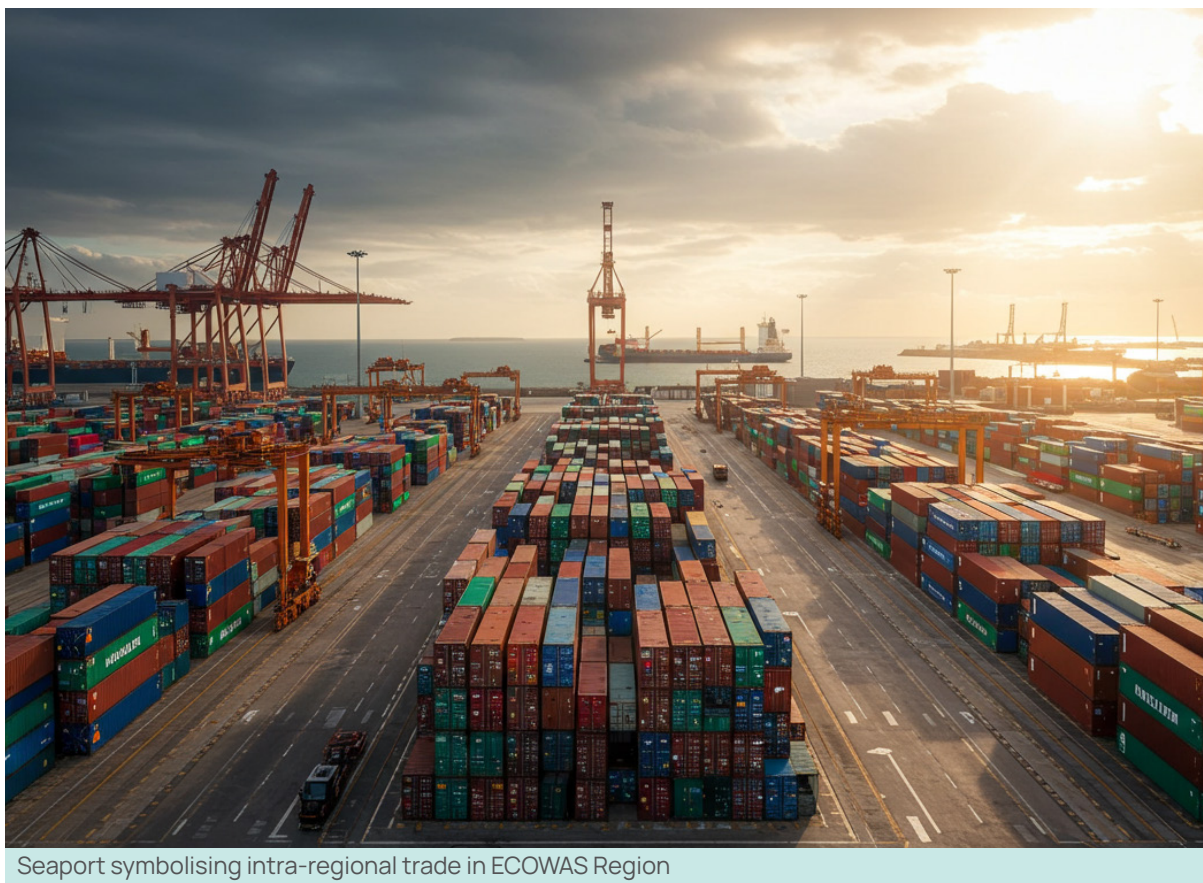
Nigeria, at 27.2 percent with petroleum and manufactured goods, and Senegal, at 16.4 percent with iron ore and steel bars. The lowest-performing Member States were Cabo Verde, Guinea-Bissau, Liberia and Sierra Leone.



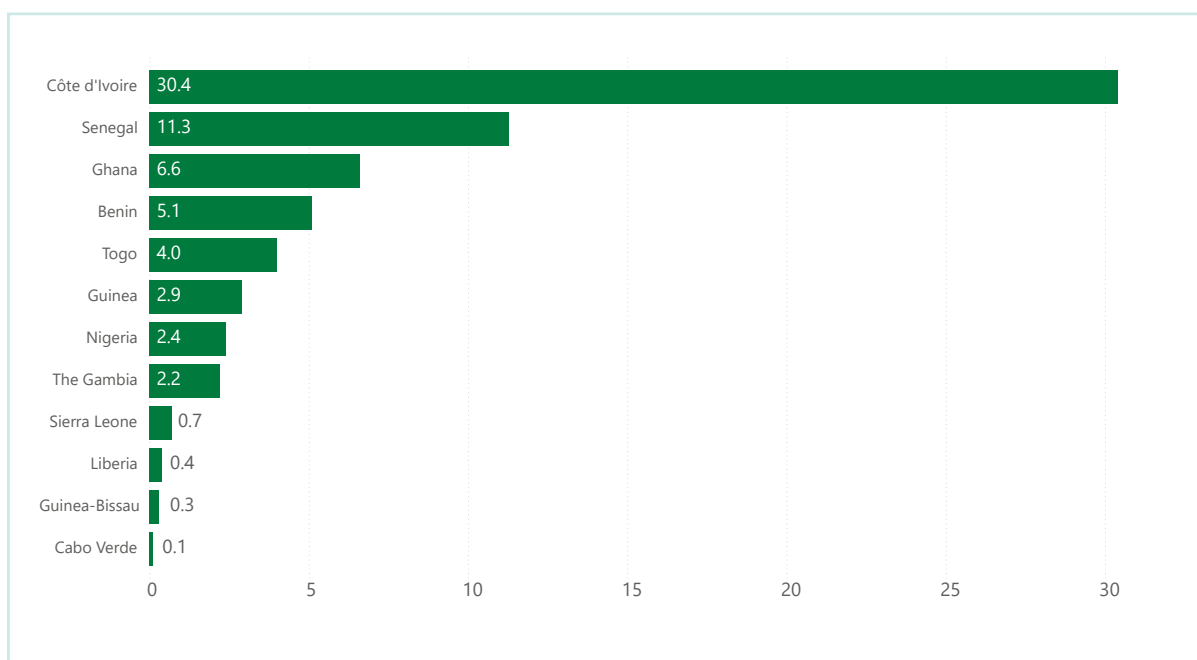
Figure 33: Intra-Regional Exports and Imports of ECOWAS Member States from 2020 to 2023 (US\$ billion)



Source: ECOWAS Commission, 2024



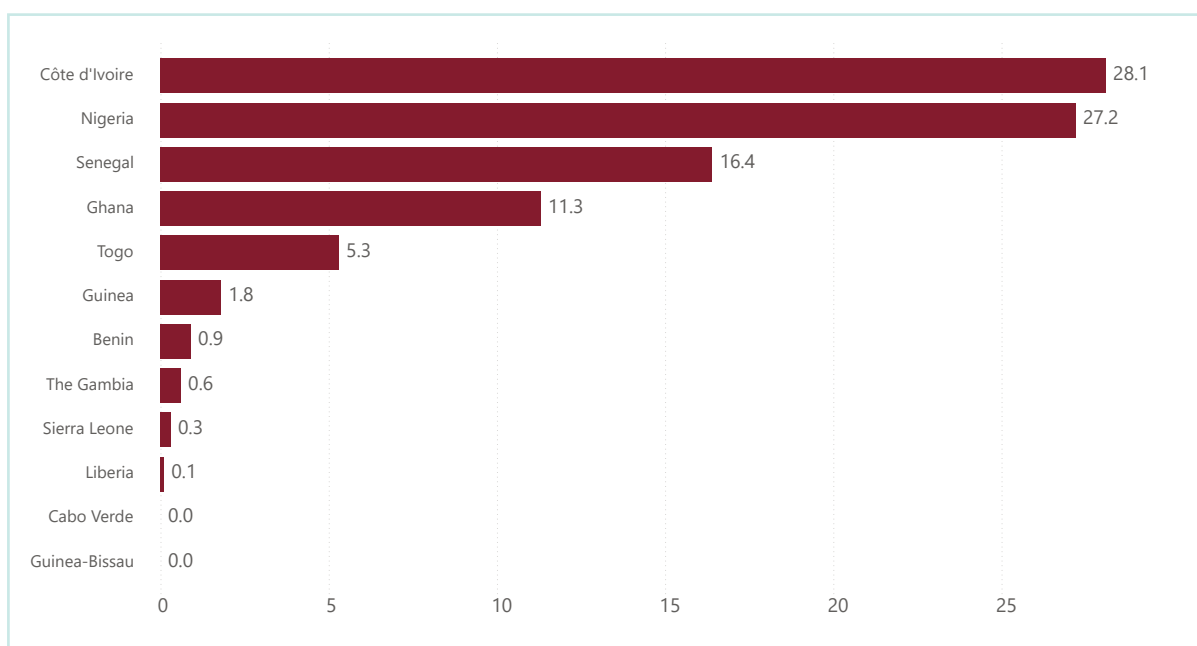
Seaport symbolising intra-regional trade in ECOWAS Region

Figure 34: Contribution of ECOWAS Member States to Intra-regional Exports in 2023

Source: ECOWAS Commission, 2024

In terms of intra-regional imports, there was a steady increase from US\$7.9 billion in 2020 to US\$10.8 billion in 2023 driven by imports of crude petroleum oils or oils from bituminous minerals. With regards to the performance

of Member States, Côte d'Ivoire remained the highest in the region at 30.4 percent, Senegal, at 11.3 percent, Ghana, at 6.6 percent and Benin, at 5.1 percent.

Figure 35: Contribution of ECOWAS Member States to Intra-regional Imports in 2023

Source: ECOWAS Commission, 2024



In terms of intra-regional exports, Côte d'Ivoire, Senegal, Ghana and Benin were the best performers while the least performers were Cabo Verde, Guinea-Bissau, Liberia and Sierra Leone. Côte d'Ivoire, Nigeria, Senegal and Ghana were the best performers in terms of intra-regional imports, while Cabo Verde, Guinea-Bissau, Liberia and Sierra Leone were the least performers. Overall, Côte d'Ivoire and Ghana recorded the best performance in terms of intra-regional trade.

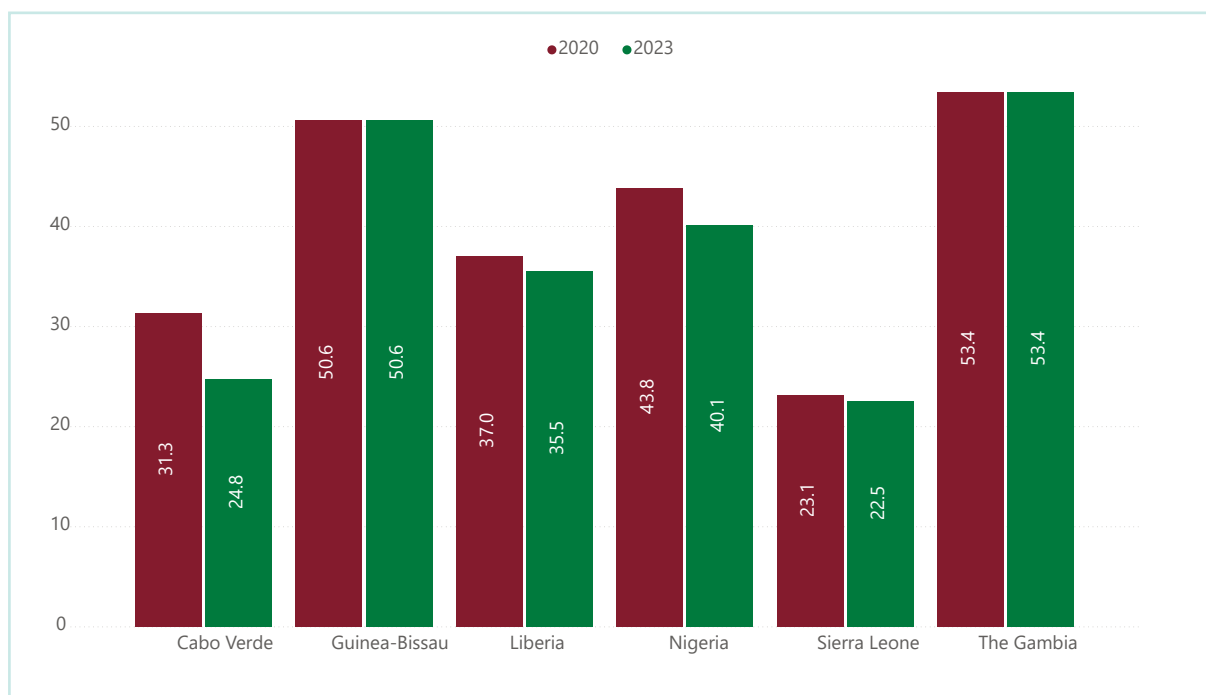
2.7. SOCIO-ECONOMIC DEVELOPMENT CONTEXT

The ECOWAS region exhibits noticeable heterogeneity socio-economic development³. The region is characterised by marked disparities among Member States in poverty levels, inequalities, access to essential services, and life expectancy. These disparities reflect distinct economic dynamics influenced by economic structure, political stability, public policy implementation, and distribution of natural resources. Member States are experiencing high levels of poverty which serve as a challenge to the vision of achieving the Sustainable Development Goal One (SDG 1) of eradicating poverty by 2030.

Overall, Côte d'Ivoire and Ghana recorded the best performance in terms of intra-regional trade.



Figure 36: Poverty Rates of Selected Members States of ECOWAS for 2020 and 2023 (Percent)



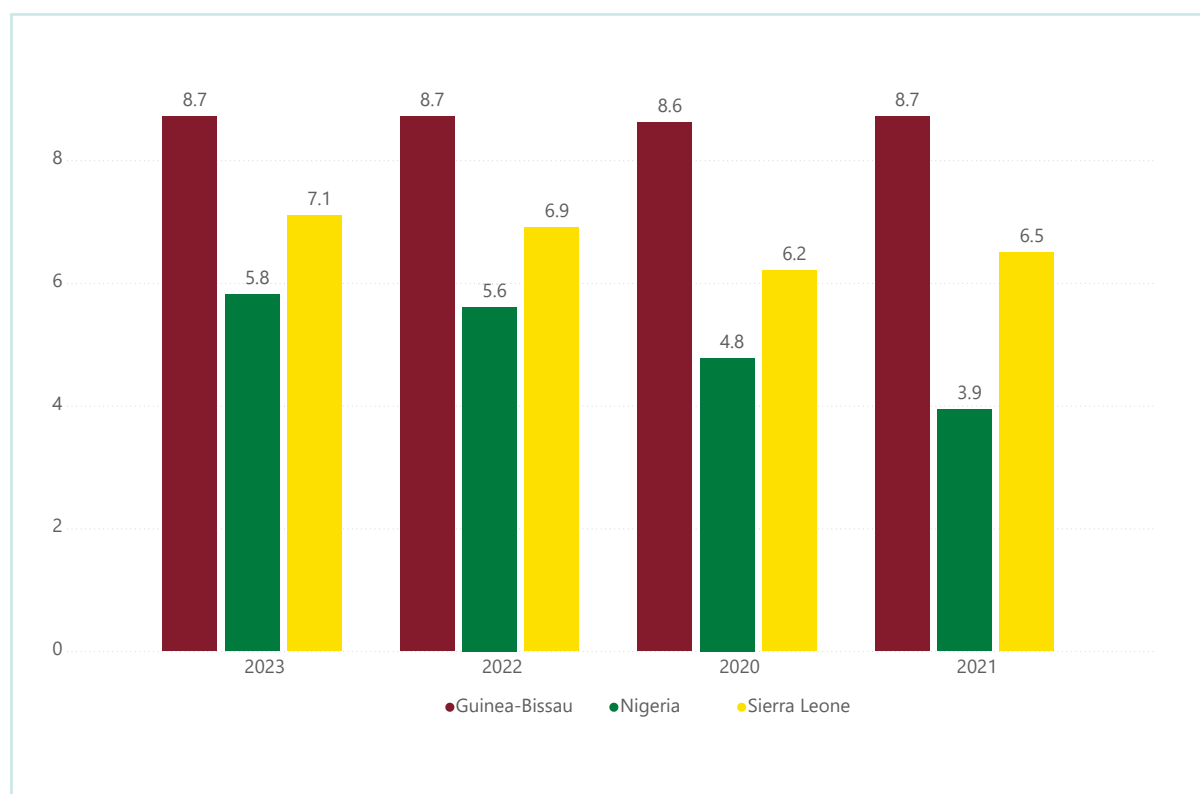
Source: Compiled from ECOWAS Member States Report, 2024

³. Kindly refer to page 38 of the ECOWAS Regional Economic Outlook, 2023 Edition.

In Sierra Leone, poverty rate moderated from 23.1 percent in 2020 to 22.5 percent in 2023. In Nigeria, the poverty rate reduced from 43.8 percent in 2020 to 40.1 percent in 2023, while in Cabo Verde, it reduced from 31.3 percent in 2020 to 24.8 percent in 2023. The poverty rate in The Gambia was 53.4 percent in 2020 and 2023 and, in Guinea-Bissau, it was 50.6 percent in 2020 and 2023, while Liberia experienced a moderate poverty rate of 37.0 percent in 2020 and 35.5 percent in 2023.

Accordingly, hunger and the inaccessibility to adequate nutrition measured by dietary diversity score were on the rise in ECOWAS Member States. As shown in Figure 37, from 2020 to 2023 Ghana's score was 4.5 while Guinea-Bissau's score was 8.7. Sierra Leone had a score of between 6.2 in 2020 and 7.1 in 2023. Nigeria's score ranged between 4.8 in 2020 and 5.8 in 2023.

Figure 37: Dietary Diversity Score in Selected Members States of ECOWAS from 2020 to 2023



Source: Compiled from ECOWAS Member States Report, 2024

Access to basic necessities like safe drinking water remains a crucial issue for improving living conditions in ECOWAS Member States. Nigeria experienced a sharp decline in access to safe drinking water from 58.0 percent in 2020 to 29.5 percent in 2023. This trend is attributed to persistent infrastructural issues and poor

water resource management, exacerbated by rapid urban population growth. In Guinea-Bissau, the proportion of the population with access to drinking water moderated at 50 percent primarily due to economic tensions and health crises. Côte d'Ivoire recorded high scores of 61.0 and 68.0 which is an indication of improved access to drinking water.



Table 1: Access to Safe Drinking Water in Selected ECOWAS Member States from 2020 to 2023

ECOWAS Member States	2020	2021	2022	2023
Côte d'Ivoire	66.0	61.0	64.0	68.0
The Gambia	46.5	47.1	47.7	49.8
Ghana	42.3	43.6	44.5	
Guinea-Bissau	50.0	50.0	50.0	50.0
Nigeria	58.0	28.4	29.0	29.5
Sierra Leone	58.0	59.0	60.0	61.0

Source: Compiled from ECOWAS Member States Report, 2024.

The access to electricity in the region remains one of the lowest globally, with about 42 per cent of the population having access to the infrastructure (United Nations, 2023). In 2023, Côte d'Ivoire with 97 per cent access and Ghana with 88.9 per cent, were among the best-performing Member States, while

Liberia, with 31.8 per cent and Sierra Leone with 30.5 per cent, were the least-performing Member States. In Guinea-Bissau, 35.7 per cent of the population had access to electricity. The difference in performance is due to a lack of investment in energy infrastructure.

Table 2: Access to Electricity in Selected ECOWAS Member States from 2020 to 2023

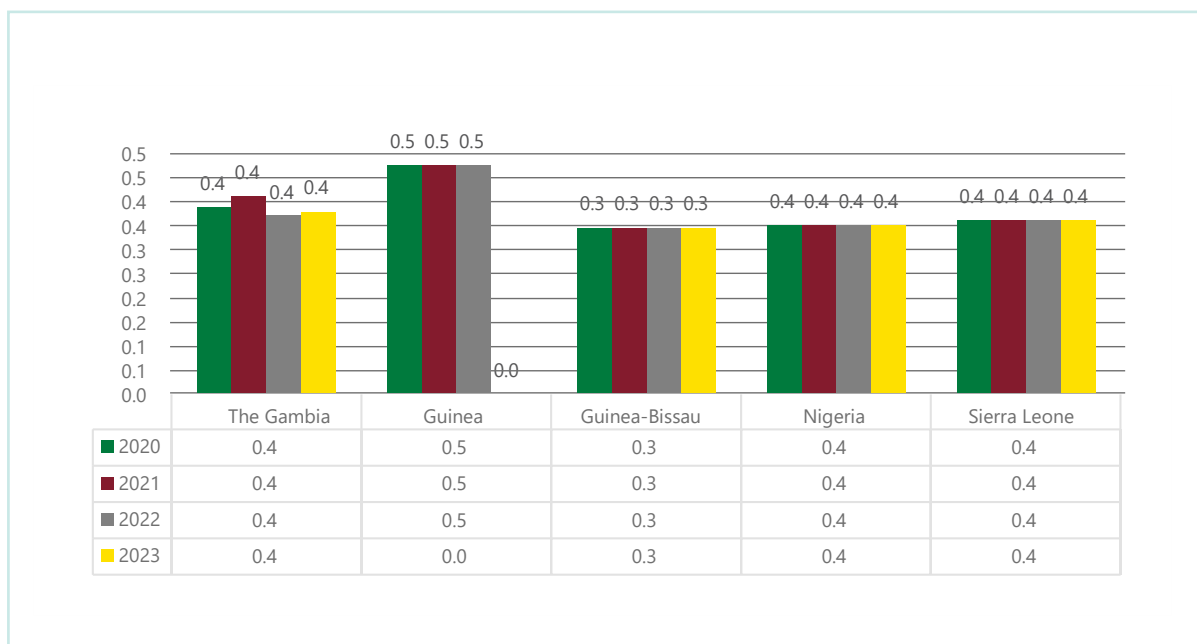
ECOWAS Member State	2020	2021	2022	2023
Côte d'Ivoire	88.0	92.0	95.0	97.0
The Gambia	62.2	63.7	65.4	65.4
Ghana	85.3	87.0	88.8	88.9
Guinea-Bissau	35.7	35.7	35.7	35.7
Liberia	27.6	29.9	31.8	31.8
Nigeria	55.4	59.5	60.5	61.3
Sierra Leone	26.2	27.5	29.4	30.5

Source: Compiled from ECOWAS Member States Report, 2024.

Income inequalities measured by the Gini coefficient display considerable disparities. Guinea-Bissau with a coefficient of 0.3 had the lowest level of income inequality in the region, while The Gambia, Nigeria

and Sierra Leone experienced relatively moderate inequality, with a Gini coefficient of 0.4. The situation reflects a high level of unemployment and underemployment.

Figure 38: Gini Coefficient for Selected ECOWAS Member States from 2020 to 2023

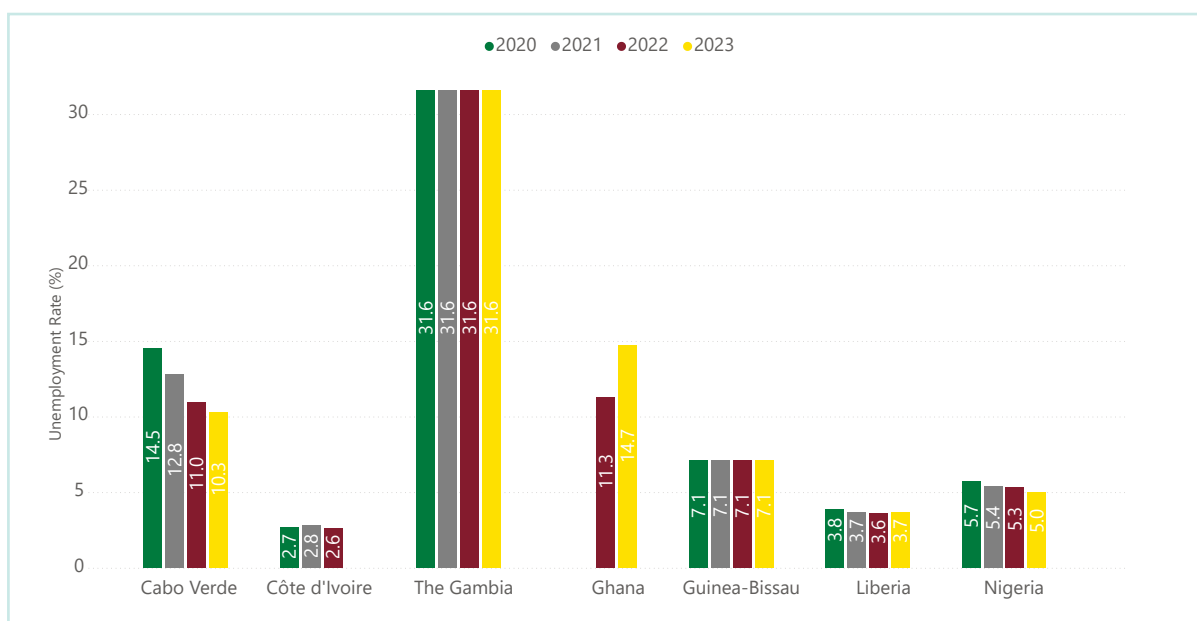


Source: Compiled from ECOWAS Member States Report, 2024.

The unemployment rate varied in selected ECOWAS Member States in the period of 2020 to 2023. It moderated at 31.6 percent in The Gambia and 7.1 percent in Guinea-Bissau. Cabo Verde recorded a decreased rate from 14.5 percent in 2020 to 10.3 percent in 2023.

Ghana's unemployment rate was 14.7 percent in 2023, reflecting an economic slowdown and limited job opportunities. In Nigeria, the rate decreased from 5.7 percent in 2020 to 4.1 percent in 2023.

Figure 39: Unemployment Rate for Selected ECOWAS Member States from 2020 to 2023



Source: Compiled from ECOWAS Member States Report, 2024.



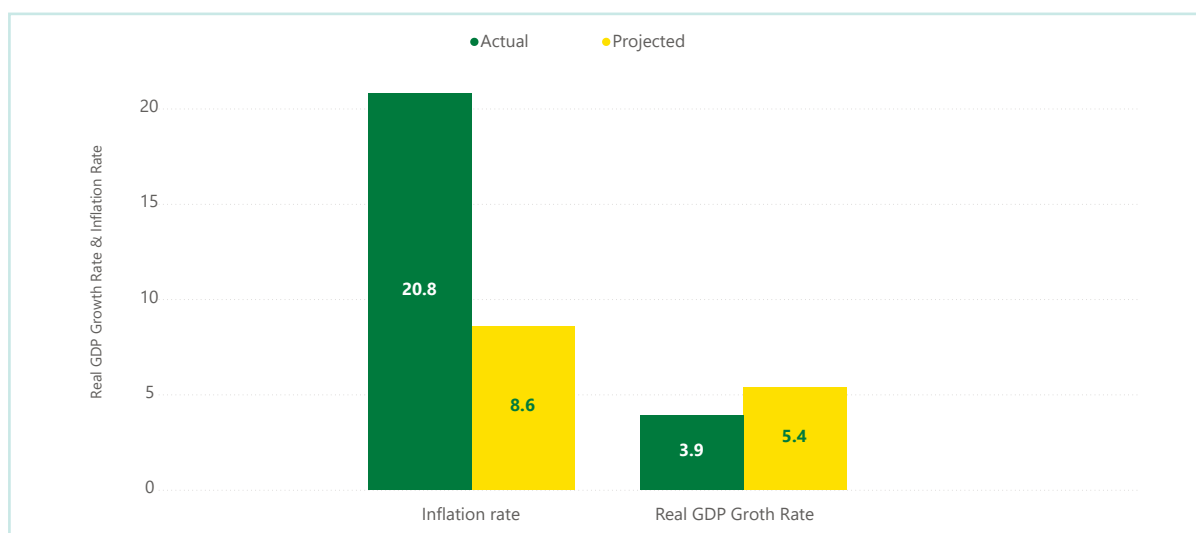
Life expectancy remains a key indicator reflecting the level of development and the effectiveness of healthcare systems. In 2023, among selected ECOWAS Member States, Cabo Verde (74.7 years) and Senegal (68.9 years) had the best performance followed by Ghana (63.9 years), Nigeria (61.8 years), Togo (61.6 years), Côte d'Ivoire (61.2 years) and Sierra Leone (55.9 years). This is a reflection of public health conditions and limited access to basic healthcare. However, life expectancy in Guinea-Bissau (55.1 years) was the lowest and is a reflection of political crises and low investment in the health sector.

2.8. ACTUAL AND PROJECTED VALUES OF SELECTED MACROECONOMIC INDICATORS

The analysis is complemented by comparing the actual and projected values of selected indicators to assess the appropriateness of basic assumptions used for forecasting and effects of both domestic and external shocks on the regional economy in 2023.

In terms of regional real GDP, the projected value was 5.4 percent while the actual value was 3.9 percent. The region performed below expectations mainly because of the mixed performance of ECOWAS Member States, triggered by external shocks and policy adjustments. To analyse the mixed performance, Member States were classified into different categories.

Figure 40: Comparison of Actual and Projected Real GDP Growth Rate and Inflation Rate for 2023 in ECOWAS Region (Percent)

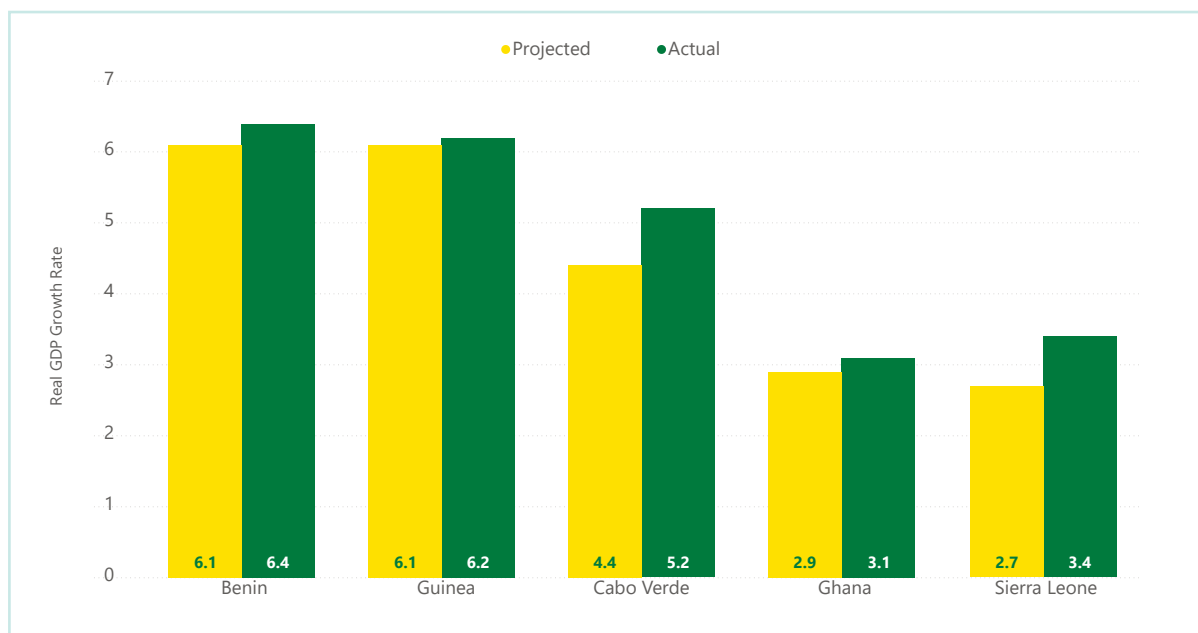


Source: ECOWAS Commission, 2024

The first category consists of five Member States whose actual performances were above the projected values. Benin with a projected value of 6.1 percent had an actual value of 6.4 percent, Guinea with 6.1 percent projected had 6.2 percent actual, Cabo Verde

with 4.4 percent projected value had 5.2 percent actual value, Ghana with 2.9 percent projected value had 3.1 percent actual value and Sierra Leone, with 2.7 percent projected value, had actual value of 3.4 percent.

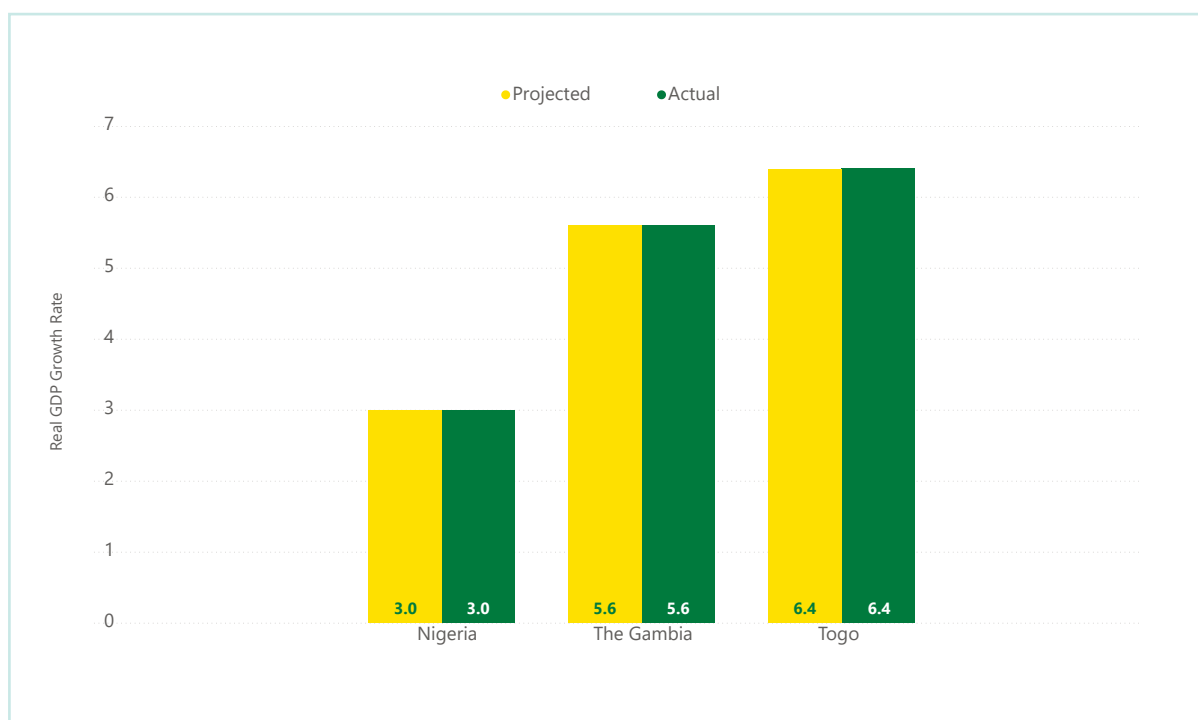
Figure 41: ECOWAS Member States with Actual Values of Real GDP Higher than the Projected values in 2023 (Percent)



Source: ECOWAS Commission, 2024

The second category consists of three Member States whose projected values were the same as their actual values: Nigeria (3.0 percent), The Gambia (5.6 percent) and Togo (6.4 percent).

Figure 42: ECOWAS Member States with Equal Values of Actual and Projected Real GDP in 2023 (Percent)



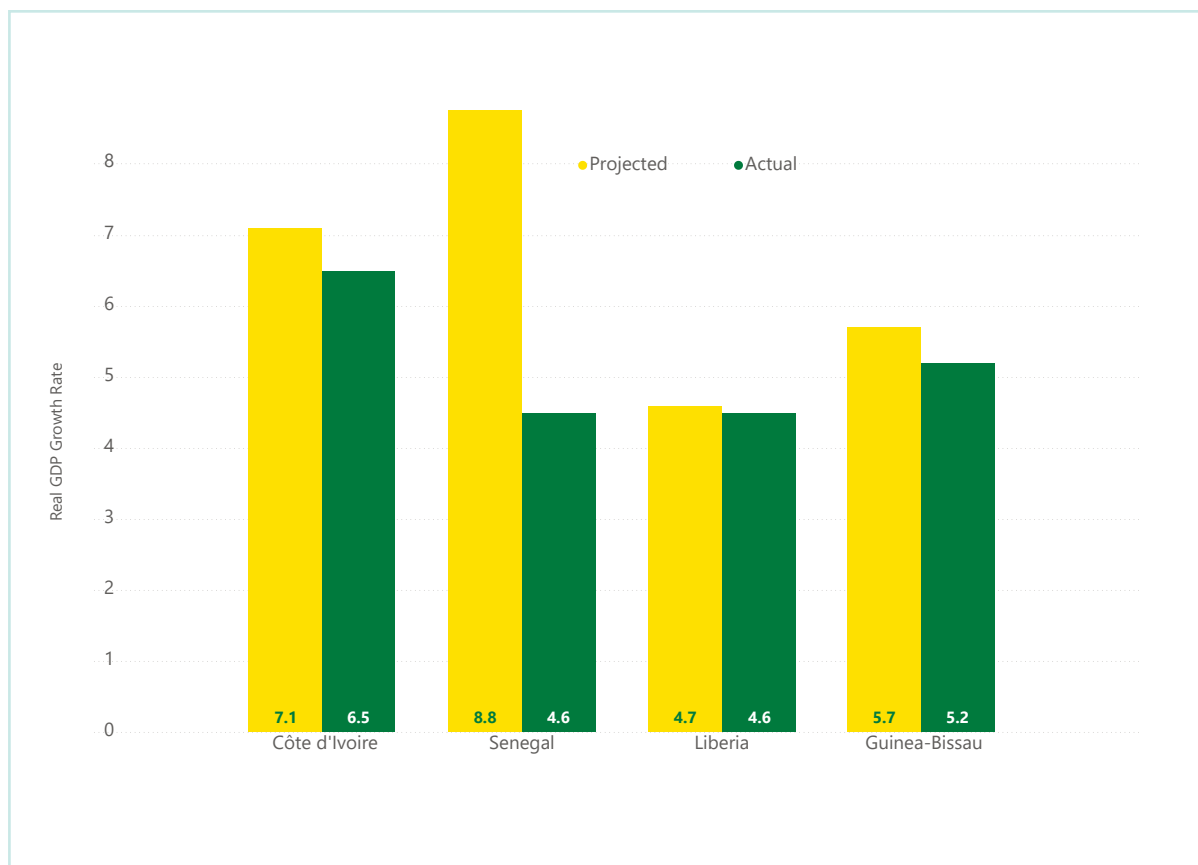
Source: ECOWAS Commission, 2024



The third category consists of four Member States whose projected values were below their actual values. Côte d'Ivoire had a projected value of 7.1 percent but an actual value of 6.5 percent, Senegal 8.8 percent

projected but a lower actual value at 4.6 percent, Liberia with 4.7 percent projected value had actual value of 4.6 percent and Guinea-Bissau with 5.7 percent projected but 5.2 percent actual.

Figure 43: ECOWAS Member States with Actual Values Below the Projected Values in 2023 (Percent)



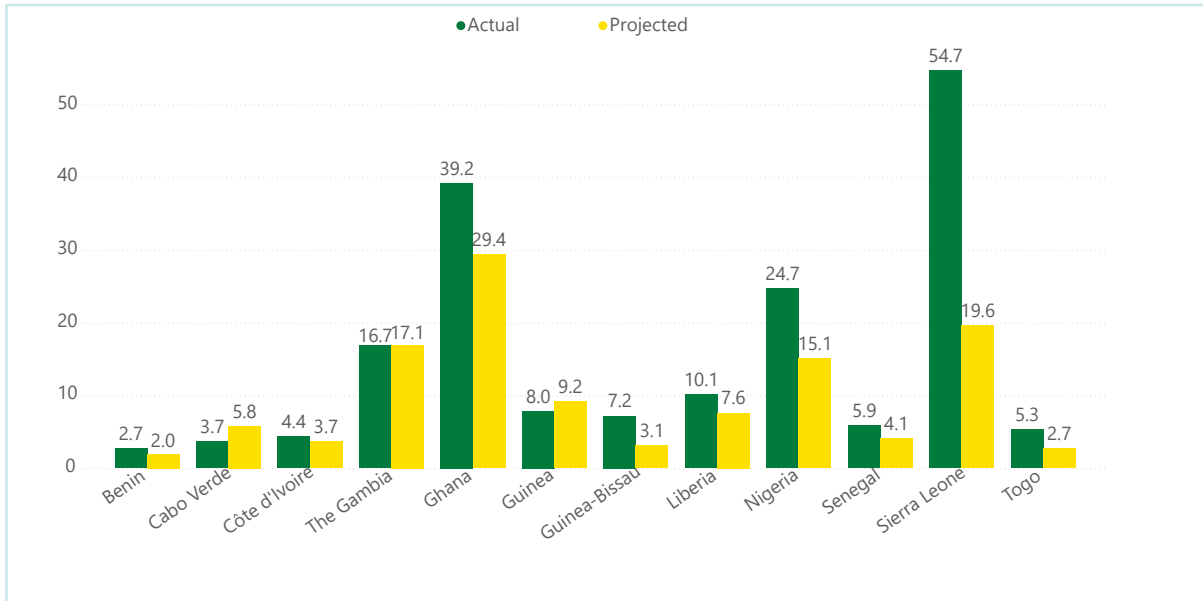
Source: ECOWAS Commission, 2024

In terms of regional inflation rate, the 2023 projected value of 8.6 percent was below the actual value of 20.8 percent. This is largely attributable to the performance of six Member States that reported considerably higher than projected inflationary rates: Nigeria had an actual value of 24.7 percent as compared to its projected value of 15.1 percent, Ghana with an actual value of 39.2 percent and projected value of 29.4 percent, Sierra Leone with a sharp increase to 54.7 percent actual value compared to

19.6 percent projected, Liberia 7.6 percent projected to 10.1 percent actual, The Gambia 16.7 percent actual compared to 17.1 percent projected. Guinea-Bissau had a 7.2 percent actual, but a 3.1 percent projected.

Two Member States reported low inflationary rate: Guinea had an actual value of 8.0 percent compared with a projected value of 9.2 percent, and Cabo Verde with a 3.7 percent actual as against 5.8 percent projected.

Figure 44: The Projected and Actual Inflation Rates of ECOWAS Member States in 2023 (Percent)

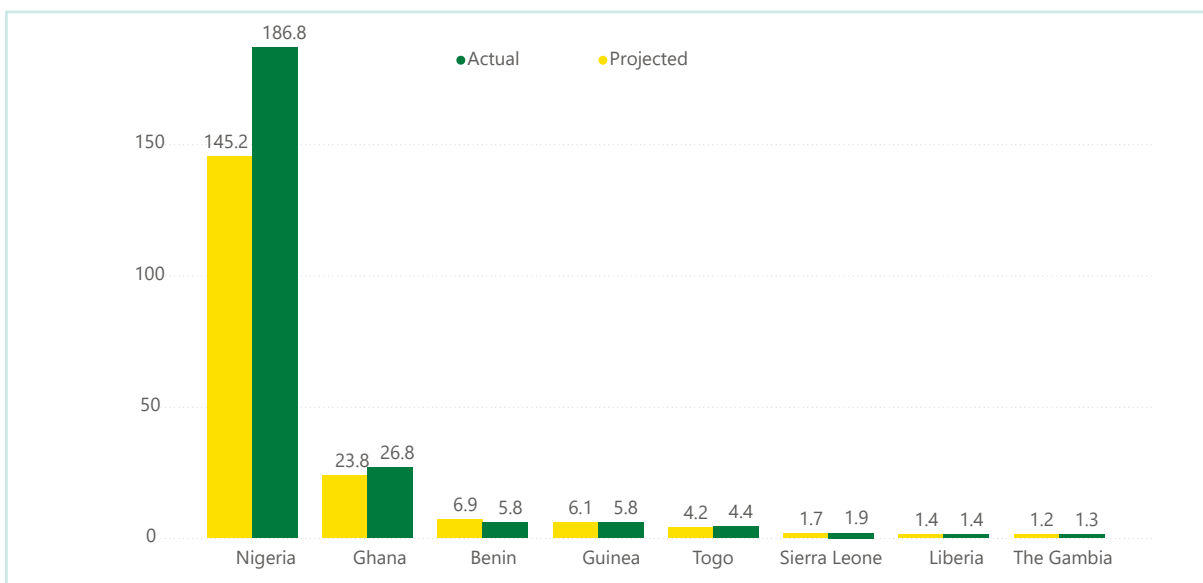


Source: ECOWAS Commission, 2024

The deviation between the actual and estimated broad money supply revealed that Benin and Guinea did not achieve the projected level of money supply in 2023. In Nigeria, Ghana, Togo and Sierra Leone, the actual money supply was more than the projected. It was only in Liberia that the

projected money supply was the same as the actual (Figure 45). The deviation can be associated with the effect of monetary policy and the expansion of money supply driven by growth in Net Foreign Assets (NFA) and Net Domestic Assets (NDA) of these selected ECOWAS Member States.

Figure 45: Projected and Actual Values of Broad Money Supply of ECOWAS Member States in 2023 (Percent)



Source: ECOWAS Commission, 2024



2.9. PROSPECTS OF REGIONAL ECONOMIC PERFORMANCE

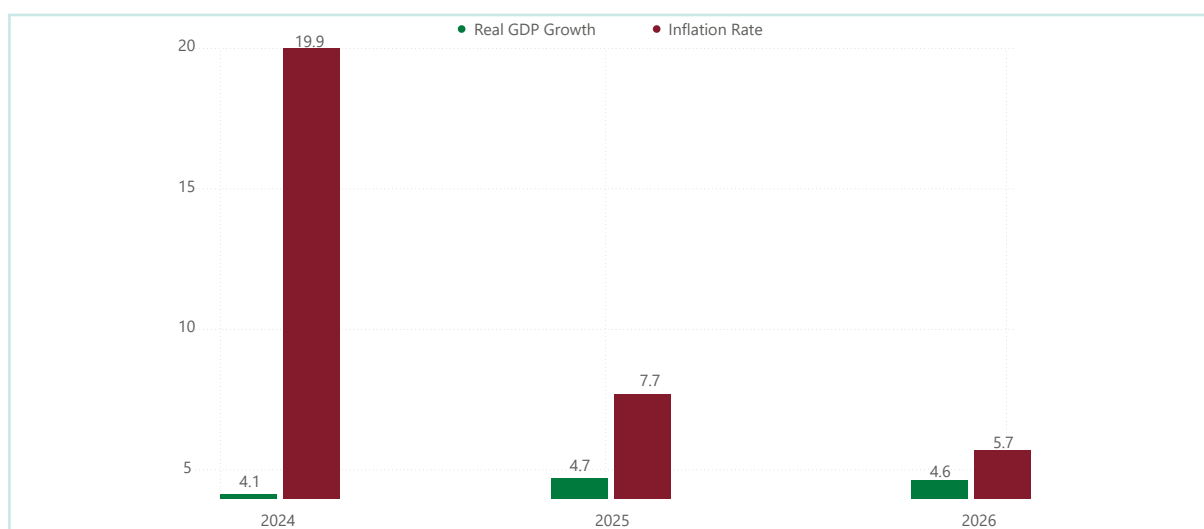
Developments in the global economy conditions projected the global growth rate to be 2.6 percent in 2024 with prospects of an increase to 2.7 percent in 2025 and 2026 (World Bank, 2025). The growth prospects may be impacted by longer-than-expected shutdowns in the auto industry amid tight monetary policy. In addition, the heightening inflationary pressure will weigh heavily on consumer spending as weaknesses in the world's largest economies dampen external demand. The positive effects of high energy prices may offset domestic demand weakness in energy-exporting countries and may, therefore, lead to an upward revision in growth projections.

According to the African Development Bank (2024), Africa's growth performance would be subdued and fragile amid multiple domestic, regional and global shocks. The escalating food and energy prices may impose threats on food security, and increase poverty and unemployment. Other major factors of

Africa's growth performance are inflationary pressures in countries that rely on the importation of food and energy, security challenges, and widespread tightening of monetary policies. On the demand side, growth is expected to be driven by domestic absorption and external demand, while on the supply side, primary, secondary and tertiary sectors are projected to contribute to economic growth.

The prospect of the economic performance of the ECOWAS region is quite promising as real GDP growth is projected to increase from 3.9 percent in 2023 to 4.1 percent in 2024, 4.7 percent in 2025 and 4.6 percent in 2026. This is above the projections of WAMZ and WAEMU Member States. They are expected to perform above the regional average of 6.9 percent. A possible cease-fire of the Russia-Ukraine war would have several direct and indirect effects on the region, particularly in terms of food security, trade, and energy prices. A ceasefire can restore normal trade flows, stabilising or reducing food prices, which soared due to supply chain disruptions.

Figure 46: Projected Real GDP and Inflation Rate of the ECOWAS Region from 2024 to 2026



Source: ECOWAS Commission, 2024

The main driver of ECOWAS' growth prospects is economic growth performance in Member States like Benin, Côte d'Ivoire, Senegal, and Togo. Senegal and Benin are among the Member States projected as the top 10 fastest-growing economies in Africa in 2025 (Box 2).

Box 2: Top 10 fastest-growing economies in Africa in 2025

The African continent continues to experience economic shifts, with several countries projected to record significant real GDP growth in 2025. According to the latest International Monetary Fund (IMF) data, these projections reflect ongoing efforts to expand production, attract investment, and strengthen regional trade. While global market trends and political developments will influence outcomes, the overall outlook remains positive. Here are the top 10 fastest-growing economies in Africa in 2025

Senegal is projected to record a growth rate of 9.3%, driven by investment in infrastructure and expansion in the energy sector. The government's policies on economic reforms and regional trade partnerships have positioned the country as a growing economic force in West Africa.

Benin's economy is set to grow by 6.5%, supported by improvements in trade, agriculture, and public investments. Government policies focusing on economic diversification have helped maintain steady growth.

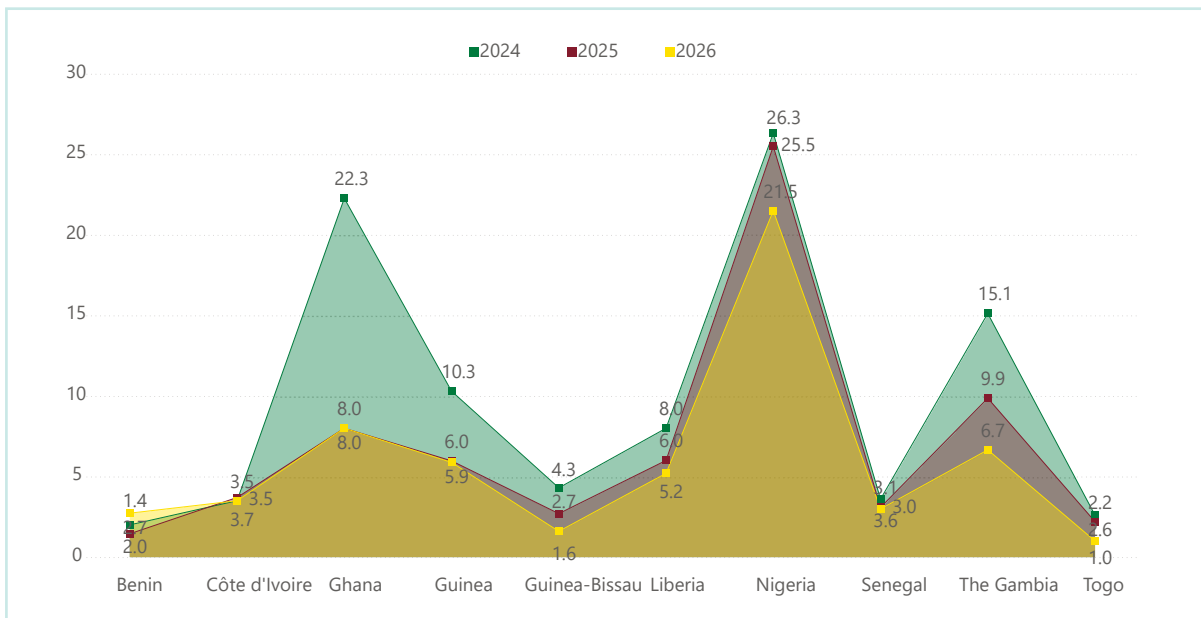
Source: Business Day March 22, 2025



Additionally, seven ECOWAS Member States are expected to have at least 5.0 percent average growth rate in 2024. Eight Member States will experience single-digit inflation rates, while Sierra Leone, Nigeria, Ghana, and The Gambia will experience double-digit inflation rates. The withdrawal of three Member States reduces ECOWAS from 15 to 12. This situation has the potential to weaken regional influence on continental and international affairs. It can also lead to security tensions in Member States that

share close borders such as Togo, Benin, Côte d'Ivoire, Ghana, Nigeria and Senegal. Furthermore, the regional inflation rate will increase from 18.8 percent in 2023 to 20.5 percent in 2024, and then reduce to 18.1 percent in 2025 and 15.4 percent in 2026. A ceasefire in the Russia-Ukraine war will ease inflationary pressures and reduce hunger risks, as the war caused higher costs for bread, cooking oil, and other staples in all Member States.

Figure 47: Projected Inflation Rate of Selected ECOWAS Member States from 2024 to 2026



Source: ECOWAS Commission, 2024

Nigeria is expected to have the highest inflation rate in the ECOWAS region, getting to 20.3 percent in 2025 before declining to 18.6 percent in 2026. Ghana, The Gambia, and Guinea are expected to post inflation rates above 5 percent, with estimates of 8.0 percent, 9.9 percent, and 6.0 percent in 2025, respectively. However, forecasts for 2026 indicate a decline in inflation rates; this suggests macroeconomic stability at the Member State level. In contrast, WAEMU

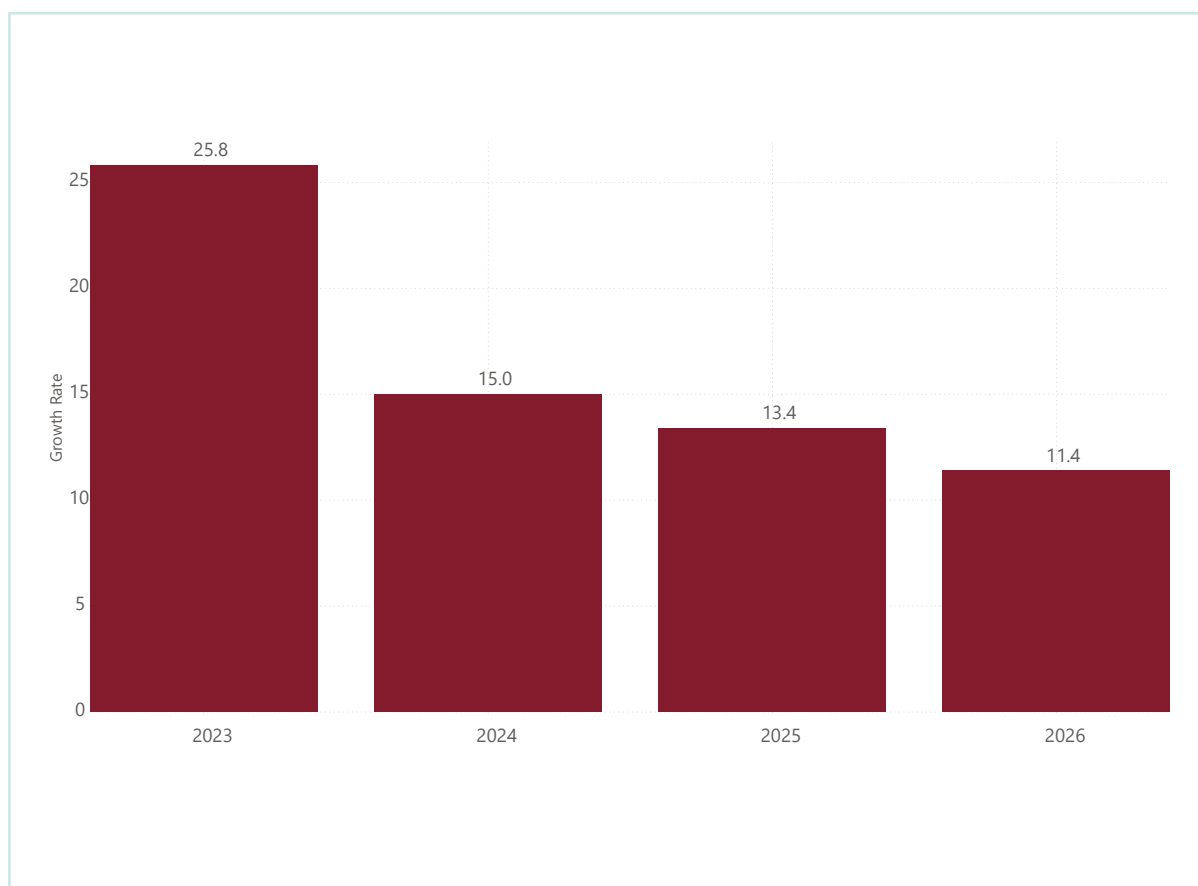
Member States, including Benin, Côte d'Ivoire, Togo, Senegal, and Guinea-Bissau, are expected to maintain considerably lower inflation rates, generally below 5 percent, with a further decline projected for 2026. This projected stability can be attributed to their disciplined economic policies and a common monetary framework. Overall, most ECOWAS Member States are expected to post low inflation rates in 2026, reflecting improving macroeconomic conditions.

The overall economic growth prospect for the region is positive because of the likely performance of Nigeria, as a major economic driver. Ghana is expected to have a negative impact on regional GDP in 2024. Economic growth in Nigeria is expected to increase from 2.9 percent in 2023 to 3.3 percent in 2024. Ghana's economic growth is expected to experience a slowdown to 1.4 percent in 2024 and 2025, compared to 2.9 percent in 2023, as low oil production persists amidst the energy crisis and mounting debt servicing. At the regional level, the economic performance of Côte d'Ivoire and Senegal is expected to compensate for some of the losses. Côte d'Ivoire is estimated to post a 6.0 percent growth rate in 2024, compared to 6.5 percent in 2023. Equally, Senegal is

expected to grow at 4.0 percent in 2024, compared to 3.4 percent in 2023.

In terms of the region's monetary sector performance, measured by the growth rate of money supply, Figure 48 illustrates the gradual decline in projected money supply growth between 2024 and 2026. Projected money supply growth in the region is expected to decline from 15.0 percent in 2024, to 13.4 percent in 2025, and 11.4 percent in 2026. This decline is partly due to the reduction of the number of Member States from 15 to 12, which will lead to a contraction of the regional monetary base. The increasing global interest rates may restrict access to external financing thereby impacting the region's economic stability.

Figure 48: Growth Rate of Broad Money Supply in the ECOWAS Region from 2023 to 2026



Source: ECOWAS Commission, 2024

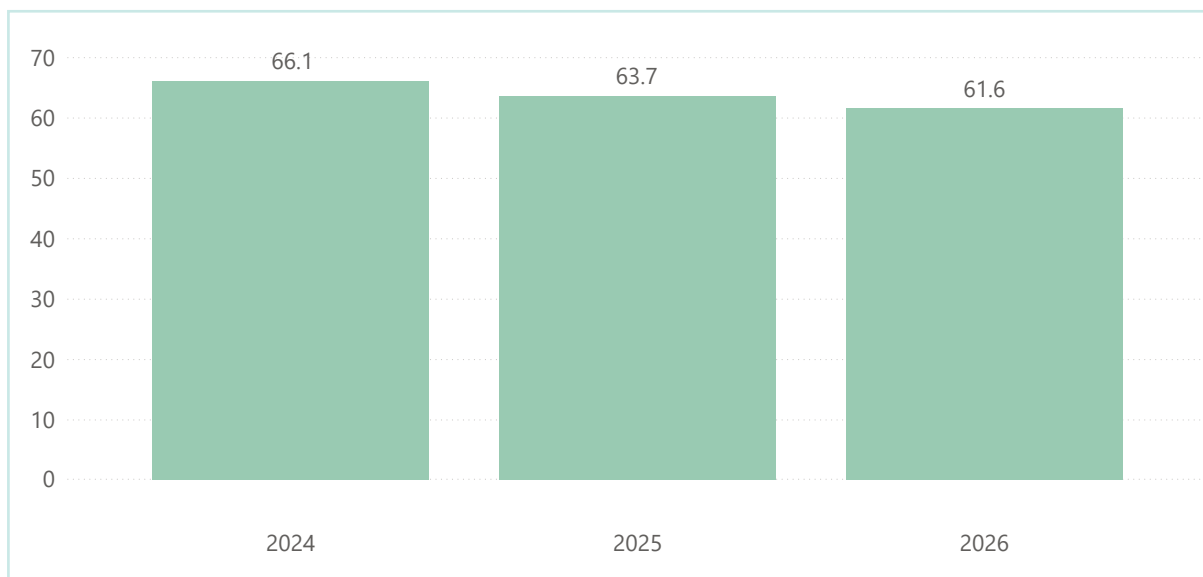


The fiscal prospect for the region suggests rapid economic recovery from 2024 to 2026. IMF estimates that the public debt to GDP ratio will reduce from 67.4 percent in 2023 to 66.1 percent in 2024, and to 63.7 percent in 2025, and continue declining to 61.6 percent in 2026 (Figure 49). In addition, debt service to GDP is expected to increase to 5.1 percent in 2024 and decrease to 4.1 percent in 2025 and 3.9 percent in 2026. To consolidate this recovery, Member States are encouraged to strengthen institutional capacity to drive fiscal transition and consolidation in the region.

Member States are encouraged to strengthen institutional capacity to drive fiscal transition and consolidation in the region.



Figure 49: Public Debt to GDP Ratio in the ECOWAS Region from 2024 to 2026 (Percent)



Source: ECOWAS Commission, 2024

The ECOWAS region's public debt remains a challenge with consequential effects on development efforts. To reduce debt, governments need to implement fiscal measures like cutting public spending, broadening tax bases, and promoting economic growth, while also focusing on debt management strategies like debt restructuring and improving fiscal transparency. Almost all Member States

have started reducing expenditure except Cabo Verde, Guinea, and Senegal. Between 2023 and 2024, Cabo Verde's expenditure increased from 24.8 percent of the GDP to 30.8 percent in 2024; Guinea, from 14.9 percent to 15.8 percent; and Senegal, from 25.8 percent to 26.5 percent.

Due to various tax reform efforts in ECOWAS Member States, the contribution of tax

revenues to the regional total revenue is expected to increase. Other ECOWAS Member States will experience increases in total revenue except Ghana, Liberia, Guinea, and Togo. Ghana's revenue is projected to decline from 16.2 percent of the GDP in 2023 to 7.1 percent in 2024; Liberia, from 18.3 percent to 16.3 percent; in Guinea, from 13.7 percent to 12.9 percent; and in Togo, from 19.6 percent to 18.7 percent. Overall, public debt as percentage of GDP is expected to decline with payments and restructuring of outstanding debt.

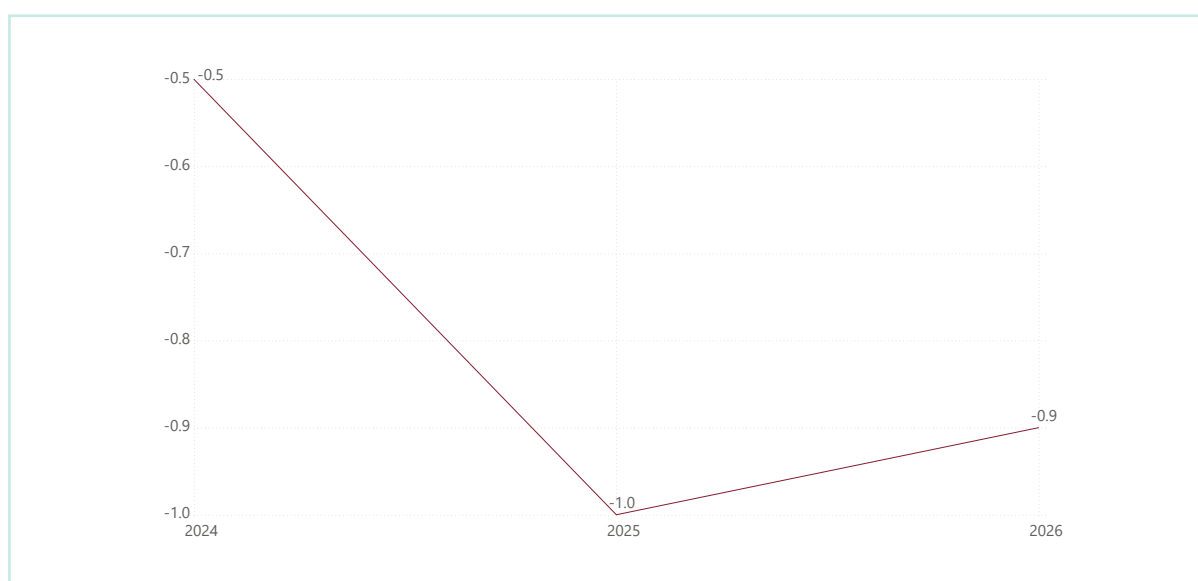
The prospects of external sector performance in the region are expected to follow the pattern of global demand. The current account deficit is projected to worsen from -0.5 percent in 2024 to -1.0 percent in 2025 and improve slightly to -0.9 percent in 2026. The trade deficit is expected to drive down the current account deficit in general. ECOWAS Member States exporting cocoa, minerals, and other commodities are expected to witness better trade

conditions as European economies recover from disruptions from the Russian-Ukraine war. Current account deficits in resource-intensive and oil-exporting Member States are expected to grow, like Nigeria, with an expected current account balance of 0.6 percent in 2024.

The ECOWAS region's public debt remains a challenge with consequential effects on development efforts. To reduce debt, governments need to implement fiscal measures like cutting public spending, broadening tax bases, and promoting economic growth, while also focusing on debt management strategies like debt restructuring and improving fiscal transparency.



Figure 50: Projected Current Account Balance of the ECOWAS Region from 2023 to 2026



Source: ECOWAS Commission, 2024



2.10. DOWNSIDE AND UPSIDE RISKS TO THE ECONOMIC PROSPECTS

The possibility of the political, economic, and security implications of the withdrawal of Mali, Burkina Faso, and Niger from ECOWAS may affect the socio-economic prospects of the region. The reduction of the number of ECOWAS Member States from 15 to 12 could impact its regional and global influence. The growing interest of these countries and their closer ties with Russia and other non-Western powers can potentially redefine the regional geopolitical landscapes. These three countries are central to the fight against jihadist insurgencies in the Sahel.

In addition, the withdrawal could cause the region to face a lot of uncertainties and impact the overall trade in the region. These countries are landlocked and depend on Senegal, Ghana, Côte d'Ivoire, Benin, Togo and Nigeria for transit and total trade. Their exit can lead to higher costs and logistical challenges in border restrictions, and increased trade barriers, affecting businesses and consumers (Box 3).

Box 3: Alliance of Sahel States: 0.5% tariff 'll affect businesses in Nigeria, Niger – Traders

Some traders in Mai'adua Local Government Area of Katsina State on Thursday decried the 0.5 per cent additional tariff imposed by the Alliance of Sahel States on imports into the states. Speaking in separate interviews with the News Agency of Nigeria (NAN) in Kongolom, a border town in Mai'adua, these traders said the increased tariff would negatively affect their

business activities. The traders specifically noted the potentially negative effect of the tariff on traders along the Nigerian/Niger Republic border communities.

NAN recalls that Mali, Niger and Burkina Faso recently withdrew from ECOWAS, a regional body, and formed the Alliance of Sahel States. They also announced the imposition of an additional 0.5% tariff on goods imported from outside the three countries. A trader along the axis, told NAN that the initiative could only disrupt the long-standing trade relationship between the countries in the region.

He said that was because many traders in the border communities relied on daily transactions to sustain their businesses and families. "Small and medium-scale businesses may not be able to afford the expenses forced by this new tax. "If only fewer goods move across the border, markets in Mai'adua and other areas will suffer, leading to economic stagnation," he said. As observed, the measure also had the tendency to increase smuggling activities, especially by small traders looking for ways to bypass the official channels, which may lead to revenue losses.

Businesses in the border communities had already been affected by the border closures and diplomatic issues, especially between Nigeria and Niger Republic. The traders, he said, might reduce their imports or look for alternative routes to avoid the levy, which comes with its own risks. On his part, a businessman, revealed that the majority of the traders depended on small profit margins. "Any extra cost will affect our ability to compete; adding a 0.5% duty will only make things worse. "Instead, both governments need to find a better way to support trade, not make it harder. "If this continues, business will slow down and both Nigerians and Nigeriens will suffer; poverty will also increase".

Source: NAN

<https://www.vanguardngr.com/2025/04/alliance-of-sahel-states-0-5-tariff-ll-affect-businesses-in-nigeria-niger-traders/>

The prospect of a possible ceasefire in the Russia-Ukraine war could have positive effects on the region in terms of food security and energy price stabilisation. The ceasefire can stabilise global oil markets, reducing energy and transportation costs. A ceasefire can stabilise exchange rates, benefiting businesses and consumers. With improved global stability, imported goods like fertilisers, machinery, and food would become more affordable, reducing inflation across the region.

Another downside risk is the regional effects of the twin decisions of the United States of America on the tariff hikes and temporary suspension of the United States Agency for International Development (USAID) activities (Box 4).

Box 4: The Trump aid cut could push 5.7 million more Africans into extreme poverty next year

Following the executive order on Reevaluating and Realigning United States Foreign Aid of 20 January 2025, USAID started distributing Notices of Suspension, instructing recipients to stop working on awards and not incur any new costs. Subsequently, emergency food assistance and administrative expenses necessary to administer such assistance were exempted by a 90-day waiver, as was life-saving humanitarian assistance to several countries, including the Central African Republic (CAR), Chad, South Sudan, DR Congo, Uganda and Rwanda.

The effect on Africa is particularly large since spending on health is the largest component of US aid to Africa. Projects that affect HIV/AIDS prevention and treatment are readily categorized as part of support for family planning, which has been under attack by successive

Republican administrations for several decades. Other funding from the US supports agricultural productivity and economic growth, bolsters security, promotes democracy, human rights and governance, and improves access to quality education and social services. All of this is now under threat.

For all its detractors, aid remains important for many poor African countries. In 2023, total overseas development assistance (ODA) from OECD countries to Africa amounted to US\$59.7 bn. Since the US provides more than a quarter of all development assistance to the region, modelling using the International Futures forecasting platform (University of Denver) finds that 5.7 million more Africans would fall below the US\$2.15 extreme poverty income level in the next year should the Trump administration succeed in its aid-reduction ambition. By 2030, as a result, a cumulative total of almost 19 million more Africans would be considered extremely poor when compared with a business-as-usual scenario. The numbers differ by country, of course, with the Democratic Republic of the Congo, Ethiopia, Somalia, Niger, Uganda and Tanzania being most affected given their large populations.

In the scenario that is modelled for this blog, aid to Africa is reduced by 20% (compared to the estimate of 26% aid provided by the US) on the assumption that some aid will survive the cuts - but the impact is still massive given the enormous spread of US assistance. All African countries except Eritrea received aid from the US in 2023. Ethiopia was the largest recipient of USAID funds, receiving more than US\$1.7 bn. Other large recipients of economic development support from USAID were Somalia, the Democratic Republic of the Congo (DR Congo), Nigeria, Kenya, South Sudan, Uganda, Mozambique, Tanzania, South Africa, Zambia and Malawi, each of which received more than US\$400 million in 2023.

Source: Ffutures.issafrica.org, 2025



The most important issue is how ECOWAS member states will respond to the suspension of USAID's activities and integrate the decision as an opportunity to rethink the relationship with foreign agencies as well as development-related assistance.

The US tariff hikes primarily targeting China, the European Union, Canada, and Mexico, have ripple effects on global trade, including indirect consequences for the ECOWAS region. Failure of Member States to adapt to tariff hikes may lead to negative effects on the growth prospects of the region. The risk becomes permanent because the weaponisation of tariffs is not just a trade policy, but a reshaping of global economic sovereignty (Box 5). The likely effects include disruptions in trade and investment flows as higher tariffs on the traded goods of affected countries may lead them to seek alternative markets. It will also have the potential of increasing competition for exports to the U.S market and demand for products.

Box 5: Trump poised to reshape global economy and how world does business

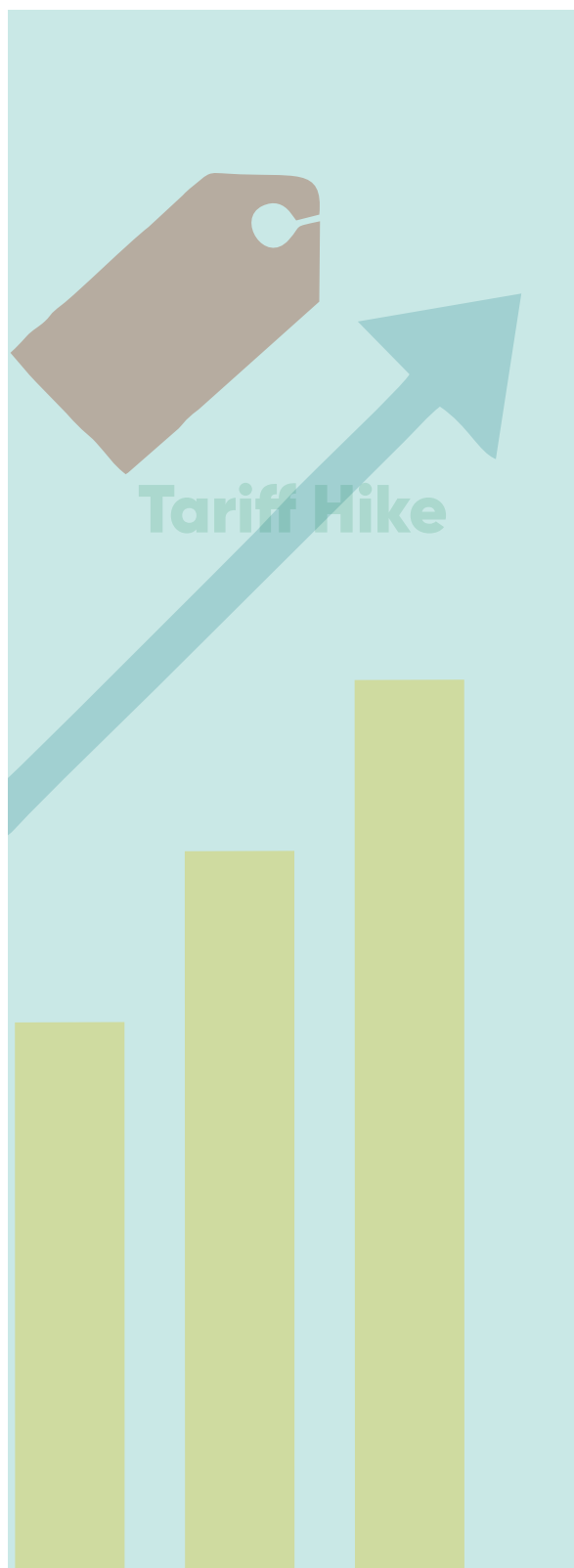
The option of a 20% universal tariff is the only way to get to some of the massive revenues of trillions of dollars claimed by some of his advisers. In recent days, President Trump has been adamant that the tariffs will be “reciprocal” and the US will be “nicer” to its trade partners. That doesn't rule out wide-scale imposition of tariffs at 10 or 20%, if, for example, the US deems that Value Added Taxes are tariffs. It is possible that countries could be very broadly bracketed into different levels of a basically universal tariff. As one G7 negotiator told me at the weekend, “it all comes down to President Trump”.

A system such as this, with equivalent global retaliation, would see the UK economy shrinking by 1%, enough to wipe out growth and lead to pressure for tax rises or spending cuts. The total cost around the world could, according to an Aston University Business School study, be \$1.4 trillion (£1.1tn), as trade is diverted, and prices rise. In industry, there is some expectation that the European Union will target US tech companies. There could be quite the contrast should the UK choose not just to hold back on retaliation, but offer a significant tax cut to US big tech.

Trade wars are hard to win, and easy for everyone to lose. A universal tariff of 20%, or its equivalent, would be a historic hit to the global trading system. There is something bigger here, however. As the Vice President JD Vance said in a speech last month, globalisation has failed in the eyes of this administration because the idea was that “rich countries would move further up the value chain, while the poor countries made the simpler things”. As that has not panned out, especially in the case of China, the US is moving away from this world. If the US overplays its hand in alienating its allies today, China will be waiting. The hit to US business in Europe, for example, could be offset by cheaper electronics, clothes, and toys from the East arriving in the UK and lowering prices, diverted from the US market. What starts later today is designed not just to reshape America, and trade, but the way the world itself has been run.

Source: <https://www.bbc.com/news/articles/c99pvll3ne3o>

In addition, ECOWAS Member States under the African Growth and Opportunity Act (AGOA), which grants duty-free access to U.S. markets, may face uncertainty due to U.S. new protectionist policies (Box 6).



Box 6: New 14% tariff against US-Nigeria's AGOA duty-free trade – NACC president

A blanket 14 per cent tariff on Nigerian goods would undercut the duty-free access that AGOA currently provides. Under AGOA, eligible Nigerian exports enter the U.S. tariff-free, giving them a price advantage. Imposing a 14 per cent import tax erodes that benefit by making Nigerian products more expensive in the U.S. market. This loss of preferential treatment could have several impacts, ranging from higher costs. Nigerian exporters (and U.S. importers) would suddenly face a 14 per cent cost increase on their goods, which may force them to raise prices or absorb losses. For example, a Nigerian apparel item that used to enter the U.S. duty-free would now incur a 14 per cent tariff, wiping out much of its competitive margin. Also, there will be reduced competitiveness. Nigerian goods would become relatively more expensive than exports from other AGOA countries that are still tariff-free. Sectors that rely on thin margins would be hardest hit. Our analysts have noted that African countries' apparel and automotive exports would be hit hard by a sudden rise in tariffs, as these industries depend on AGOA preferences to compete. The same logic applies to Nigeria's nascent non-oil exports – even a moderate tariff can make them uncompetitive. Thirdly, there will be lower export volumes. Over time, the tariff could lead U.S. buyers to reduce orders from Nigeria or switch to alternative suppliers with duty-free access. Nigeria's exporters might see diminished sales in the U.S. market, reversing the gains made under AGOA. In essence, the 14 per cent tariff effectively nullifies much of Nigeria's AGOA advantage, putting its exporters at a disadvantage and potentially shrinking Nigeria's U.S.-bound exports if it remains in effect. In summary, the tariff undermines the core benefit Nigeria enjoys under AGOA – duty-free entry – and could negatively impact export revenues and diversification efforts.

Source: <https://search.app/RGkqK> 4 April 2025



As an upside risk, the imposition of tariffs may lead affected countries to source products from the ECOWAS region. As these countries seek new suppliers, ECOWAS Member States may have opportunities to expand trade relationships with them, especially China, India, and the EU. The tariff hikes can potentially increase Africa's importance in global supply chains, giving the region a stronger bargaining position in future trade deals. However, higher tariffs on industrial goods may increase production costs for businesses relying on imported machinery, electronics, and raw materials, leading to inflationary pressures.

The second downside risk is the temporary suspension of USAID activities and the possibility of making it permanent. As the US is one of the leading sources of foreign

aid, this decision will particularly affect Member States, especially those enjoying fiscal support and experiencing a serious humanitarian and health crisis. For instance, the United States is Liberia's second main donor after the World Bank. USAID is expected to inject US\$434 million into the country between 2025 and 2026. In 2025, a US\$51 million grant was cancelled. This will lead to a considerable reduction in the secondary income of 2025. US\$ 22.5 million is devoted to health and humanitarian assistance; US\$11.2 million is allocated to agriculture, while US\$22.5 million supports education initiatives. If the USAID aid suspension became permanent, it would raise crucial questions about Member States' ability to ensure their autonomy in vital sectors such as health, education and agriculture.

As an upside risk, the imposition of tariffs may lead affected countries to source products from the ECOWAS region. As these countries seek new suppliers, ECOWAS Member States may have opportunities to expand trade relationships with them, especially China, India, and the EU. The tariff hikes can potentially increase Africa's importance in global supply chains, giving the region a stronger bargaining position in future trade deals. However, higher tariffs on industrial goods may increase production costs for businesses relying on imported machinery, electronics, and raw materials, leading to inflationary pressures.





CHAPTER 03

TRANSPORT AND COMMUNICATION INFRASTRUCTURE AS ENABLERS OF ECONOMIC INTEGRATION IN ECOWAS REGION

1. INTRODUCTION

Adequate infrastructure is a major factor in the socio-economic development and promotion of regional integration. Key infrastructure components include power, transport, and information and communication technology (ICT). The main objective of the Revised ECOWAS Treaty (1993) includes “establishing a common market, harmonising and coordinating national policies and promoting of integration programmes, projects and activities in several sectors including transport and communications”. Article 32 of the Treaty specifies the utilisation of transport and communication infrastructure for regional development and achievement of free movement of persons, goods, services, capital, and regional economic integration.

The ECOWAS Vision 2050 aims at “*A fully integrated Community of peoples, living in a peaceful and prosperous region, with strong institutions and respect for fundamental rights and freedoms, striving for inclusive and sustainable development*”. This vision is structured around 5 pillars, corresponding to key strategic objectives and several Strategic Orientations (SO) for implementation. Pillar 3 focuses on the deepening of economic integration, the intensification of infrastructure development, and the enhancement of interconnectivity.

The chapter reviews the status and perspectives of transport and communication infrastructure as enablers of regional integration in the ECOWAS region. It analysed the importance, state and

impact of transport and communications infrastructure and services in achieving the basic objectives of ECOWAS. It also provides a SWOT analysis of transport and communications infrastructure and examines the region’s position to achieve SDG 9 by 2030.

2. IMPORTANCE OF TRANSPORT AND COMMUNICATIONS INFRASTRUCTURE AS ENABLERS OF REGIONAL INTEGRATION IN ECOWAS

Article 32 of the Revised ECOWAS Treaty on Common Policy for Transport and Communications states that Member States should develop a common transport and communications policy. This should be done through the improvement of their transport and communications networks and the establishment of new networks to strengthen cooperation among them and encourage the movement of people, goods and services within the community.

2.1. TRANSPORT

Transport plays a crucial role in human capital development and poverty reduction, contributing positively to regional economic growth. It also enables economic growth and job creation, making it a critical aspect of the efforts towards poverty reduction in the region. Transport costs represent a significant part of the cost structure of goods that ECOWAS Member States produce or import (ECOWAS, 2022). Transport comprises different modal areas including roads, railways, air services, maritime and inland water transport.

2.1.1. Road Transport

Road transport consists of infrastructure and related furniture and appurtenances and services including motorised and non-motorised vehicles. Road infrastructure is the dominant mode of transport for goods and passenger, a major driver of the sector's contribution to economic development in the region. It has been noted that no single transport mode can be solely responsible for socio-economic development. However, ECOWAS (2022) noted that 80 percent of movement by passengers and goods transported are undertaken on the road network in the region, making road transport an important mode for development in the region. The quantity and quality of road infrastructure and associated services have an impact on the ease and cost of doing business and the competitiveness of intra-regional and international trade.

The importance of road transport can be analysed within the context of regional integration and accessibility. The availability of road networks facilitates cross-border activities and can be leveraged to boost production in terms of travel time and cost. The implementation of the “Corridors without Borders in West Africa” aimed at packaging hard investments in road infrastructure and modernisation of customs infrastructure. This is based on the economic impacts of regional road corridors including the Dakar-Lagos Corridor. This initiative wants to connect the capitals of all the coastal ECOWAS Member States to ensure optimal achievement of regional integration by accessibility. Others are the introduction of transport and transit measures such as the “One Border Post and Corridor” performance monitoring and capacity development.



A road representing transport infrastructure in ECOWAS Region.





A railway representing transport infrastructure in ECOWAS Region.

2.1.2. Rail Transport

Rail transport represents a more environmentally friendly alternative mode to road transport and facilitates logistics and trade activities in global markets. The linking of railway lines for regional integration is vital, because it plays an important role in the socio-economic and political development of the region. In terms of economic growth and interconnectivity, it has the advantage of spurring economic growth by providing lower logistics costs of transporting bulk goods over longer distances across the ECOWAS region.

The reduced costs of inputs and outputs of production are factors for economic growth. Improved railway connectivity boosts cross-border trade among Member States. The network can be developed into strategic corridors enabling efficient export routes and location of critical industries to take advantage of efficient transportation.

Intermodal transport corridors are important in offering alternatives to transport users in terms of lower costs of movement of bulky and large volumes of goods over longer distances.

2.1.3. Inland Water Transport

The Gambia River, River Niger, and River Senegal are the three principal rivers that make up the region's river network. In terms of resource distribution and transportation, each of these rivers is important. For instance, the River Niger, well-known for its size and significance in agriculture, provides numerous settlements along its banks, supporting fishing and irrigation activities. River transportation is restricted in its reach and mostly limited to seasonal and localised activities. This limitation emphasises the importance of crucial maritime ports as main entry points for global connectivity and trade in ECOWAS.

In terms of the impacts of inland water transport on economic growth, river transport effectively serves communities in the river basins in Guinea, Benin and Nigeria with low-cost transport, though not in large volumes. The geographical feature of traversing a few Member States provides a good opportunity for economic growth through intra-regional trade. The inclusive and sustainable development impact of inland transport shows that this mode of transport provides limited or localised services for the movement of people, goods and services within the river basin in the absence of other well-developed modes of transport. A developed river transport system will enhance economic activities in agriculture and fishing, grant access to social facilities and provide the opportunity for poverty reduction.

2.1.4. Air Transport

Air transport is vital for ECOWAS economic integration and development. It facilitates trade by enabling faster movement of goods, especially high-value and perishable items thereby boosting exports and imports. Efficient air transport attracts domestic and foreign investments due to improved connectivity and infrastructure. Intra-regional trade benefits from quick shipment of goods, opening of new markets for businesses and enhancing collaboration among Member States. It strengthens regional integration by linking Member States, fostering economic collaboration, and promoting tourism and cultural exchange. Enhanced air transport connectivity also improves access to education and strengthens social ties.

Air transport connects Member States to global markets, attracting foreign investment and enhancing trade relationships. Within countries, it connects remote areas, reduces travel time, and supports regional development. It also enhances emergency services, facilitates business operations, reduces lead times, and simplifies logistics. It lowers storage costs, facilitates global trade and mitigates risks of delays. For high-value items, air transport is cost-effective due to quick turnarounds.

2.1.5. Maritime Transport

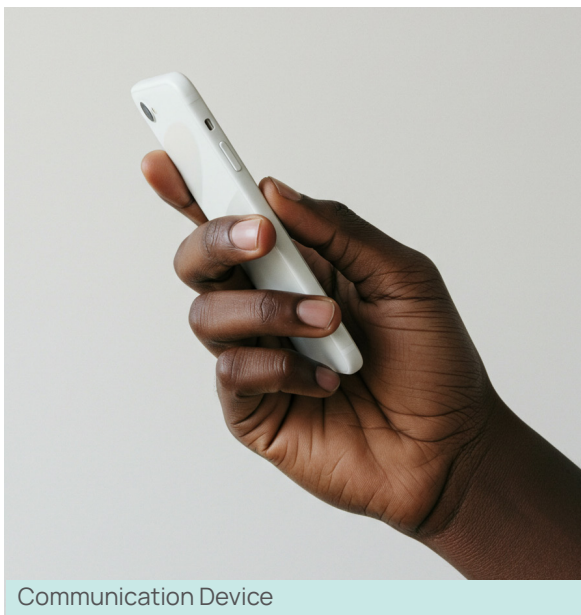
Maritime transport drives global economic growth by making it possible to efficiently move large quantities of goods. This makes it cost-effective for international trade. It is crucial for regional socio-economic development, facilitating trade through access to global markets and cost-effective shipping. This contributes to GDP, especially in Member States with major ports, and creates jobs in shipping, port operations, and related sectors.

Improved maritime links enhance regional integration, support trade agreements and foster cooperation. Investments in port facilities boost trade capacity and support coastal communities. Cruise and ferry services promote tourism and cultural exchange. Maritime transport delivers emergency supplies during crises and enhances economic resilience by providing alternative trade routes. Ultimately, ports are vital for local economic advancement, providing travel convenience, creating jobs and supporting diverse industries.



2.2. COMMUNICATION

In contemporary context, “communication” refers to digital communication, encompassing voice, messages and video. Traditional media such as paper, mail and analogue television, while not entirely obsolete, are increasingly being replaced by more efficient digital modes of communication. The relevance of digital communication as an enabler for regional economic integration in ECOWAS is established in its Vision 2050 and strategy documents. The vision documents the importance of digital communication and the need to promote investments in quality network infrastructure and digital transformation solutions. It recognises the related socio-economic activities, with their numerous uses such as e-Commerce, e-administration, e-health services, e-agriculture services and e-education services, as contributing to creating jobs, driving education, and stimulating competitiveness and innovation.



Communication Device

The 2023 Digital Economy Report for the ECOWAS Region confirms “*that ongoing development of digital infrastructure in West Africa is vital for stimulating economic growth, enhancing digital inclusion, and encouraging innovation across various industries*”. In the modern world, both public administration and the private sector can no longer function effectively without a strong drive toward the digitalisation of their internal processes and services to citizens and customers. With this type of economy, positive impacts and benefits for any organisation, including improvements to their top and bottom lines, productivity, and transparency are both quick and tangible. Communication has largely evolved into a set of digital processes. The communication infrastructure pertains to the digital infrastructure required for the lawful and secure exchange of data.

3. THE STATE OF TRANSPORT AND COMMUNICATIONS INFRASTRUCTURE IN THE ECOWAS REGION

3.1. ROAD TRANSPORT INFRASTRUCTURE AND SERVICES

The scope of assessment of road transport includes infrastructure and production of related services. It also covers quantity and quality which are significant factors in the cost and reliability of the services, as well as the opportunity in terms of accessibility to the general population to benefit from the investment.

3.1.1. Road Infrastructure and Services

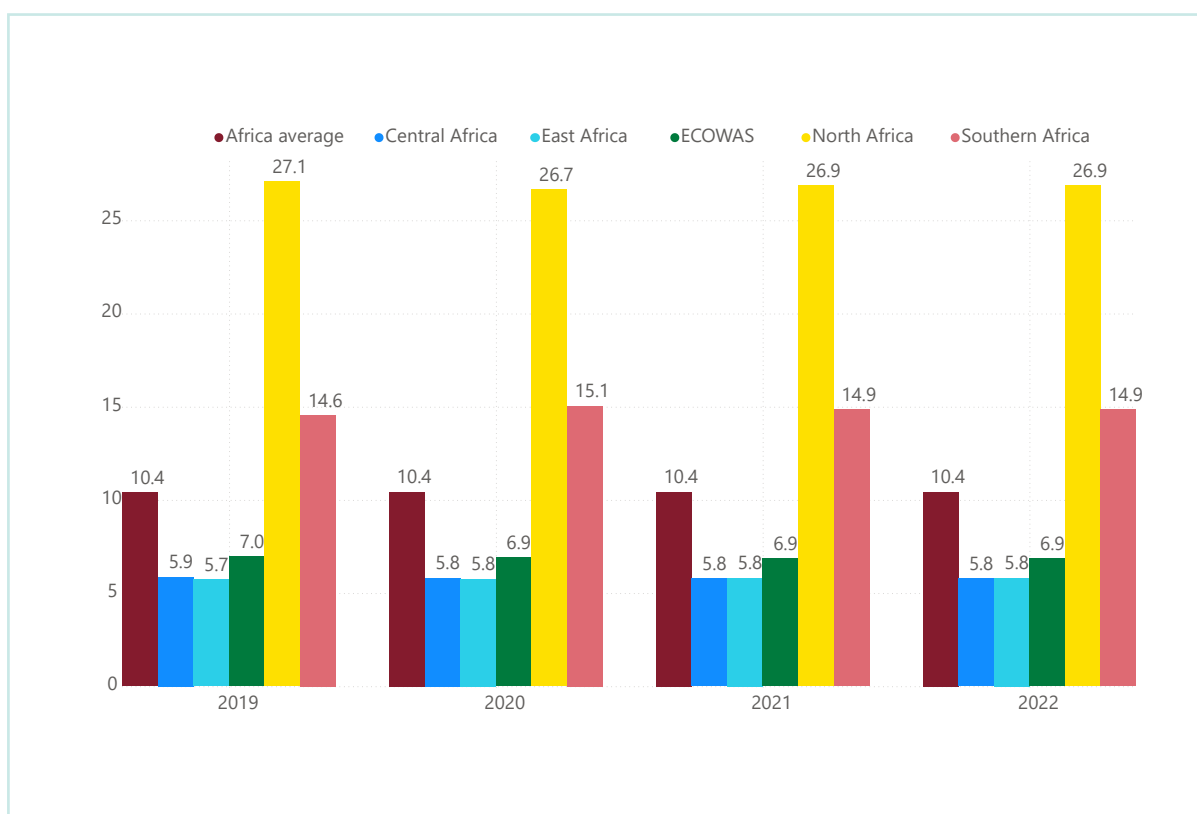
i. Road Transport Composite Index

Infrastructure effectiveness and efficiency in Africa are assessed using various benchmarks tailored to income groups and regions. The African Development Bank’s Africa Infrastructure Development Index (AIDI) measures infrastructure progress based on four components – Transport, Electricity, ICT, and Water and Sanitation – through nine indicators. Using a data reduction method, a single normalised index ranging from 0 to 100 is generated. The higher the index value, the better prepared a country is to meet its infrastructure needs; from 0 to 100, the closer to 100, the better. The Transport Composite Index, a key AIDI component, shows ECOWAS lagging behind

the African average but outperforming East and Central Africa from 2019 to 2022, with North and Southern Africa leading in development progress.

The assessment of the Transport Composite Index in Figure 1 indicates the performance of the ECOWAS region in comparison to the other regional blocs in Africa. The region with an average score of 6.9 fared better than the East and Central Africa regions with average scores of 5.8 but lower than the African average of 10.4. The trend shows a slight drop in scores for all regions from 2020 to 2022 except for East Africa. North and Southern Africa regions achieved average scores of 26.9 and 15.7 respectively, indicating a higher progress of infrastructure development in these regions.

Figure 51: Transport Composite Index of African Regions from 2019 to 2022



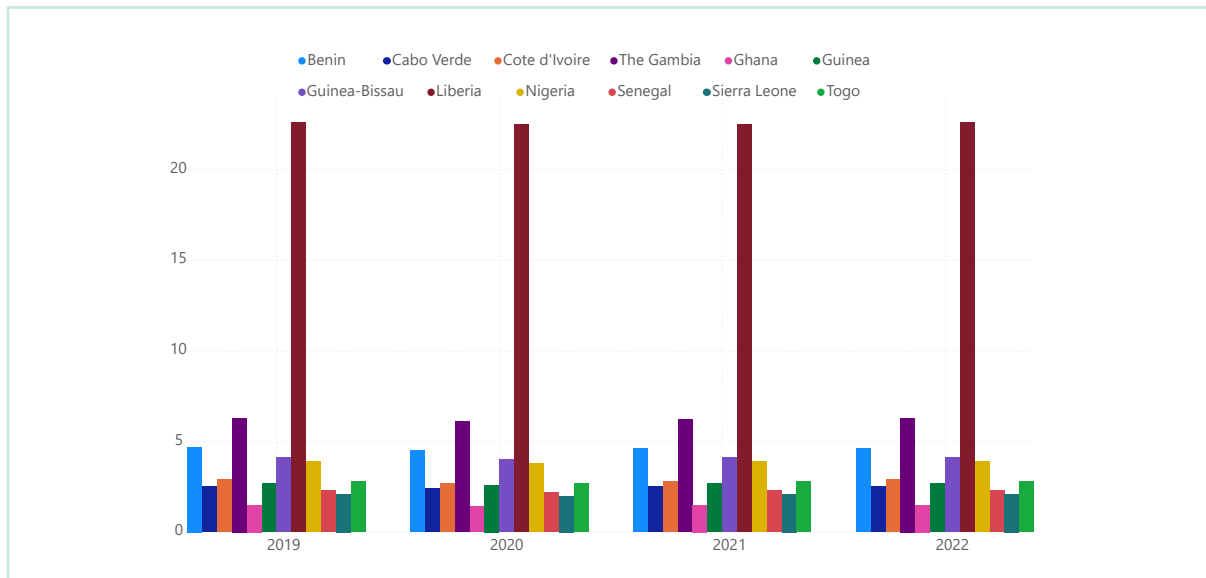
Source: ECOWAS Commission Using Data from Author’s Calculation from African Infrastructure Knowledge, 2023



Figure 52 shows minimal change over the period 2019 to 2022, an indication of improvement in the density of paved roads in Member States. The Index in 2022 shows that only Cabo Verde (25.5) and Ghana

(11.4) were able to achieve scores above the African average of 10.4. The Gambia achieved a score of 7.6 and was above the ECOWAS average of 6.9.

Figure 52: Transport Composite Index Scores of ECOWAS Member States from 2019 to 2022



Source: ECOWAS Commission Using Data from African Infrastructure Knowledge Programme, 2023

ii. State of Road Network and Services

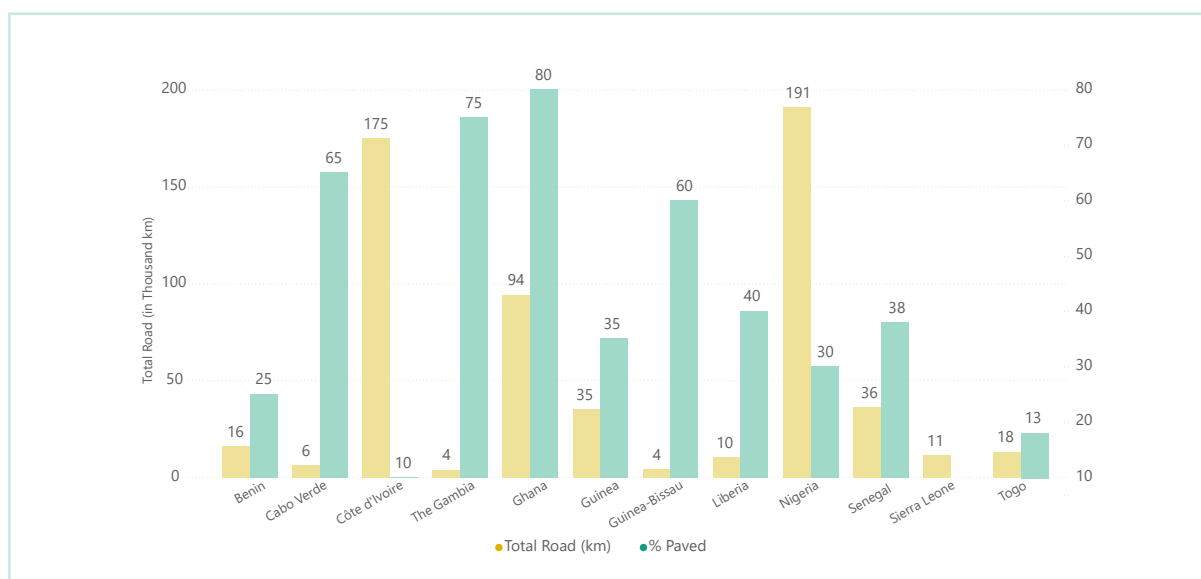
The ECOWAS Community Strategic Framework (2023) states that regional road development policy is to promote modern and quality infrastructure to ensure the permanent mobility of people, goods and merchandise in the community. Estimates indicate that over 80 percent of goods and passengers were transported on the road network (AfDB, 2023). Consequently, the state and condition of the road infrastructure and related services contribute to the safety, quality and cost of transportation of passengers, goods and services within the region.

The total road network in the ECOWAS region was about 608,800 km. The network

is classified as the paved primary network of 85,500 km, paved secondary network of 28,500 km, unpaved secondary network of 67,400 km and the unpaved tertiary network of 427,400 km. The total paved network was 114,000 km, constituting 18.7 percent of the network (ECOWAS, 2022).

Figure 53 provides the total road network, and the percentage paved for Member States. The paved network in the ECOWAS region range from a low figure of 6 percent in Guinea and Liberia to a high figure of 69 percent in Cabo Verde. The Gambia, Ghana, Nigeria and Senegal had paved road sections between 20 percent and 40 percent, and Benin, Côte d'Ivoire, Guinea-Bissau and Sierra Leone have paved road sections between 6 percent and 20 percent.

Figure 53: Total Road Network and Percentage Paved in ECOWAS Member States as of 2022



Source: ECOWAS Commission Using Data from Country Reports, 2024

iii. Road Density in the ECOWAS Region

The road density is the ratio of a country or region’s total road network including all types of roads to the region’s land area. It is an indicator for measuring the degree of development and the level of accessibility to road transport services. As at 2022, the total road network in the ECOWAS region was about 608,800 km over a land area of 5,112,903 sq. km with 114,000 km (18.7 percent) of paved surface, of which 84,991 km (14 percent) is asphalted (ECOWAS,

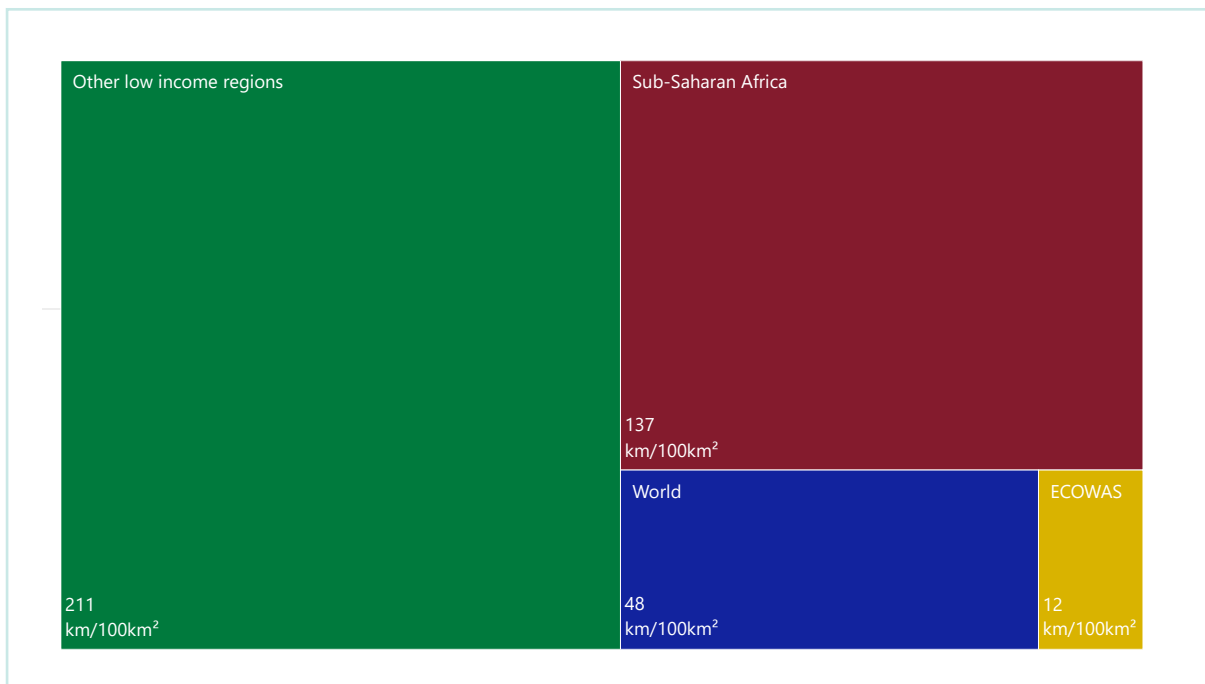
2022). The ECOWAS Road network density was about 12 km per 100 sq. km. Comparative road densities for other regions as shown in Figure 54 indicate that the region’s ratio of 12 km per 100 sq. km is below the lowest World average and sub-Saharan average of 48 km per 100 sq. km and 137 km per 100 sq. km, respectively (Infrastructure Consortium for Africa, 2023). A low road density indicates a low level development of road infrastructure and poor accessibility and mobility to drive economic development in the region.



A lone road illustrating road density in ECOWAS Region



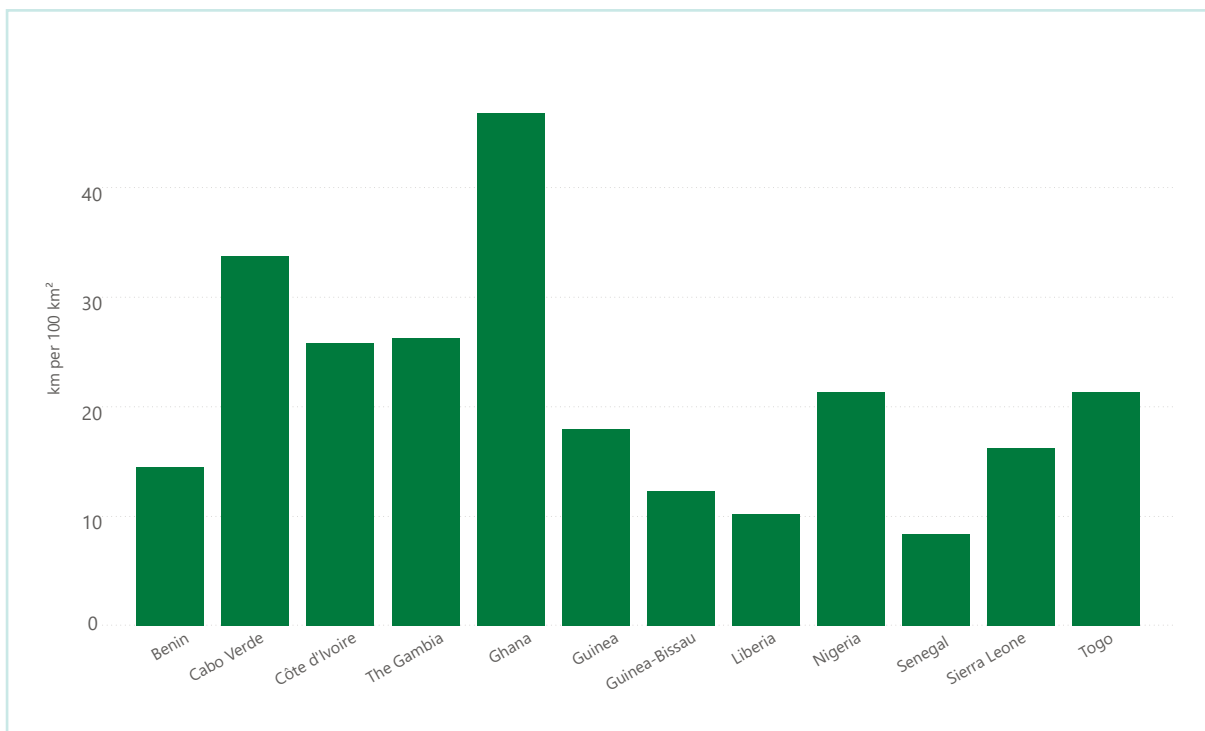
Figure 54: Road Density in the ECOWAS Region in 2022 (km/100km²)



Source: ECOWAS Vision 2050

Figure 55 shows the road density for Member States in 2023. Ghana had the highest road density followed by Cabo Verde, The Gambia and Côte d'Ivoire.

Figure 55: Road Density of ECOWAS Member States in 2023 (km/100km²)



Source: EREO 2024 Country Reports, 2024



An overloaded truck depicting transport challenges in ECOWAS Region

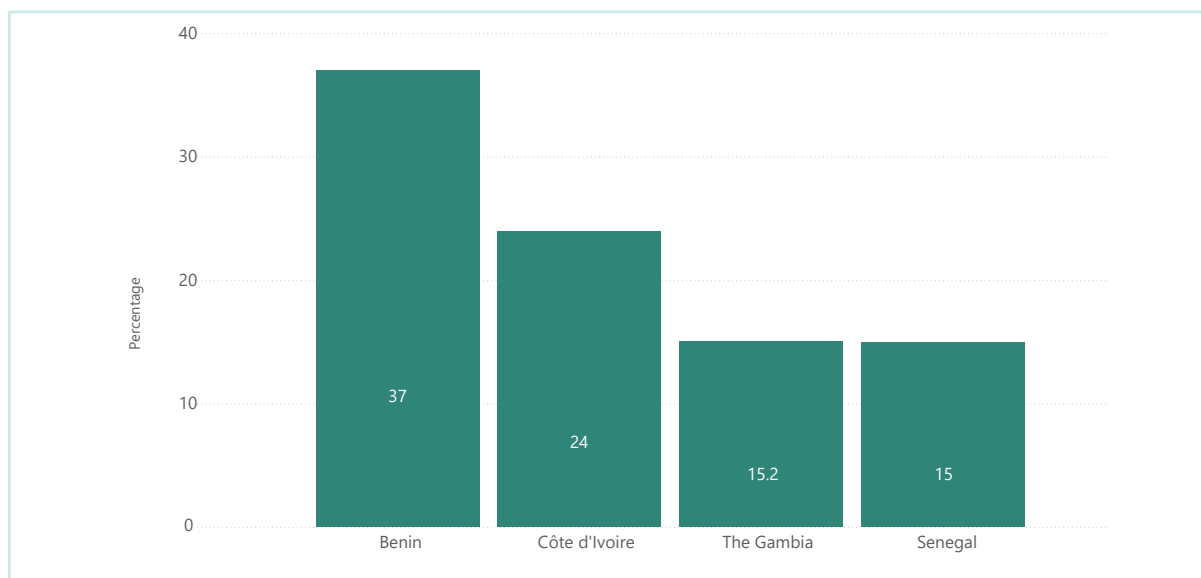
iv. Axle load Management

The Diagnostic Report of ECOWAS (2022) indicates that overloading of goods on vehicle in ECOWAS region is a serious problem. Overloading of vehicle has an exponential damaging factor which accelerates the rate of deterioration of roads and contributes to high transport costs for users. It also imposes a higher cost in terms of maintenance and sustainability of the investment in the road assets. ECOWAS Supplementary Act, ACT/SP/17/02/12 provided the framework for the management of axle loads in the region. Effective control measures in the Supplementary Act included clear criteria for

the limits of weights on various categories of vehicles, the allowable tolerance and the use of weighbridges to determine the weights of vehicles.

The report shows that overloading was persistent in Member States ranging between 4 percent and 75 percent with tolerance rates of 15 percent to 20 percent of the allowable loads depending on the country. Data gathered from the Diagnostic Report (2022) indicated an overloading regime. As depicted in Figure 56, the percentage of overloading was about 37 percent in Benin and as low as 3 percent in Ghana.

Figure 56: Percentage of Vehicles Overloaded in Selected Member States in 2022



Source: ECOWAS Regional Diagnostic Study of Axle Loads, 2022



v. Maintenance of the Road Network

The capital value of road infrastructure constitutes a significant proportion of national investment and consequently, its deterioration constitutes a loss of value in real terms. The condition of the ECOWAS road network is exacerbated by inadequate maintenance. The economic rate of return for funding maintenance projects is estimated to be in the region of 31 percent and 32 percent in contrast to 15 percent and 22 percent for capital-intensive road development projects (ECOWAS, 2022). The cost of the poor quality of the road network is reflected in the increased cost of travel and longer travel times for road users, the high cost of fuel consumption, maintenance of vehicles and safety risks among others.

According to the ECOWAS Diagnostic Report on Road Maintenance Funding (2022), the maintenance needs of the 608,800 km of the total network are estimated at US\$9.6 billion per annum. The routine and periodic maintenance needs are made up of US\$3.8 billion per annum for the paved primary network of 85,500 km, US\$2.8 billion per annum for the 28,500 km of paved and 67,400 km of unpaved secondary road network and US\$2.9 billion per annum for 427,400 km of unpaved roads.

The ECOWAS Infrastructure Master Plan (2022) notes that the routine and periodic maintenance of the 14,162 km of the ECOWAS corridor network, will require an annual expenditure estimated at US\$156 million per annum assuming that all roads are constructed to paved 2-lane standard and are in maintainable condition (US\$11,000/km x 14,162 km). The report further notes

that the Road Fund institutions in the ECOWAS region have historically provided only 10 to 15 percent of annual maintenance requirements for their road network including the ECOWAS corridor network. Based on the report, ECOWAS issued Directive A/DIR.1/07/23 relating to the ECOWAS Strategy for Road Maintenance Financing and its Action Plan with the objective of harmonising road maintenance strategies in the region.

vi. Road Transport Services

Trucking Industry: The trucking industry represents a considerable part of import costs in the ECOWAS region. This is because the industry is one of the most inefficient, costly to maintain, expensive and unregulated with geographic imbalances. The regulatory constraints compound the challenges, leading to longer delays, higher risks and inflated costs.

Public Transport Systems: Informal transport operations mostly characterise the public transport systems in the region. These usually have flexible unscheduled operations of mostly small vehicles of limited capacity with limited barriers to entry and varying influence on users. Some alternative approaches to improving/reforming existing public transport systems include the introduction of Bus Rapid Transit Systems (BRTs). However, expansion for social equity is limited by financing arrangements that provide funding for capital and operating budgets as well as limited institutional capacity. Some institutional reforms include the establishment of the Agence de Gestion du Transport Urbain (AGETU) in Abidjan, the Greater Accra Passenger Transport Executive in Accra (GAPTIE), Conseil Executif

des Transports Urbains de Dakar (CETUD) and the Lagos Metropolitan Area Transport Authority (LAMATA) in Lagos.

Transport Costs: Rodrigue and Notteboom (2024) defined transport costs as the costs internally incurred by the providers of transport services. Good transport infrastructure and services reduce the cost of transporting passengers or goods from one place to the other. These are normally based on factors such as distance, transit time, quantity, type and nature of goods, and en-route handling needs etc. The cost comprises fixed (infrastructure) and variable (operating) costs, depending on location, state and quality of service of the transport infrastructure, administrative barriers and fuel consumption. Viljoen (2024) indicated that the average cost to transport a container within West and Central Africa is about US\$2.43 per km which is about 1.5 times and 2.2 times the freight rates in South Africa and the USA.

Reduced Travel Time: Reduced travel time is defined as a person's hour of travel time saved and it is an important benefit of the transport system. It entails making trips or improving the circumstances under which they are made, which provides value to the travelling public to allocate time savings to other economic benefits. This is expressed as a proportion of income earnings to determine its value in economic terms. Except for individual road project time valuations, the region does not have data records to allow for comparison of travel time estimated for different times or geographic locations to facilitate the transfer of values estimated in one setting to other similar applications.

Road Safety: The risk of road traffic death varies from region to region and there has been little change in regional road traffic death rates since 2010 (WHO, 2021). One of the metrics for the measurement of road safety defined by WHO is mortality rate. Globally, the highest rates are found in Africa with a rate of 19.4 per 100,000 population (Figure 57).

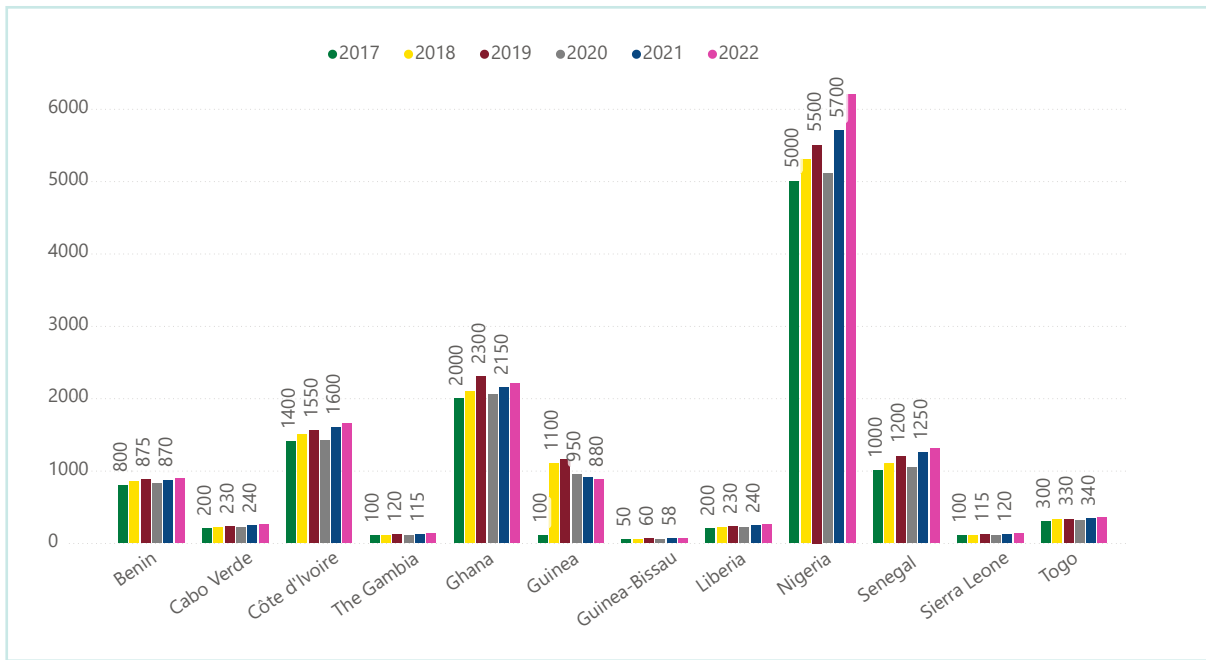
The condition of the road network contributes to the quality of the transport services which invariably affects the level of safety, and it is estimated that the road infrastructure contributes to road traffic crashes. The International Road Federation and World Road Statistics provides comparative data of road traffic deaths on roads in ECOWAS Member States from 2017 to 2022 (Figure 66). In terms of the number of road deaths, all Member States recorded an increase except for The Gambia, and Guinea-Bissau which had a slight decrease in the number of deaths in 2021. In Senegal, 519 people died on the roads in 2022, surpassing 487 deaths in 2021. In 2022, there were 3,345 road traffic crashes, resulting in 1,834 deaths in Nigeria.



Road deterioration in ECOWAS Region



Figure 57: Road Traffic Deaths in ECOWAS Member States

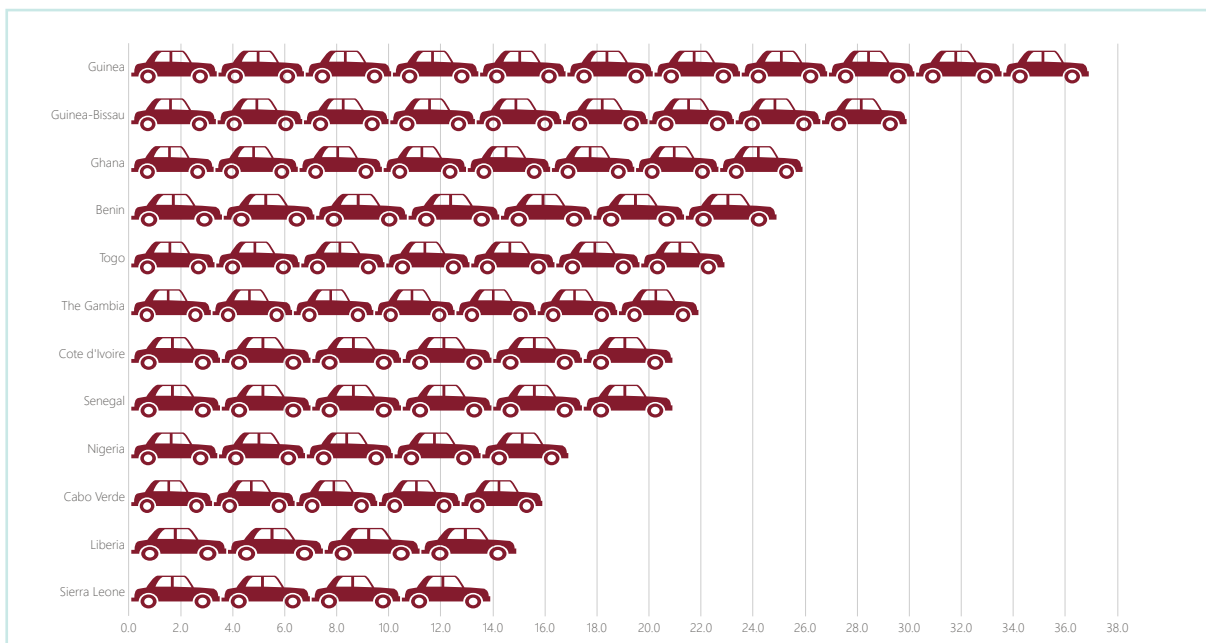


Source: ECOWAS Commission Using Data from International Road Federation and World Road Statistics, 2023

The relative performance of Member States in terms of road traffic deaths per 100,000 population on the road network of Member States in 2021 is shown in Figure 58. Except for Nigeria, Cabo Verde, Liberia and Sierra

Leone, all other Member States recorded mortality rates above the Africa rate of 19.4 per 100,000 population. Guinea recorded the highest mortality rate of 37.4 per 100,000 population.

Figure 58: 2021 Road Traffic Deaths per 100,000 Population



Source: ECOWAS Commission Using Data from World Health Organisation, 2021

ECOWAS Road Corridors consists of selected principal or major roads and highways of the Member States. It is defined as, “a multi-modal system that connects more than one or multiple states and offers efficient, cost-effective transport and logistics services for travel, trade,

manufacturing and other businesses” (ECOWAS, 2023). Eleven (11) principal/major road corridors critical to economic activity and connecting all Member States were identified in the report on the status of the Corridor network as shown in Figure 59.

Figure 59: ECOWAS Regional Road Corridors as at 2023



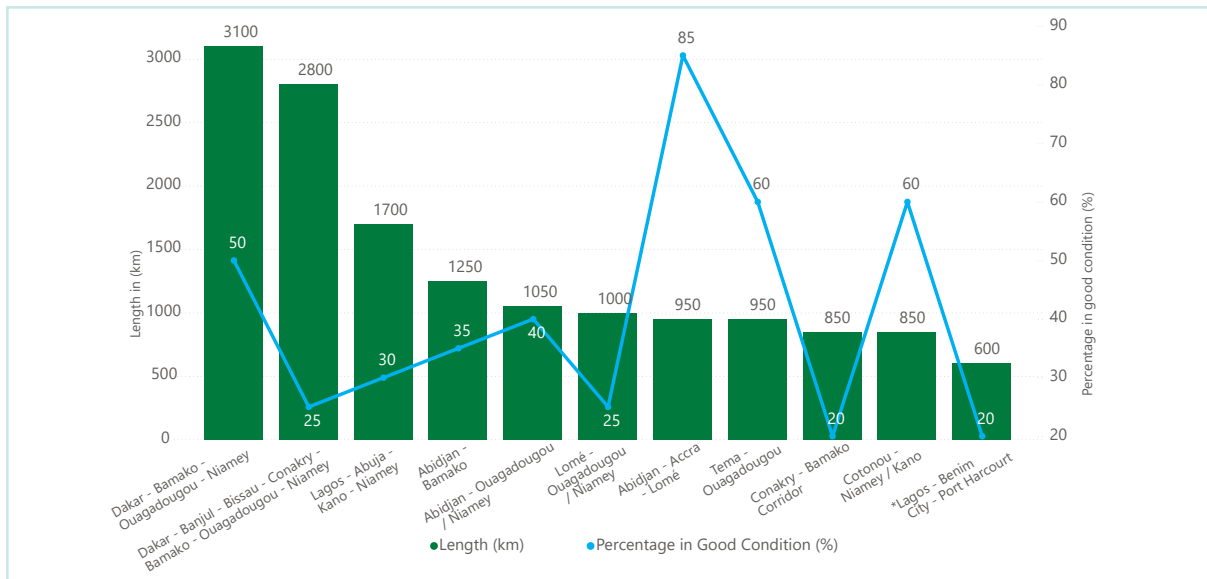
Source: ECOWAS Road Information System, 2023

Road Condition: The quality of road infrastructure measured in terms of nature (paved or unpaved) and condition had impact on the quality and cost of road services including travel time, vehicle operating costs, safety and consequently transport costs. The eleven corridors emanating from the six major port cities of Dakar, Abidjan, Tema, Lomé, Cotonou and Lagos had a total length of about 14,162 km, of which 13,645 km (96.2 percent) were paved sections and 539.8 km (3.8 percent) were unpaved. 32.2 percent of this critical network was in good condition, 43.6 percent was in fair condition, and 24.5 percent of the network was in bad condition.

The high percentage (96.2 percent) of the paved surface of the corridor network is a good indicator of high mobility in terms of road condition. The unpaved sections of 329.8 km are on Road Corridor No.1 between Guinea and Guinea-Bissau. However, Figure 60 indicates only 3 Road Corridors (4, 6 and 8) have more than 50 percent of road length in good condition. Five (5) Road Corridors (1, 2, 5, 7 and 9) were between 20 to 50 percent of the road length in good condition while 2 Road Corridors (3 and 11) were below 20 percent of the road length in good condition.



Figure 60: Length and Condition of ECOWAS Regional Road Corridors as at 2023



Source: ECOWAS Road Information System, 2023

Road Configuration: The ECOWAS Road corridors are essentially part of the national road network of individual Member States and are classified by national specifications. ECOWAS proposed, in its Master Plan (2020 to 2045), standards for the ECOWAS road corridors of the cross-section of 2-lane or 3-lane dual carriageways. Only 10 percent (1434.4 km) of the Corridor network has dual sections. The rest are single carriageways

which have a high interaction with local traffic, contributing to the delays in travel time on the roads (see Table 3). The ECOWAS study on the harmonisation of road standards as proposed in the Infrastructure Master Plan will enable Member States to develop their sections of the regional road corridors and their national road network in accordance with agreed specifications.



A single carriageway reflecting the current state of most ECOWAS road corridors

Table 3: ECOWAS Regional Road Corridors as at 2023

No	Corridor Description	Length (km)	Countries Traversed	Road Configuration		Percentage in good condition
				4-lanes dual (km)	Member States with Dual sections	
1	Dakar – Banjul – Bissau – Conakry – Freetown – Monrovia – Abidjan	3089.9	Senegal, The Gambia, Guinea-Bissau, Guinea, Liberia, Côte d'Ivoire	433.8	Senegal Côte d'Ivoire	22
2	Dakar - Bamako - Ouagadougou - Niamey	3137.8	Senegal, Mali, Burkina Faso, Niger	98.9	Senegal	43
3	Conakry – Bamako Corridor	973	Guinea, Mali			13
4	Abidjan – Accra – Lomé – Cotonou – Lagos	1028.8	Côte d'Ivoire Ghana, Togo, Benin, Nigeria	163	Togo Nigeria	79
5	Abidjan – Bamako	1162	Côte d'Ivoire, Mali	236	Côte d'Ivoire	21
6	Abidjan - Ouagadougou / Niamey	1178.9	Côte d'Ivoire, Burkina Faso, Niger	236	Côte d'Ivoire	51
7	Tema – Ouagadougou	950.4	Ghana, Burkina Faso			20
8	Lomé – Ouagadougou / Niamey	955.9	Togo, Burkina Faso, Niger			58
9	Cotonou - Niamey / Kano	1027.8	Benin, Niger, Nigeria	51.2	Benin	21
10	Lagos – Benin City – Port Harcourt – Calabar	832.4	Nigeria	618	Nigeria	Under construction
11	Lagos – Abuja – Kano – Niamey	2105	Nigeria, Niger	765.2	Nigeria	14

Source: ECOWAS Road Information System, 2023

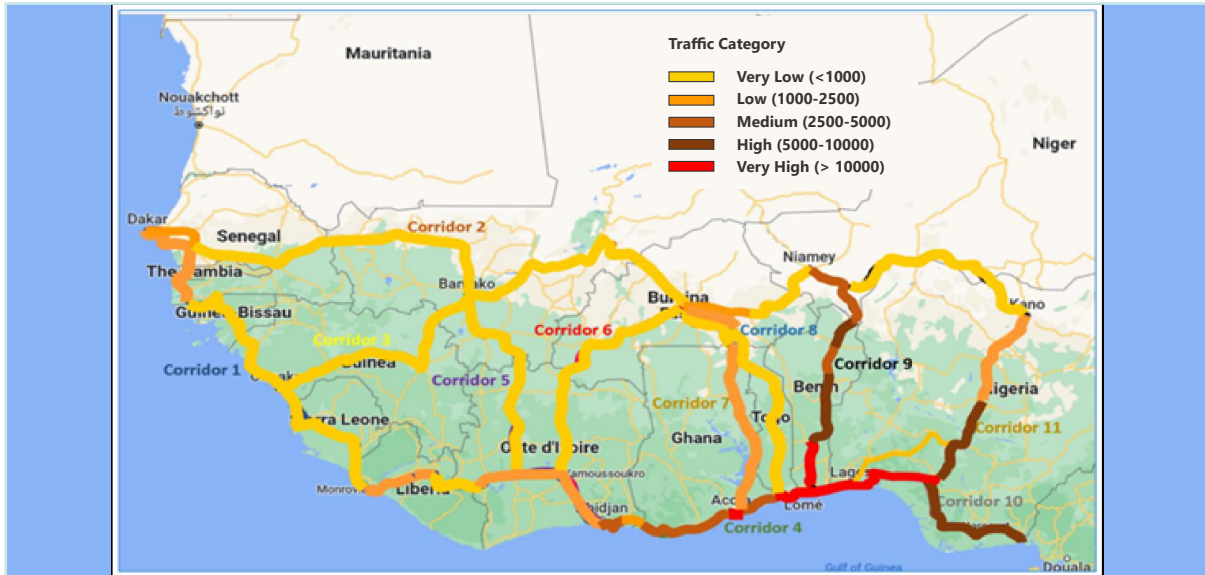
Note: Some sections of the Corridors overlap



Traffic volumes: It is noted that the coastal Corridor would include the 3,089.9 km Corridor 1 from Dakar to Abidjan and the 1,028 km Corridor 4 from Abidjan-Lagos. The section from Abidjan to Lagos has medium to very high traffic volumes (>2,500vpd) and it

is one of the busiest trade routes with over 65 percent of the economic activities in the ECOWAS region while Dakar to Abidjan has low traffic volumes (<2500vpd) as depicted in Figure 61.

Figure 61: Traffic on Regional Road Corridors



Source: ECOWAS Road Information System, 2023

Corridor 9 from Cotonou to Niamey and portions of Corridor 10 from Lagos to Calabar also have medium to very high traffic volumes (>2,500 vpd). The rest of the network has low to very low (< 2,500 vpd). The 3,137.8 km trans Sahelian Road Corridor 2 from Dakar-Bamako-Ouagadougou-Niamey with 42.9 percent of the corridor in good condition, has low to very low traffic volumes.

Connectivity: There is an economic gap between the three (3) landlocked countries and the remaining twelve (12) which are coastal Member States causing them to be low in international competitiveness due to their disadvantages for foreign trade and high transportation cost. This makes it

imperative to develop corridors connecting landlocked countries and allowing them to transport goods at lower costs.

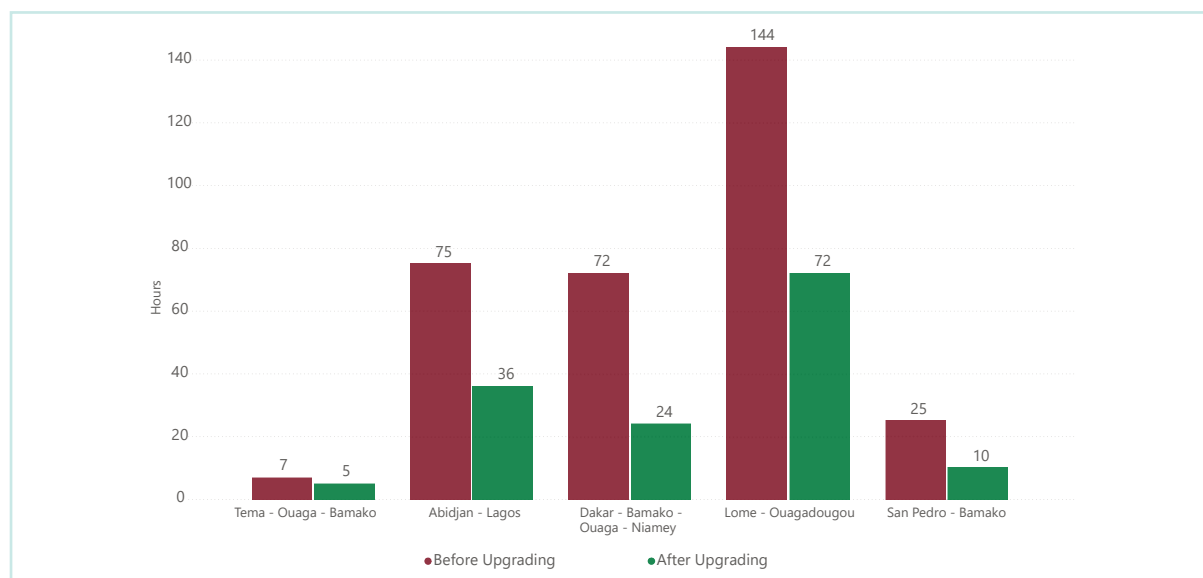
Corridor Management: Road transport services along the ECOWAS corridor network are less efficient and more expensive than in other developing countries. The cost of moving goods along each of these corridors is a key constituent of competitiveness for both international and intra-regional trade. This cost breaks down into three components: the travel cost of moving goods, determined by road and rail freight; the administrative cost of moving goods across borders and through ports, determined by associated service charges; and the cost of

time delays incurred by waiting at roadblocks, border crossings, and ports.

Travel time: With only about 32 percent of the ECOWAS corridor network in good condition, travel times are long in comparison with other regions in Africa. The slow effective velocity of freight traffic can also be explained in terms of numerous roadblocks and lengthy administrative delays at ports and border crossings. There

is ample evidence of extensive delays at West Africa's land border crossings. Port processing times are also lengthy. Ad hoc administrative hurdles, corruption, and other informal payment demands contribute to a high level of uncertainty in land transport. As reported by the AfDB (2023), improvements in road infrastructure reduced average travel times to 10 hours and 72 hours along the San Pedro-Bamako and Lome-Ouagadougou corridors, respectively (Figure 62).

Figure 62: Transit Times on Selected Regional Road Corridors

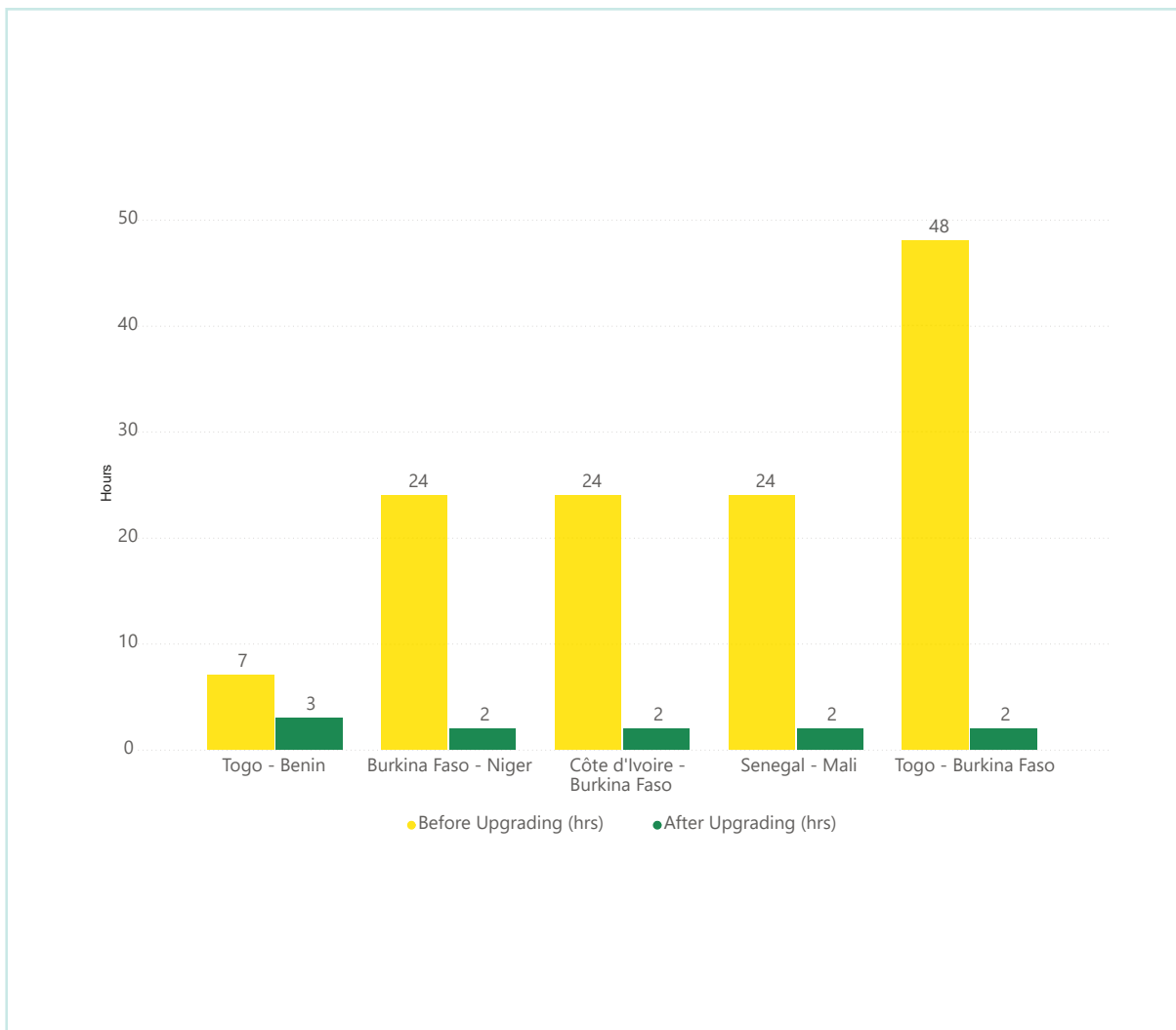


Source: ECOWAS Commission Using Data from Cross-border: Road Corridors. AfDB, 2023

Border Crossings: Border crossings and compliance are mandatory aspects of the transportation of goods and persons on the ECOWAS road corridors. Compliance with national and regional customs regulations and inspections and other documented and undocumented administrative procedures are undertaken at the border facilities. Delays at the border facilities form part of the total travel time between origin and

destination. AfDB (2023) shows that border crossing time at the Côte d'Ivoire/Burkina Faso border was 24 hours and 48 hours at the Togo/Burkina Faso border in 2014/2015. Border crossing times are at 2 hours for both borders as indicated in Figure 63 after physical infrastructure improvements including the development of one-stop border posts.



Figure 63: Border Crossing Time at Selected Borders in 2023

Source: ECOWAS Commission Using Data from Cross-border: Road Corridors. AfDB, 2023

In line with the ECOWAS Programme for the Establishment of Joint Border Posts (JBPs) at Community Borders were established at Cinkase (Togo-BurkinaFaso), Akanu-Noepe (Ghana-Togo), Seme-Krake (Nigeria-Benin). Others are planned for locations at the borders of Ghana-Côte d'Ivoire and Togo-Benin. At the institutional level, the Corridor Management Authority (CMA) in the region will be established for the Abidjan-Lagos Corridor. The key objective of the CMA will be to manage the corridor on behalf of the 5 Member States and ensure efficiency in the transportation of goods and persons along the corridor and at the border crossings.

3.1.2. Rail Infrastructure and Services

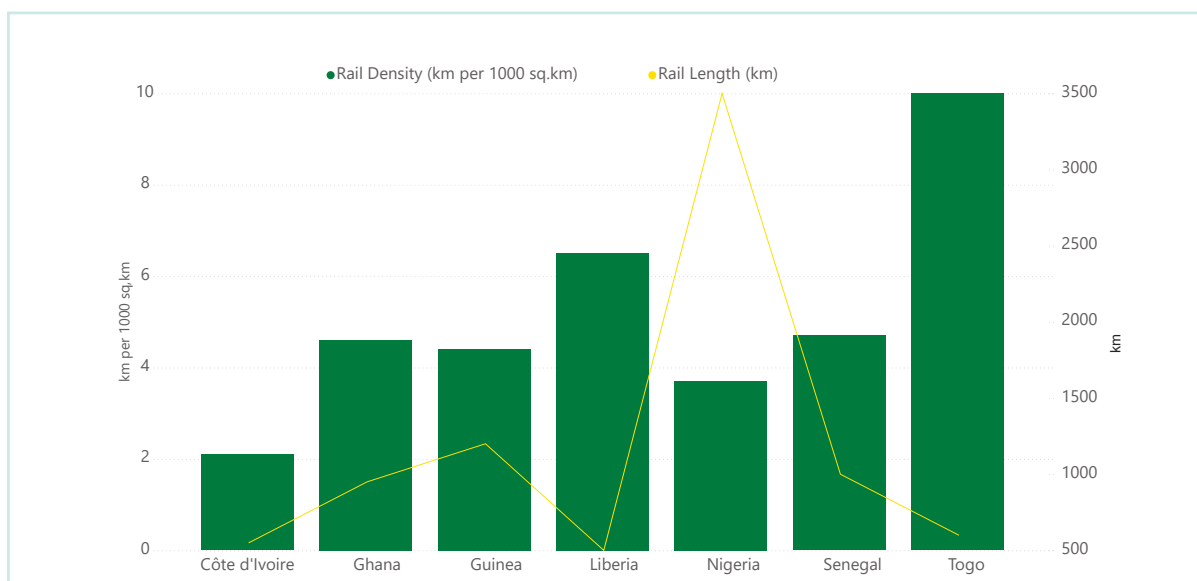
Network Size, Track Type and Condition:

There is no real regional interconnected railway network in the ECOWAS region. There are about 10,745 km of rail network in the region with three different types of rail gauges. There is a standard gauge of 1,435 mm over 1,249 km of track, a specific gauge (Cape) type of 1,067 mm over 4,492 km, and a metric gauge of 1,000 mm over 4,967 km. Interoperability is therefore not possible even if the lines are connected.

Railway density: The length of the railway network and corresponding network density are shown in Figure 64. Liberia and Togo, which have the shortest rail network of 544 km, have high railway densities of 10 km per 1000 sq. km and 6.5 km per 1000 sq. km

respectively. This is mainly due to the small land areas of these Member States. Nigeria has the longest rail network of 3,338 km but with a density of 3.7 km per 1000 sq. km. The other Member States have railway densities between 2.1 to 4.7 km per 1000 sq. km.

Figure 64: Railway Network Corresponding Density by Member States in 2022



Source: ECOWAS Commission Using Data from Africa Union and ECOWAS Infrastructure Master Plan, 2022

Condition of Rail Network: Table 4 shows that out of the 10,745 km of rail tracks in the ECOWAS region, only 5,198 km (48 percent) is active, while 2,617 km of the active tracks are of the metric gauge and 1,622 km of the cape gauge with limited capacity of about 17 tonnes. Only 959 km of the standard gauge has a capacity of 20 tonnes. Benin, Cabo Verde and Guinea-Bissau have no functional rail systems. Togo has only 5 km of rail tracks used only for the haulage of cement. The rail systems in Guinea, Liberia and Sierra Leone are used for the transportation of freight from the mines.

ECOWAS (2022) notes that the economic importance of railroads in the region deteriorated considerably due to the continued improvement of road infrastructure and the financial non-sustainability of railway services. However, there is a resurgence of the railway industry in response to the vision of the African Union and the crucial role the mode can play in reducing the cost of transportation and driving economic growth. New links provided in the past 10 years are noted to be in good condition. However, the new links are domestic without intermodal connections to the regional road corridors to facilitate intra-regional trade and regional integration.



Table 4: State of the Rail Network in the ECOWAS Region in 2024

Description	Length (km)	Gauge Type	Countries Traversed	Condition of track	Operational Status	Active lines (km)	Remarks
Dakar-Tamacounda-Kidira(border)	906	Metre	Senegal		Partially	646	Sections between Thies-Saint Louis, Guinguineo-Kaolack, and Diourbel-Touba are out of service
Kidira(border) - Bamako	641	Metre	Mali		Partially	641	Bamako-Koulikoro is no longer in use.
Conakry-Kindia	105	Standard	Guinea	Good	Operational	105	
Kamsar-Sangaredi	135	Standard	Guinea	Good	Operational	135	
Conakry-Simbaya	36	Standard	Guinea	Good	Operational	36	
Conakry-Fria	143	Metre	Guinea		Operational	143	
Conakry-Kankan	667	Metre	Guinea		Non-operational		
Monrovia-Bong	77	Cape	Liberia		Operational	77	
Monrovia-Mano river	148	Cape	Liberia		Non-operational		
Buchanan-Yekepa	400	Standard	Liberia		Operational	400	
Freetown-Kenema,Daru	501	Cape	Sierra Leone		Non-Operational		
Abidjan-border	664	Metre	Côte d'Ivoire	Poor	Partially	664	
border-Kaya	662	Metre	Burkina Faso	Poor	Partially	518	Operational from Abidjan to Ouagadougou . Ouagadougou to Kaya is non-operational.
Takoradi - Prestea-Kumasi (Western Line)	374	Cape	Ghana	Poor	Partially	75.3	Operational from Takoradi to Sekondi via Kojokrom (14.5 km) for passenger services and from Takoradi to Nsuta (60.8 km) for manganese freight services

Table 4 (Continued)

Description	Length (km)	Gauge Type	Countries Traversed	Condition of track	Operational Status	Active lines (km)	Remarks
Tema-Kumasi (Eastern Line)	327	Cape	Ghana	Poor	Partially	71.4	Only operational for passenger services from Accra to Tema (30.9 km) and from Accra to Nsawam (40.5km)
Kotoku-Kade (Central Line)	239	Cape	Ghana		Non-Operational		
Tema-Mpakadan	97	Standard	Ghana	Good	Not yet operational	97	
Lomé-Blitta	276	Metre	Togo	Marginal	Non-operational		
Lomé-Aneho	45	Metre	Togo		Closed in 1987		
Lomé-Kpalimé	119	Metre	Togo		Closed in 1995		
Lomé-Aflao	5	Metre	Togo, Ghana	Good	Operational	5	
Togblécopé-Tabligbo	51	Metre	Togo	Marginal	Operational	51	
SNPT	48	Metre	Togo	Marginal	Operational	48	
Niamey-Dosso	145	Metre	Niger		Non-Operational		
Segboroué-Cotonou	52	Metre	Benin		Non-Operational		
Cotonou-Parakou	437	Metre	Benin		Non-Operational		
Cotonou-Pobe	107	Metre	Benin		Non-Operational		
Ilaro-Lagos	74	Cape	Nigeria	Marginal	Operational	74	
Lagos-Zaria	961	Cape	Nigeria	Marginal	Operational	961	
Zaria-Kano	139	Cape	Nigeria	Marginal	Operational	139	
Kaura-Zaria	224	Cape	Nigeria	Marginal	Operational	224	
Abuja-Kaduna	186	Standard	Nigeria	Good	Operational	186	
Warri-Itakpe	326	Standard	Nigeria		Non-Operational		
Port Harcourt-Aba-Onne	62	Standard	Nigeria		Non-operational		Under construction
Port Harcourt-Maiduguri	1,428	Cape	Nigeria		Non-Operational		Under construction

Source: ECOWAS Infrastructure Master Plan, 2022, Ghana Railway Master Plan, 2013, Corridor Economic and Spatial Development Initiatives (SDI) for Abidjan-Lagos Corridor Highway Development, 2024



Rolling Stock: The railway networks in the ECOWAS region were built mainly for the transportation of minerals and goods. The efficiency of the rail is determined more by reliability than by speed. The quantity and quality of the rolling stock is a key performance indicator of the railway system. Table 5 shows the rolling stock of some Member States and indicates that national passenger services are available only in Ghana and Nigeria where there are some

old and new carriages. Also, Côte d'Ivoire has some obsolete wagons to provide partial freight services on the Abidjan-Ouagadougou rail system and to maintain some level of intra-regional trade. Liberia rail system operates diesel mechanical/electric traction locomotives mainly for the haulage of freight from the Bong mines. The ECOWAS Infrastructure Master Plan proposes diesel or electric as the specifications for propulsion of the locomotives.

Table 5: Availability of Rolling Stock in Selected ECOWAS Member States in 2024

Country	Locomotives	Wagons	Carriages	Remarks
Benin	10	297	20	Obsolete
Côte d'Ivoire	40	1200	NA	Obsolete
Ghana	4	32	7	Old
Liberia	9	500	NA	New
Nigeria	13	NA	236	Old /New
Senegal	13	NA	NA	Old

Source: Africa Infrastructure Railway, and Corridor Economic and Spatial Development (SDI) for the Abidjan-Lagos Corridor Highway Development, 2024.

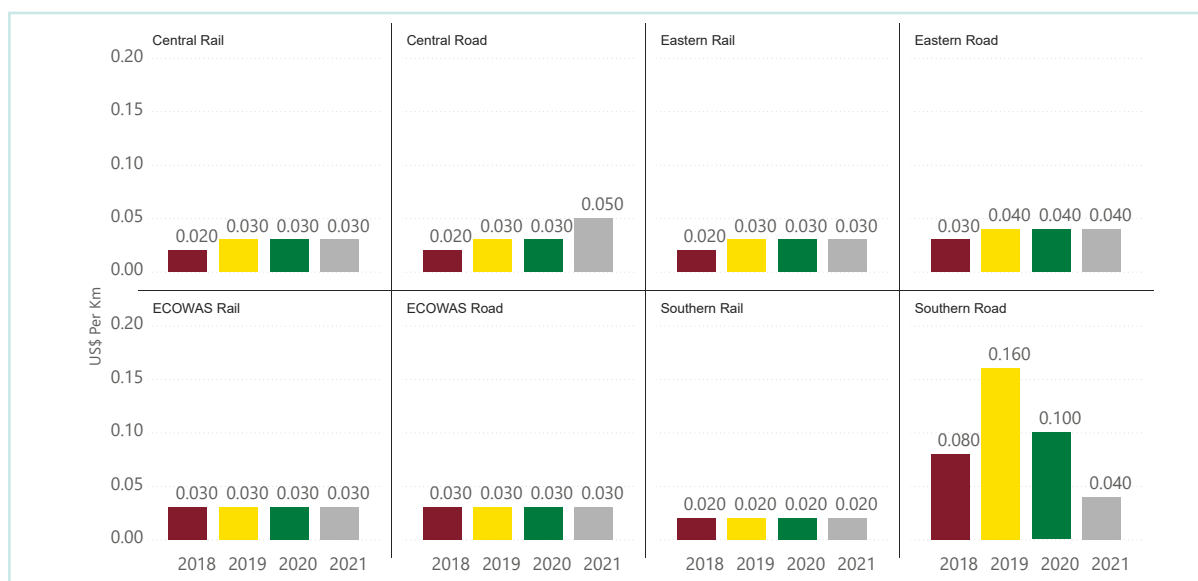
Management of Rail System: Bouraima et al. (2023) indicated that one of the main challenges responsible for the decline in the railway system in Africa was inadequate managerial and technical expertise. The second was weak organisational arrangement and human resources, especially in the state-owned enterprises. Sitarail (Ouagadougou-Abidjan), and Transrail (Dakar-Bamako) had private sector participation. Bono Mining and Lamgo JV in Liberia and CBG in Guinea are operating mainly for mining activities. The rail systems in Ghana and Nigeria are operated by the public sector.

Available information in the ECOWAS Master Plan shows that the Guinea railway managed by ONCFG was abandoned along almost its entire length. The Côte d'Ivoire-Burkina Faso corridor, which is considered a competitor for the Abidjan-Ouagadougou Road axis, is struggling to recover and fully play its role, despite being in the hands of a private concessionaire. The service between Senegal and Mali, formerly leased to a private concessionary, is virtually non-existent and has great difficulty in functioning. The current state of the railway network in the ECOWAS region provides an opportunity to revive the industry with private sector participation to meet the objectives of the region.

Transport Prices: The cost of rail transport is generally expected to be competitive compared to road transport when bulky and large volumes of goods are transported over longer distances. As shown in Figure 65, all the sub-Saharan Africa regions except in Central Africa where freight rates for rail over the period 2018 to 2021 were higher

than freight rates for road transport. In the ECOWAS region, rail and road freight rates are fairly close, an implication that rail transport does not offer a cost advantage. The poor management of the rail network and the condition of the network do not offer a realistic alternative to road transport in the region.

Figure 65: Road and Rail Freight Rates for Intra-Regional Trade in Africa from 2018 to 2021 (US\$)



Source: ECOWAS Commission Using Data from UNCTAD, 2024

3.1.3. Inland Water Transport

There are three (3) navigable intra-regional rivers and two (2) lakes which have the potential to be developed as a means of transportation for goods and services in the ECOWAS region. Gambia River (1,120 km), the River Niger (4,200 km) and Senegal River (1,800 km) traverse the Gambia, Guinea, Senegal, Benin and Nigeria. There are also Lake Chad and Volta Lake. The Senegal River is usually navigable in all seasons, over 175 km from its mouth until Podor and during high water, about three months per year until

Kayes, 975 km from the mouth of the river.

Gambia River consists of two distinct parts, both almost identical in length: a 500 km-long reach where the water level is affected by the tide during part of or throughout the year, and a mainland section where the water level depends only on upstream flow. River Niger is navigable for part of the year (over 3,177 km) but faces strong competition from road transport. Despite its navigability and its central location in Mali and Nigeria, the river is no longer the major transport axis it was in the past.



Table 6: Navigable Rivers in the ECOWAS Region in 2022

	River	Length (km)	Width (m)	Volume (m3)	Countries
1.	Niger	4,200	240	5589	Guinea, Mali, Niger, Benin, Nigeria
2.	The Gambia	1120	NA	NA	Guinea, Senegal, The Gambia
3.	Senegal	1800	55	650	Senegal, Mauritania, Mali
4.	Volta lake	1850	366	2210	Ghana, Burkina Faso, Benin, Côte d'Ivoire, Togo
5.	Lake Chad	NA	NA	NA	Chad, Niger, Nigeria, Cameroon, Central African Republic

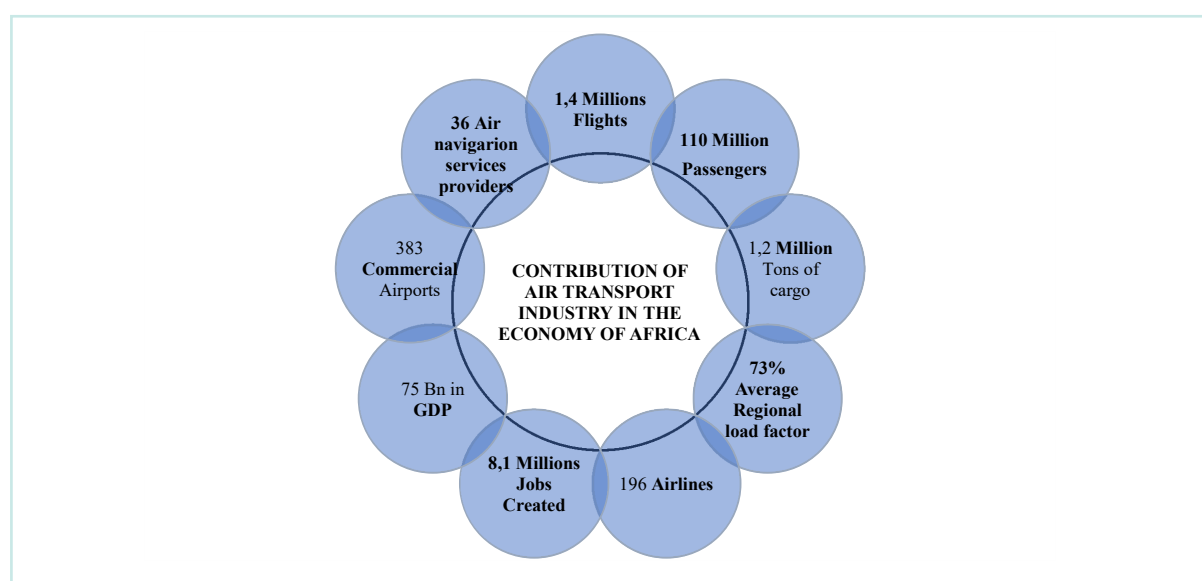
Source: Diagnostic Report of Master Plan, 2016 and Estimating the Relationship between GDP and Freight Volumes in ECOWAS, 2022

3.1.4. Air Transport

Aviation in the ECOWAS region plays a pivotal role in fostering economic progress and regional integration. Air transport supports 8.1 million jobs and US\$75 billion in African economic activity which is 1.6 percent of all employment and 2.6 percent of all GDP in African countries in 2023. Figure 66 presents a schematic representation of the importance of air transport.



Figure 66: Schematic Representation of the Importance of Air Transport in 2023



Source: Published by ATAG - Commercial Aviation Industry, 2023

Each employee of the aviation sector directly supports other 22 jobs elsewhere in Africa. Similarly, US\$5.30 of economic activity was supported elsewhere in Africa for every US\$1 of gross value added directly created by the air transport sector. In Africa, the aviation sector employed around 360,000 people directly in 2023. Analysis of these workers suggests:

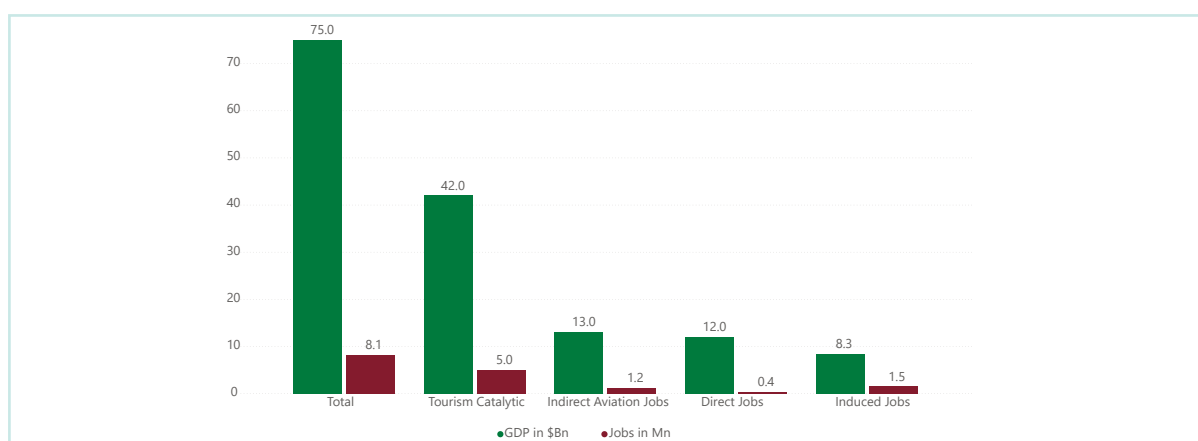
- 200,000 of those people (56 percent of the total) were employed by airlines or handling agents in roles such as flight crew, check-in staff, maintenance crew, or head office staff,
- 53,000 (15 percent) had jobs with airport operators such as airport management, maintenance, and security,
- 75,000 (21 percent) worked on-site in airports in retail outlets, restaurants, hotels and government agencies,
- 17,000 (5 percent) were employed in civil aircraft manufacturing, including systems, components, airframes, and engines, and

- 13,000 (4 percent) worked for air navigation service providers in jobs like air traffic control and engineering.

Airlines, airport operators, retailers and other on-site businesses as well as air navigation services and civil aircraft manufacturers contributed US\$12 billion to GDP in Africa, in 2023. The aviation sector’s spending is estimated to support 1.2 million jobs and a US\$13 billion gross value-added contribution to GDP. In addition, spending by the employees of the aviation sector and its supply chain supports 1.5 million more jobs and \$8.3 billion gross value-added contribution to Africa’s GDP (International Air Transport Association (IATA), Africa Aviation Report, 2023).

Air travel also facilitates a substantial amount of tourism in Africa. It stimulates even more economic activity, as tourists spend their money in restaurants, hotels, shops, tour operators, and other consumer goods and services. In 2023, spending by visitors who flew to African countries supported an estimated 5 million jobs and contributed US\$42 billion to GDP (Figure 67)

Figure 67: Air Transport Contribution to Job Creation and GDP in 2023



Source: ECOWAS Commission Using Data from the commercial aviation industry, published in 2023 by ATAG.



Aviation within ECOWAS is crucial for economic progress and regional integration. The region’s contribution to overall air transport in Africa is relatively low compared to the North, East, and South regions. The Central Africa region is the only one behind

the ECOWAS region. As documented in Table 7, out of 25 selected airports in Africa, 3 among the top 4 with the highest taxes, fees and charges in West Africa were from the ECOWAS region.

Table 7: Top 5 Most Expensive Airports by African Sub-Regions in 2020

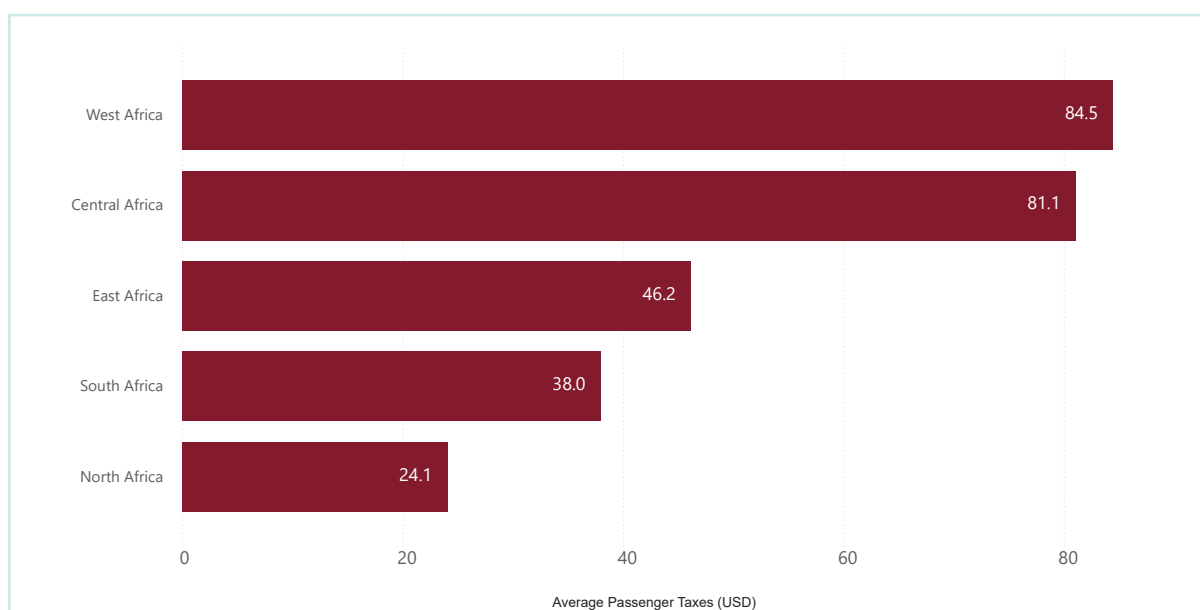
Western Africa		Central Africa		Eastern Africa		Southern Africa		Northern Africa	
Niamey	164,9	Brazzaville	132,8	Djibouti	84,3	Antananarivo	93,3	Cairo	67,0
Freetown	145,0	Douala	124,4	Entebbe	57,2	Moroni	64,4	Casablanca	35,6
Monrovia	139,0	Bangui	118,8	Dar Salam	54,0	Saint Denis	56,8	Algiers	23,6
Bissau	137,9	Malabo	89,2	Kigali	50,0	Lusaka	51,9	Tunis	11,8
Dakar	116,9	Ndjamena	85,1	Nairobi	50,0	Harare	50,0	Tripoli	11,5

Source: AFRAA 2020 Report on Taxes, Fees and Charges in Africa

Figure 68 and Table 7 gives a clear situation of the passenger’s taxes and the airport charges in Africa. West Africa with average passenger taxes of US\$84.5 had the highest in Africa, followed by Central Africa and North Africa had the least with average passenger taxes of US\$24.1.

|||||
West Africa with average passenger taxes of US\$84.5 had the highest in Africa

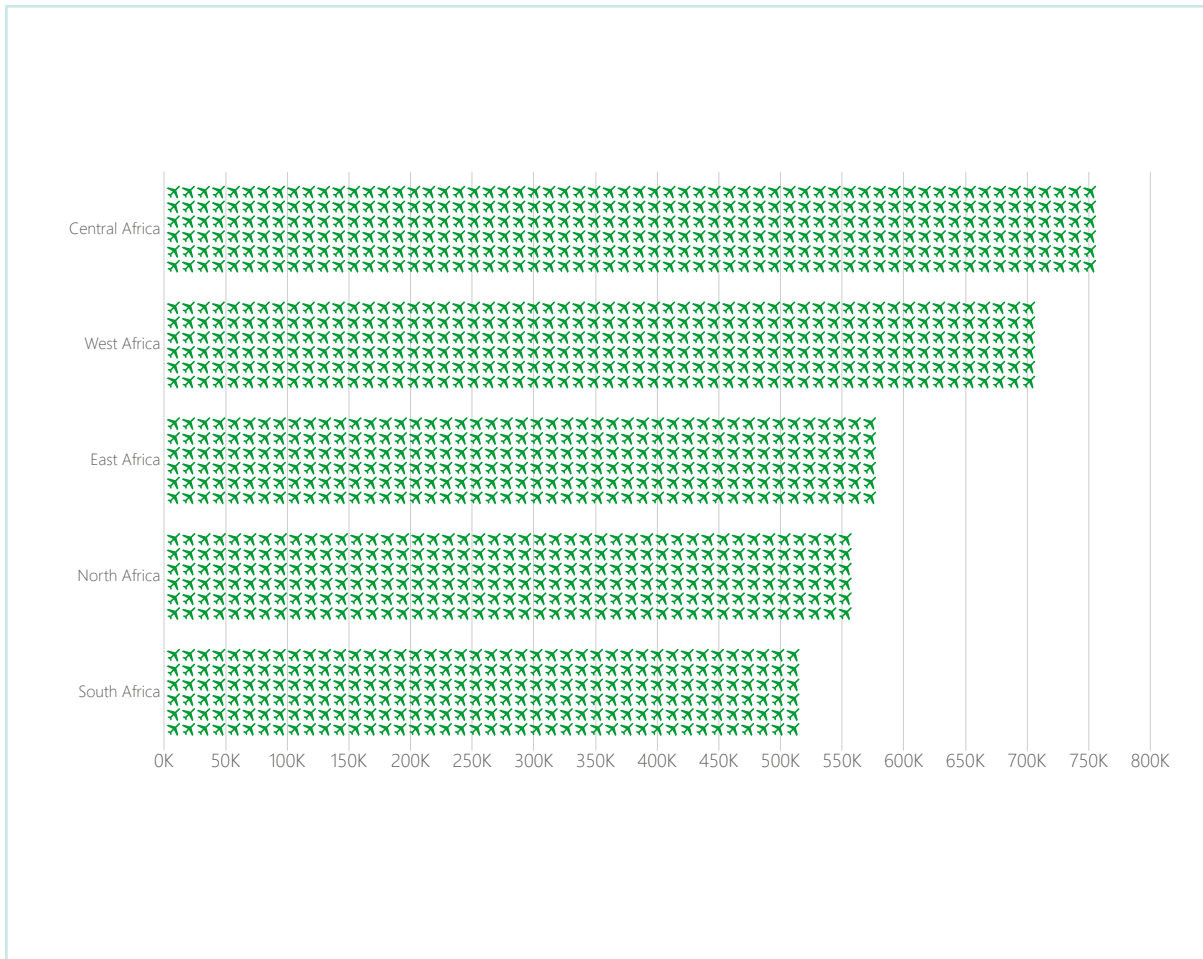

Figure 68: Average Regional Passenger Taxes per African Sub-Regions in 2020 (US\$)



Source: ECOWAS Commission Using Data from AFRAA 2020 Report on Taxes, Fees and Charges in Africa

West Africa with average airport charges of US\$708,840 had the highest in Africa, followed by Central Africa, and North Africa had the lowest with average passenger taxes of US\$560,000 (Figure 69).

Figure 69: Average Airport Charges per African Sub-region in 2024 (US\$)




Source: ECOWAS Commission Using Data from Journal of Infrastructure, Policy and Development, 2024

ECOWAS aviation policy promotes private sector participation, withdrawal of government active involvement in the management of airlines and open airspace to encourage competitive infrastructure. All ECOWAS Member States have international terminals with at least one daily air link from a regional hub, thereby facilitating travel. However, there are basic challenges. First is the inability to attract transiting passengers to other cities and serve as connecting hubs. Second, some Member States have weak

International Civil Aviation Organisation (ICAO) compliance with various aspects like aviation safety, security, and efficiency. Lastly, deteriorating infrastructure, outdated equipment, and insufficient safety.

West Africa with average airport charges of US\$708,840 had the highest in Africa



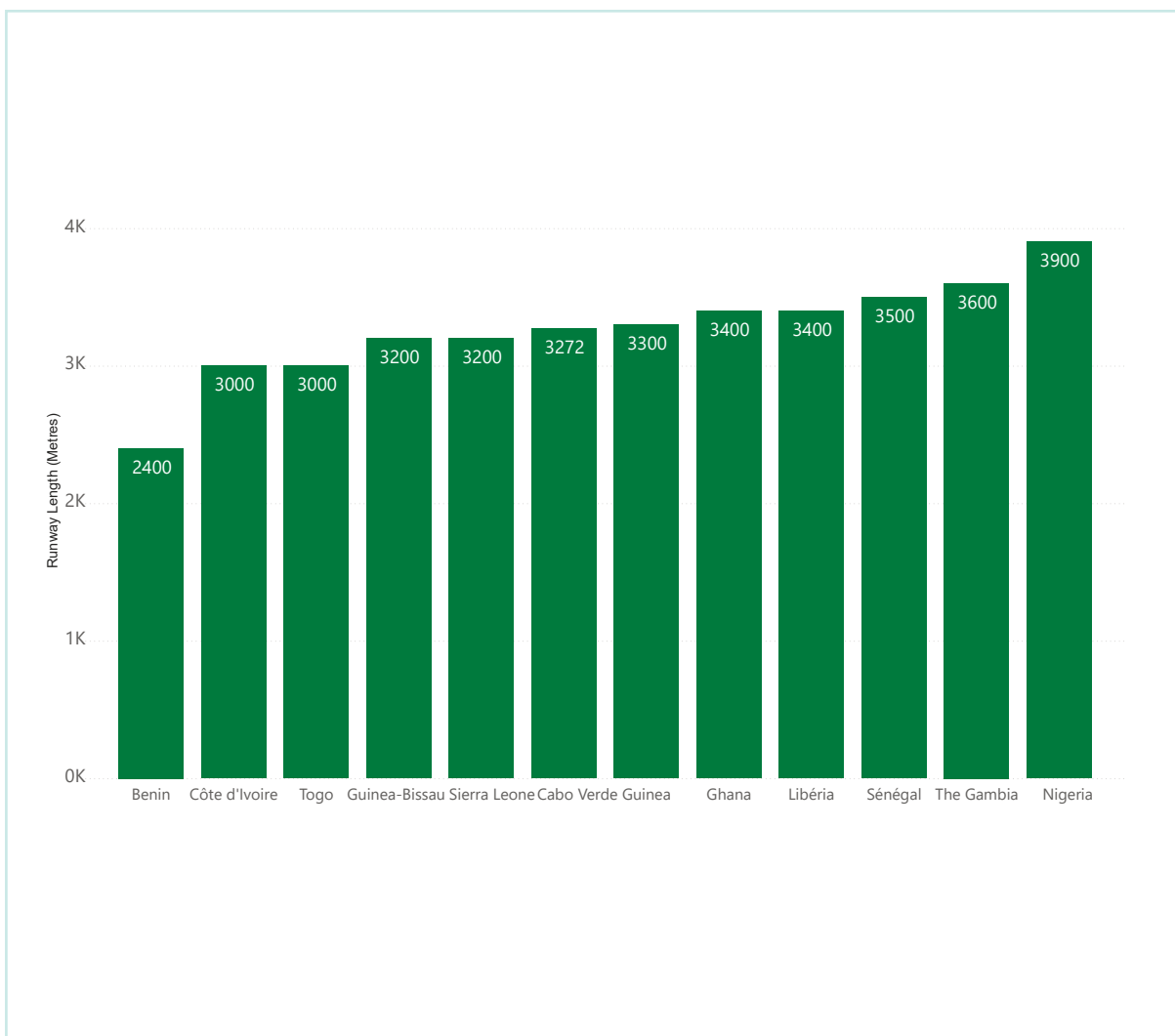

Airport Infrastructure

ECOWAS region has forty (40) international airports with only Murtala Mohammed International Airport, Lagos; Nnamdi Azikwe Airport, Abuja, and Kotoka International Airport, Accra ranking among Africa’s busiest airports for passengers. In terms of cargo, Murtala Mohammed International Airport, Lagos, Kotoka International Airport, Accra, Blaise-Diagne International Airport, Dakar; and Félix-Houphouët-Boigny International Airport, Abidjan are the busiest. Aviation infrastructure faces degradation, avian

hazards, outdated equipment, and right-of-way issues. New airports were completed in Senegal, and many are under rehabilitation in Nigeria to boost efficiency.

Figure 70 provides the capacity of principal airports’ runway length to cope with certain aircraft in the ECOWAS region. As of 2022, Nigeria had the longest runway length of 3900 metres, followed by The Gambia with 3600 metres and Senegal with 3500 metres. Benin (2400 metres), Côte d’Ivoire (3000 metres) and Togo (3000 metres) had the shortest runway length.

Figure 70: Runway Length in ECOWAS Member States in 2022 (in Meters)



Source: ECOWAS Commission Using Data of AIP ASECNA and ACI, 2022

Air navigation

ECOWAS region airspace is managed by organisations like the multinational Agency for Aerial Navigation Safety in Africa and Madagascar (ASECNA) based in Dakar, covering a large area with flight information and control centres. Modernizing air traffic management faces challenges due to equipment and training gaps, impacting control services. Maintenance issues and underutilisation of equipment hinder efficiency and raise ticket prices.

The International Civil Aviation Organisation (ICAO) promotes Performance Based Navigation (PBN) for improved capacity, efficiency, profitability, and safety, emphasizing satellite technologies. PBN implementation enhances air navigation, reduces flight times and fuel consumption, and enables precise navigation in remote areas. Economically, it optimises routes, leading to cost savings and increased connectivity. Its adoption is vital for

unlocking the aviation sector's potential in the Western and Central African region.

Civil Aviation Administration and Staff Training

The fragmented fleet and limited maintenance capacity in the ECOWAS region led to extensive subcontracting, presenting opportunities for new facilities, but operating costs remain high. Privatisation of airport management and liberalisation of ground handling have created new air service providers. Projects supported by the World Bank and AfDB improved civil aviation safety, with Nigeria and Cabo Verde achieving FAA Category 1 status. Private airlines and consolidated privatised entities improved air connectivity among Member States. Despite progress, enhanced connectivity, economies of scale, and sustainable development are needed for air transport to support economic productivity and regional integration effectively.



Potential Air infrastructure in ECOWAS Region.



The air transport sector in the region is characterised by a few major foreign airlines that dominate the market. These airlines established networks and resources, allowing them to capture an important share of the passenger traffic in ECOWAS. Some of the prominent foreign airlines include Air France, British Airways, Lufthansa, Emirates, and Ethiopian Airlines, etc, which have extensive routes and services connecting the region to global destinations. Local airlines and travel agents face critical challenges in the competitive environment, necessitating strategies to improve operations, enhance cooperation, and strengthen the local airline industry.

Computerised Reservation System (CRS) is critical in the travel and airline industries, facilitating flight bookings, inventory management, and fare distribution. In the ECOWAS region, major CRS like Amadeus, Sabre, and Travelport play an important role in the operations of travel agents. They provide access to airline inventory and pricing, allowing agents to book flights efficiently. However, reliance on these international systems can create dependence, limiting local agents' bargaining power and visibility.

3.1.5. Maritime Transport

The ECOWAS maritime domain, vital to the community's life and economy, includes a diverse coastline shared by Member States, plus inland waterways. It is rich in biodiversity and resources, supporting activities like fishing, transport, and tourism. Hydrocarbons from the maritime domain are a major revenue source for some

Member States. They face challenges like over-exploitation of resources, marine degradation, and maritime crime (piracy, smuggling, Illegal, Unreported and Unregulated (IUU) fishing, etc.), hindering economic development and stability.

Addressing them is an absolute priority for Member States. Effective measures require regional resource exploitation, pooled efforts, and collaboration with stakeholders. The ECOWAS Integrated Maritime Strategy aims to reverse the negative trends through common standards. The cross-border nature of maritime resources necessitates regional cooperation, particularly because of conflicts over resource control. The Revised ECOWAS Treaty provides a foundation for a regional maritime strategy, addressing IUU fishing, extractive activities, environmental protection, and disaster cooperation, in line with regional and international legal commitments.

Regarding Coastal Electronics Security, ongoing projects focus on enhancing various security aspects, including monitoring, surveillance, and communication systems in coastal areas. Key initiatives include:

- **Surveillance Systems:** Installing advanced cameras and monitoring systems to mitigate piracy, illegal fishing, and smuggling along coastlines.
- **Maritime Security Initiatives:** Collaborative efforts among ECOWAS Member States to improve security through electronic tracking systems and better communication networks.

- **Collaboration with International Organisations:** Partnering with entities like the EU and UN to enhance regional security through funding and technology transfer; and
- **Capacity Building:** Training local personnel to manage and operate electronic security systems for sustainability and effectiveness.

Maritime Fleets

In 2022, Liberia overtook Panama as the world's largest flag state of registry in terms of deadweight tonnage, with 378.3 million deadweight tons in its fleet. Liberia recorded a 12.7 percent growth in ship tonnage between 2022 and 2023 and ranks second after Panama in terms of the number of ships, with 4,821 ships in the Liberian-flagged fleet. The average size of Liberian-flagged vessels is 78,479 deadweight tonnes. In terms of value, Liberia ranks second with 11.8 percent of registered vessels, compared to 12.9 percent for Panama.

Nigeria is the largest ship-owning country in Africa. In terms of global fleet, it ranks 33rd on the list, with 291 ships, totalling 7.9 million deadweight tons. In terms of ship value, Nigerian ships occupy the 30th position, with a share of 0.6 percent of the global fleet value. By 2022, in terms of the number of ships and tonnage, ships flying the flags of Liberia, Panama and the Marshall Islands collectively accounted for more than a third of global carbon emissions from shipping. Liberian-

flagged vessels are responsible for the largest volume of carbon dioxide emissions.

Maritime Transport Performance

The African Continental Free Trade Area (AfCFTA) projected an increase in intra-African freight by 28 percent and maritime freight demand by 62 percent in 2030. The effective implementation of the AfCFTA requires considerable investments in transport equipment and infrastructure, including approximately 100 additional vessels, which would pave the way to a green economy in Africa. The ECOWAS coast, encompassing the maritime facade of Member States, has 15 main commercial ports with regular maritime service.

The Liner Shipping Connectivity Index (LSCI) developed by UNCTAD, measures a country's integration into the global liner shipping network, reflecting access to global markets for trade. It considers factors like the number of ships, their carrying capacity, the number of shipping companies and services, maximum vessel size, and the number of directly connected countries. The index is calculated quarterly and uses 2006 as the reference year. The index shows that the connectivity of the Coast of Africa (COA) to the global network of regular lines has evolved by 23.1 over 10 years, from 13.5 in 2013 to 17.6 in 2022. The average connectivity index for the period 2013 to 2022 was 15.5. The disaggregation for the periods 2021 and 2022, shows a large difference among Member States (Table 8).



Table 8: Ranking of ECOWAS Member States by Connectivity Index

Country	Connectivity Index LSCI			
	2006 (base Year)	2021	2022	Average 2013-2022
LSCI >30				
Togo	12.6	36.4	36.8	29.2
Ghana	16.2	38.2	37.3	26.7
LSCI >20 <30				
Nigeria	16.0	21.7	23.7	21.8
Côte d'Ivoire	16.3	20.3	23.8	21.8
Benin	11.0	20.4	21.8	17.9
LSCI >10 <20				
Senegal	14.5	17.3	17.8	16.3
LSCI <10				
Guinea	9.2	8.4	9.2	10.0
Sierra Leone	4.5	6.8	7.1	8.2
Liberia	4.5	6.6	6.0	6.9
The Gambia	4.2	5.9	5.2	7.1
Guinea-Bissau	4.4	4.5	4.6	4.7
Average LSCI	10.3	16.9	17.6	15.5

Source: Compiled by Authors from CNUCED Data

Note: Index for Cabo Verde Unavailable

In 2022, Ghana (37.3) and Togo (36.8) were the best-connected Member States in the region. Then, Côte d'Ivoire (23.8), Nigeria (23.7) and Benin (21.8) follow as having relatively high connectivity. On the other hand, Guinea-Bissau (4.6), The Gambia (5.2) and Liberia (5.9) had connectivity below 6 points out of 100 and constituted the lowest connectivity in the region. Table 8 shows 3 groups of Member States according to their levels of connectivity. The group of Member States with connectivity greater than 30 were Ghana and Togo. The second group

with connectivity greater than 20 were Côte d'Ivoire, Benin and Nigeria. And finally, the weakest connected ones were Guinea, The Gambia, Sierra Leone, Liberia and Guinea-Bissau with connectivity of less than 10. Senegal appeared alone with connectivity greater than 10 but less than 20.

This ranking shows a slight misalignment between the level of GDP and connectivity to regular global maritime networks. Thus, despite its status as the largest economy in Africa, Nigeria has lower connectivity

than Togo, Ghana and Côte d'Ivoire in 2022. For example, Nigeria's economy is worth 50 times that of Togo, yet Togo was the first most connected country maritime-wise in ECOWAS, just after Ghana. Furthermore, while Nigeria has 4 commercial ports, Togo has only one. The average of the region's connectivity index was 30 percent lower than the world average, 17.6 compared

to 26.7 in 2022. However, there was a substantial improvement when compared to the 2013 position which was twice lower than the world average. A comparison with other maritime frontages having similar economic characteristics highlights the low connectivity of the region but allows it to be put into perspective (Table 9).

Table 9: Comparison of Maritime Frontage of African Sub-Regions

	2006	2021	2022	2013-2022
West Africa	10.3	16.9	17.6	18.9
East Africa¹	8.3	13.0	12.7	12.3
Central Africa²	9.7	16.0	15.7	15.7
Southern Africa³	18.3	29.0	30.3	28.0
North Africa⁴	15.9	29.0	29.1	27.3

Source: CNUCED Data, 2023

The region's relatively low connectivity is also reflected in the fact that two of the region's Member States, namely Ghana and Togo, were among the top 5 most connected African countries in 2022, behind Morocco, Egypt and South Africa. On a global scale, these two Member States were ranked in the top 25 countries with the best LSCI indices.

Trade Facilitation

Interconnectivity among national customs management systems within ECOWAS is a crucial aspect addressed through the integration of mutually recognised regional and international transit regimes.

This integration is further enhanced by the implementation of transit guarantee mechanisms and the utilisation of digital solutions like the Interconnected System for the Management of Goods in Transit (SIGMAT) of UNCTAD. For instance, Member States are working towards harmonising their customs procedures to facilitate the smooth movement of goods across borders. This involves streamlining documentation requirements and implementing standardised processes to reduce delays and inefficiencies. Digitizing customs procedures can improve data accuracy, enhance risk management capabilities, and increase operational efficiency.

¹ Sudan, Comores, Djibouti, Somalie, Kenya, Tanzanie, Mozambique, Erythrée, Madagascar

² Cameroun, RDC, Gabon, Congo, Guinée équatoriale, Angola

³ Afrique du Sud, Namibie

⁴ Mauritanie, Maroc, Algérie, Tunisie, Lybie et Egypte

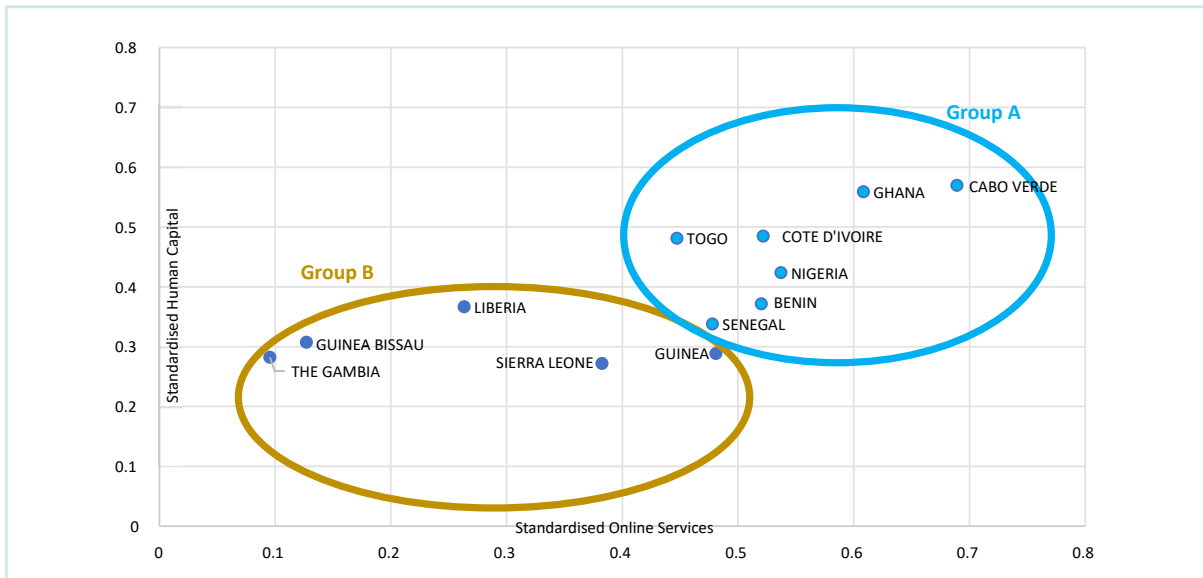


3.2. COMMUNICATION INFRASTRUCTURE

Every ECOWAS Member State has a digital strategy with a plan for a fully digital (potentially paperless) public administration system. Analysis of the services index indicates that ECOWAS Member States are categorised into: Advanced and Less Advanced clusters (Figure 71). According to the ECOWAS Digital Sector Development Strategy of 2024, the categorisation applies

to both services and telecommunication backbone infrastructure development perspectives. Cluster A consists of Benin, Cabo Verde, Côte d'Ivoire, Ghana, Nigeria, Senegal, and Togo; while Cluster B is made of The Gambia, Guinea, Guinea-Bissau, Liberia, and Sierra Leone. Cluster A is ahead of Cluster B, clearly differentiated by the development of submarine cables, Internet Exchange Points (IXPs), and data centre infrastructure.

Figure 71: ECOWAS Member States Online Service and Human Indices 2024

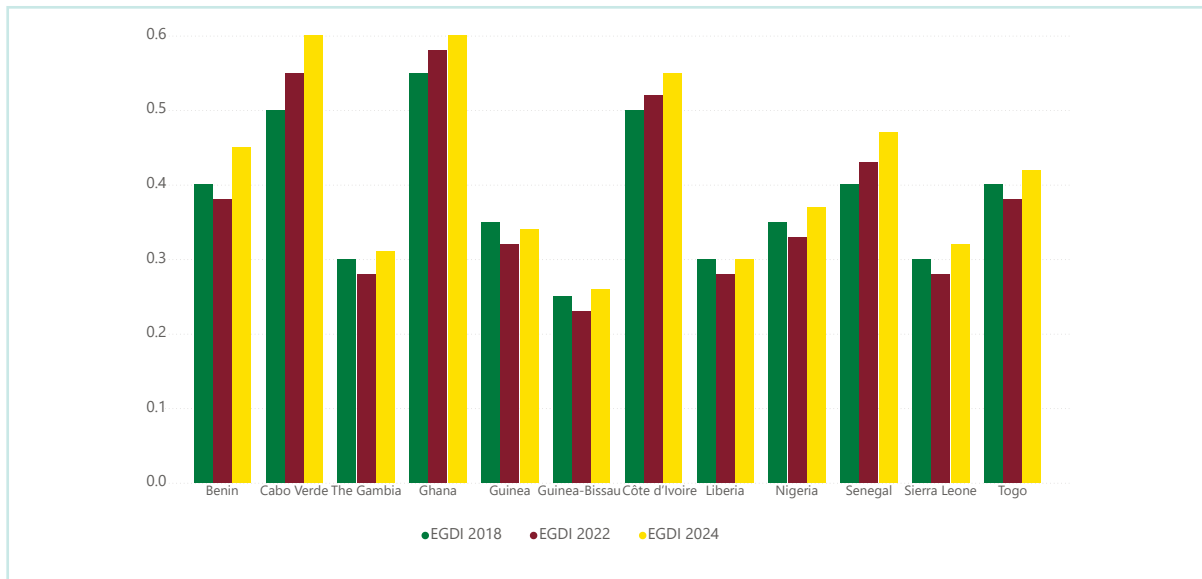


Source: ECOWAS Member States Online Service Indices 2024

This categorisation confirms the relationship between the level of available infrastructure and the digital services offered to citizens. It is important to consider the different paces and needs of these 2 clusters to ensure that the adoption of digital services aligns with infrastructure development and fosters development in both urban and rural, coastal and Sahelian. The United Nations E-Government Survey (2024) provides a

comprehensive assessment of the digital government landscape across 193 countries. The survey highlights an upward trend in the development of digital government in the ECOWAS region, which has shown a 28 percent improvement in the E-Government Development Index (EGDI) driven by a 125 percent growth in the Telecommunication Infrastructure Index (TII) between 2018 and 2024 (Figure 72).

Figure 72: E-Government Development Index in ECOWAS Member States from 2018 to 2024



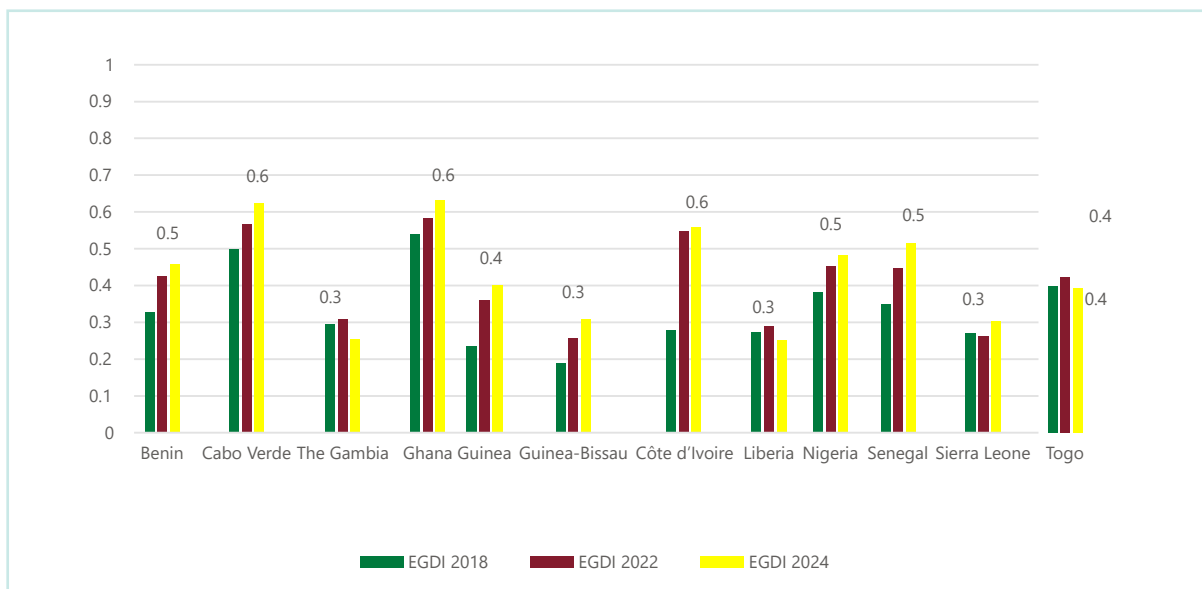
Source: ECOWAS Commission Using Data from UN E-Government Survey, 2024

I. Telecommunication Infrastructure

The positive trend of EGDI is supported mainly by investment in Telecommunication infrastructure as shown by the Telecommunication Infrastructure Index (TII) graph in Figure 73. ECOWAS Member States exhibit varying levels of investment

in Telecommunication Infrastructure. The investment ranged from a low level of 19 percent in Liberia to a high level of 377 percent in Guinea-Bissau between 2018 and 2024. The regional average growth of 125 percent over 5 years underscores the importance that Member States place on this infrastructure.

Figure 73: Evolution of Telecommunication Infrastructure Index in ECOWAS from 2018 to 2024



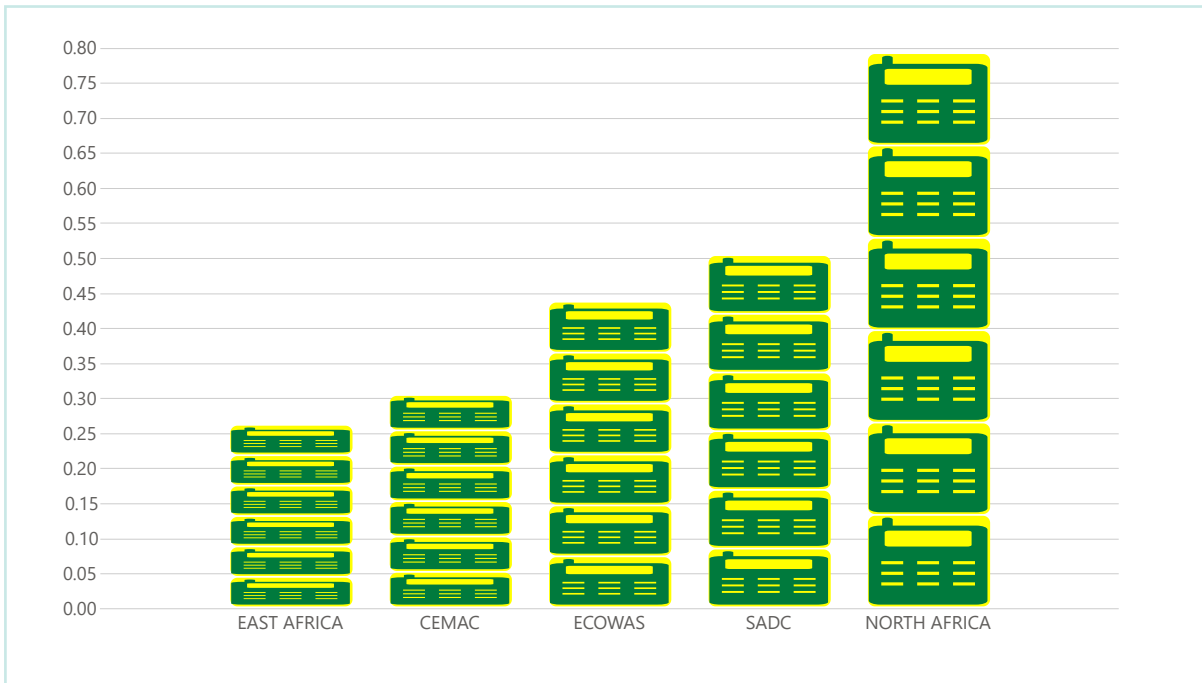
Source: ECOWAS Commission Using Data from UN E-Government Survey, 2024



However, when compared to North Africa and the Southern African Development Community (SADC) region, the ECOWAS region still lags behind in telecommunication infrastructure development (Figure 74). The Telecommunication infrastructure encompasses the Presence of Mobile

Networks, Broadband infrastructure (satellite links, submarine cables and backbone networks, Last mile and specifically Fibre to the Home (FTTH) and Presence and effectiveness of IXP nodes within the ECOWAS region.

Figure 74: Comparison of Telecommunication Infrastructure Index in African Regions in 2024



Source: ECOWAS Commission Using Data from UNE-Government Survey 2024

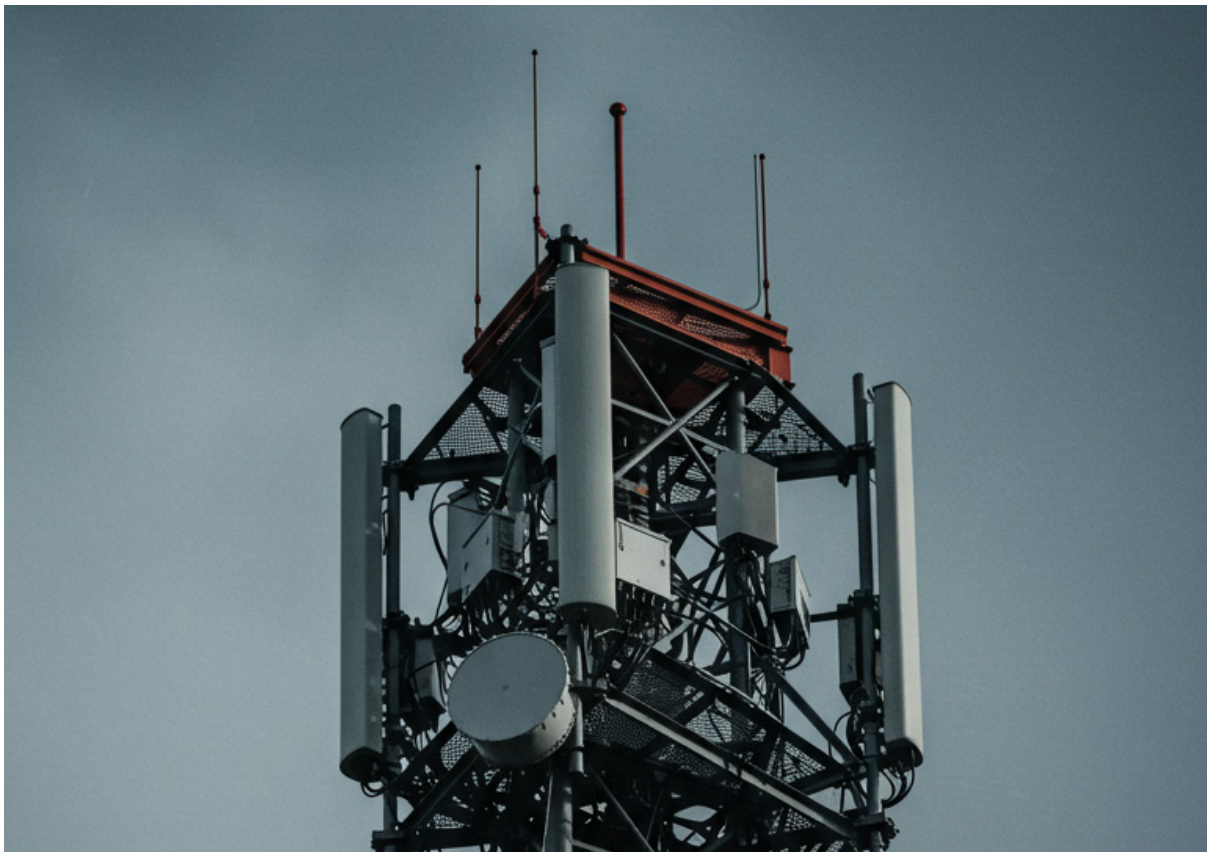
The regional average growth of 125 percent over 5 years underscores the importance that Member States place on this infrastructure. However, when compared to North Africa and the Southern African Development Community region, the ECOWAS region still lags behind in telecommunication infrastructure development.



II. Mobile Networks

All ECOWAS Member States have mobile networks utilising 2G, 3G and 4G technologies, with current developments on 4G and 5G technologies focusing on data services. Legacy technologies are being progressively phased out. Technology upgrades are taking place with 4G technology covering some Member States. However, gaps exist between available 4G coverage and 4G subscriptions in Liberia, Nigeria, Sierra Leone and Togo. This indicates that although the network is available, people are not subscribing to the mobile service. According to the Global System for Mobile Communication Association (GSMA, 2024), this is partly due to low levels of literacy and digital skills as well as affordability issues, particularly the cost of internet-enabled handsets.

Although the worldwide trend is to develop 4G and 5G technologies for mobile Internet, and rapidly replace 2G and 3G, the coverage in Côte d'Ivoire, The Gambia, Guinea and Guinea-Bissau is still largely made of these (older) technologies. Cabo Verde and Senegal made great advancements in mobile access technologies, transitioning massively from 3G to 4G access. The GSMA (2024), positions The Gambia, Liberia, and Nigeria among Member States with a coverage gap greater than 10 percent. The coverage gap represents the population living in areas not covered by a mobile broadband network (3G, 4G or 5G). Internet access in the ECOWAS region is predominantly via Mobile Internet, with fixed internet access accounting for less than 10 percent average in the ECOWAS Member States.



Mobile network infrastructure illustrating telecommunications in ECOWAS Region



Table 10: Number of Mobile Networks and Users per Member State in the ECOWAS Region in 2024

Member States	Mobiles Companies	Subscribers of Mobile Lines
Benin	SPACETEL BENIN (MTN) SBIN (CELTIS) MOOV AFRICA BENIN	8 489 402 (Number of Mobile phone Lines subscribers after elimination of multi-SIMs)
Cabo Verde	CVTELECOM UNITEL T+	590 354
The Gambia	GAMCEL AFRICELL QCELL COMIUM	2 680 000
Ghana	AT GLO MTN Vodafone	33 380 000
Guinea	ORANGE MTN CELLCOM	14 101 000
Guinea-Bissau	MTN ORANGE	1 885 870
Côte d'Ivoire	MTN CI ORANGE CI MOOV CI	53 601 479
Liberia	LONESTAR CELL MTN ORANGE	1 600 000 (DEC 2021)
Nigeria	AIRTEL 9MOBILE GLOBALCOM MTN	224 412 931
Senegal	ORANGE YAS EXPRESSO Sirius Télécoms Afrique (PROMOBILE) CSU.SA (HAYO)	22 400 205
Sierra Leone	AFRICELL ORANGE QCELL	N / A
Togo	YAS TOGO MOOV AFRICA TOGO (MAT)	7 688 649

Source: In-Country Telecommunication Regulators, 2024

As shown in Table 10, in general, the number of mobile subscribers represents the number of Subscriber Identity Module (SIM) cards in usage. The exception is Benin where the number of mobile phone line subscribers is calculated after the elimination of multi-SIMs. In other Member States, there are regional legal frameworks which promote the harmonisation of the approach to provisioning of some key services on mobile networks, beyond voice, Short Message Services (SMS) and internet access. Among them are the number portability, and international roaming which are important for the comfort of use by customers but also make the overall mobile service cheaper. Another fast-growing service is mobile money which expanded across all ECOWAS Member States.

III. Roaming agreements

The ability for mobile users to roam easily is crucial for those travelling among Member States. ECOWAS promotes the Free Movement goal through Regulation C/REG.21/12/17 on Roaming on Public Mobile Communications Networks in the ECOWAS Region (2017). Although Roaming agreements are passed among mobile operators, ECOWAS is in support of agreements between Member States at the level of their National Regulation Authorities (NRA) since 2022. The population broadband internet coverage is reinforced, with the reduction of telecommunication costs through effective collaboration of some ECOWAS Member States (Box 7).

Box 7: Liberia, The Gambia and Sierra Leone sign roaming deal

The roaming agreement comes from the governments of Liberia, The Gambia and Sierra Leone that signed a memorandum of understanding (MoU) aimed at reducing telecommunications costs through improved roaming services. The agreement, which covers voice, SMS and data services, is set to begin its phased implementation on 2 May 2025, allowing travellers from Liberia to Sierra Leone to receive calls free of charge and make calls, send SMSs, and use mobile data at local rates without the need for a new SIM card. From 1 July, citizens of Liberia and The Gambia will also be able to enjoy similar benefits without incurring additional international roaming charges. Some 16 million people in total live in the three countries.

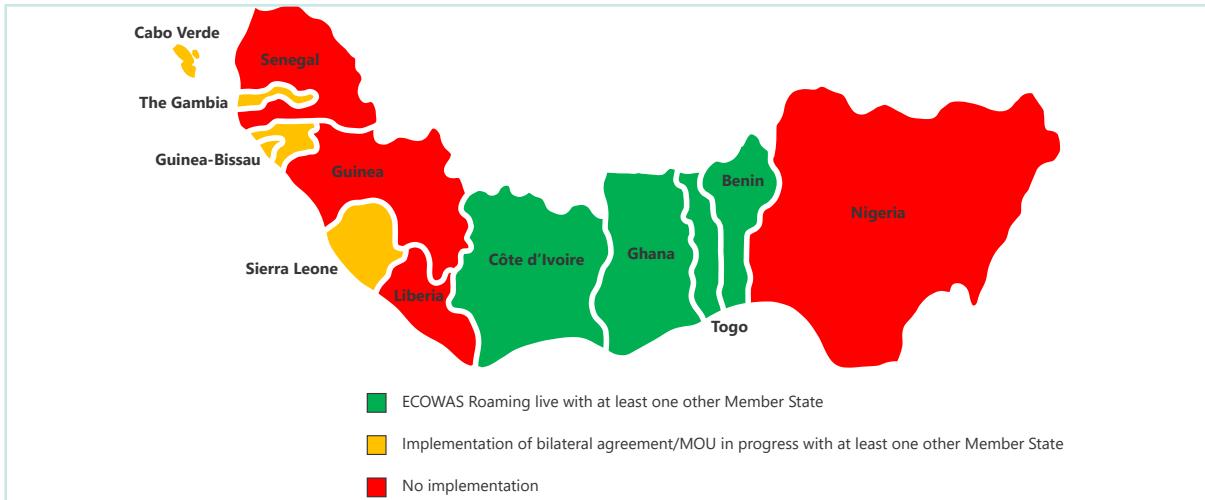
According to Liberia's Oracle News Daily, the initiative, driven by the Liberia Telecommunication Authority (LTA) in collaboration with the National Communications Authority of Sierra Leone and the Public Utilities Regulatory Authority of The Gambia, seeks to promote economic growth and ease communication for citizens traveling within the three countries. There is still some way to go until all West Africans can roam anywhere without facing increased charges. However, the LTA Chairman Abdullah Kamara has been quoted as saying after the signing: "With these MoUs, we are making decisive progress towards implementing the ECOWAS regulation on roaming within the region, an initiative aimed at eliminating high roaming charges." Change is most certainly coming. Among a growing number of agreements in Africa, Ghana last year implemented free roaming with Benin and Togo and 2023 saw a Senegal-Mauritania deal.

Source: Telecom Business News

<https://search.app/aoGQEFuGphXoNizw5>



Figure 75: National Regulation Authorities Roaming Agreement in the ECOWAS Region

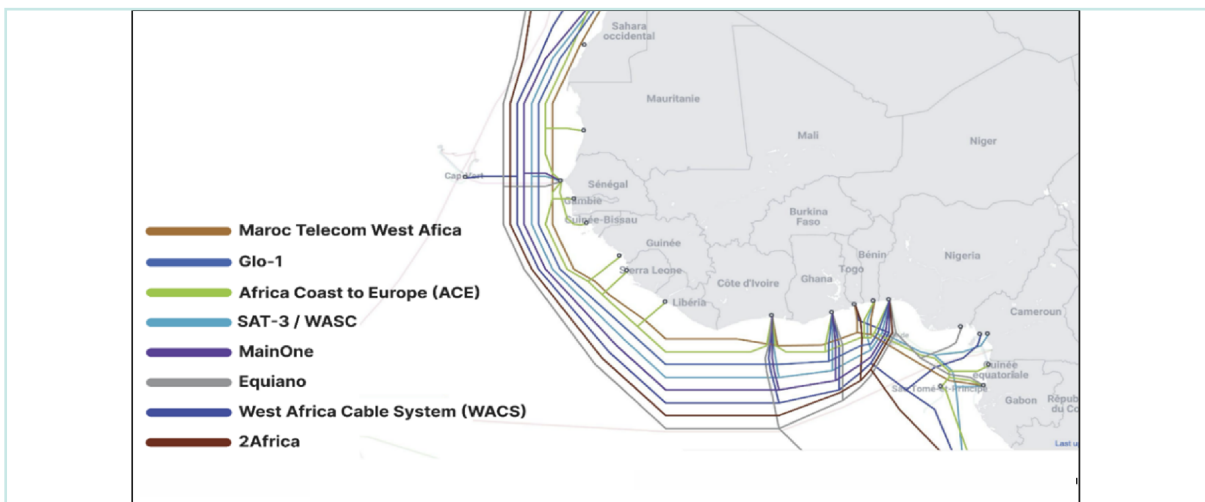


Source: Report on the progress of Implementation of Regulation C/Reg.21/12/17 on Roaming on Public Mobile Communications Networks in the Ecowas Space (October 2024)

The status of roaming within the ECOWAS region shows a slow pace of implementation on both NRA bilateral agreements and mobile operators agreements (Figure 75). In terms of Fixed Telephone Networks, the 2023 regional statistics report reveals that over 1.2 million subscribe to fixed telephone services, with a penetration rate of only 0.4 percent. This is much lower than the nearly 372 million mobile subscriptions recorded in 2023. The penetration rate

for fixed telephony stagnated in 2022 and 2023. Within the Broadband Networks, the analysis of Submarine Cables shows that Member States on the Atlantic Ocean have a direct access to at least 1 submarine cable. Benin, Cabo Verde, and Togo are served by three (3) submarine cables each; Ghana by four (4) submarine cables; Côte d'Ivoire, and Senegal by five (5) submarine cables each; and Nigeria by eight (8) submarine cables.

Figure 76: Map of Submarine Cables in the ECOWAS Region

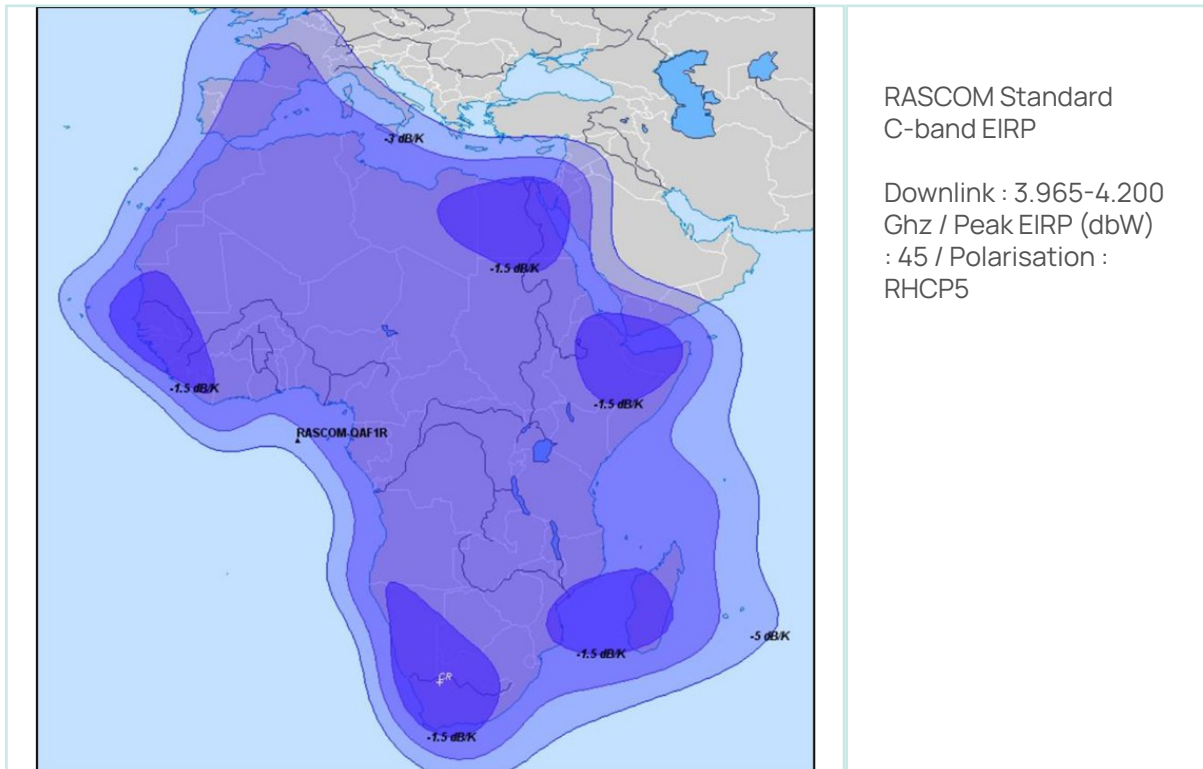


Source: TeleGeography,

Twelve (12) submarine cable companies with thirty-seven (37) landing points pass through the region, providing a total design landing capacity of 613.12 terabytes (Figure 76). These companies are listed as follows: Africa Coast to Europe (ACE), South Atlantic 3/ West Africa Submarine Cable (SAT-3/WASC), WACS, Main One, Maroc Telecommunication West Africa Submarine Cable, Senegal Horn of Africa Regional Express (SHARE), Equiano, 2Africa, GLO-1 - Globacom 1, ATLANTIS-2, Ella Link, Nigeria-Cameroon Submarine Cable System (NCSCS).

In terms of the Broadband Satellite Networks, satellite communication remains in use, particularly as back-up and in rural, and under-served areas. The main providers of Satellite services are; RASCOMSTAR created by 45 African countries with a shared vision to bring the economic and social benefits of telecommunications across Africa (Figures 77 and 78). The services provided are Satellite Bandwidth Leasing; FlexSat (Internet VSAT); DomSat: Dedicated and Private Very Small Aperture Terminal (VSAT) Network Solution; Television and Broadcast, GSM Backhaul.

Figure 77: RASCOM Standard C-Brand EIRP



Source: RASCOM Website

For Rascomstar, the teleports are located in Nairobi, Douala and Tripoli and none in the ECOWAS Member States, creating a dependency outside the region. Starlink enters several member state markets for access services (straight to the corporate

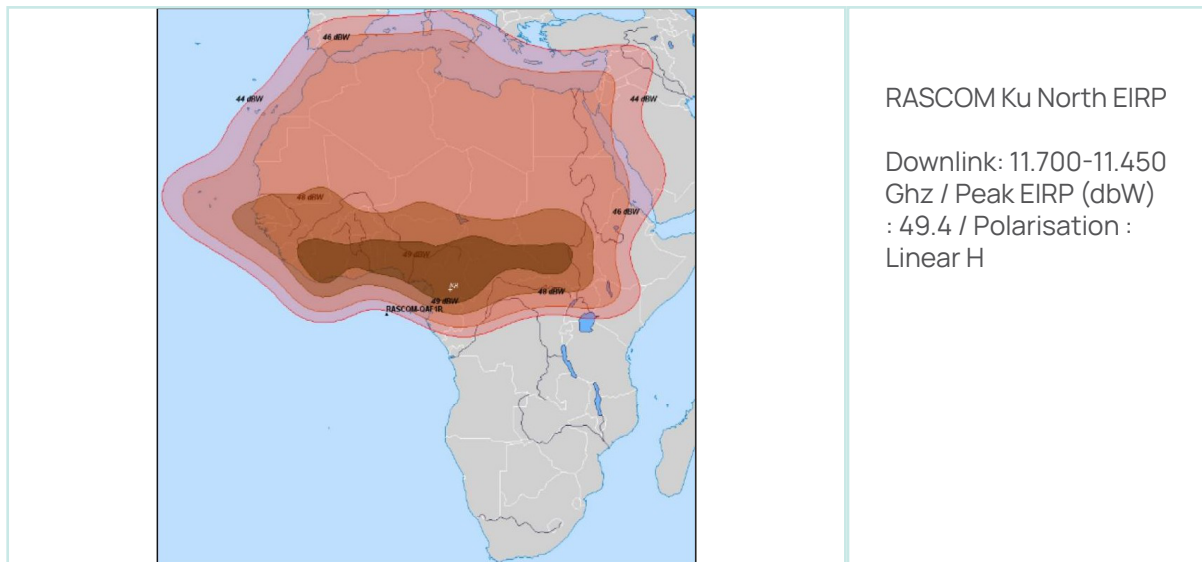
and individual users) but the integration with national broadband backbone solutions is pending. Eutelsat is an operator for Direct-to-Home (DTH) broadcasting covering SSA by satellites. 16° East is home to their regional DTH neighbourhood for Western



and Central Africa and a leading hotspot for francophone Africa. Intelsat in Western Africa provides broadcasting to 39.9 million TV Households, 6.2 million Direct-to-Home (DTH) Pay TV Households and 3.5 million Direct-To-Home Free TV Households (Dataxis

Intelligence, 2020). Intelsat covers the whole of Africa, specifically West Africa with several geostationary satellites. Both Iridium and Inmarsat are also providing satellite communications over the maritime space.

Figure 78: RASCOM Ku North EIRP



Source: RASCOM Website

The Terrestrial broadband networks involve the deployment of national/domestic broadband networks which are crucial to digital inclusion. Considerable progress is made by ECOWAS Member States with national operators managing these networks. The mobile operators and private players such as CSquare in Liberia or LEBARA in Ghana, are deploying networks. However, these domestic broadband networks are not sufficiently contributing to an intra-regional ECOWAS broadband terrestrial network (Table 11). On the other hand, multinational operators such as Orange with its Djoliba network⁴ are developing transnational backbones linking multiple countries.

These domestic broadband networks are not sufficiently contributing to an intra-regional ECOWAS broadband terrestrial network.

⁴ Orange with Djoliba network links 8 countries combining Submarine cables and Terrestrial Fibre cables: Senegal, Mali, Burkina Faso, Ghana, Nigeria, Guinea Ivory Coast and Liberia.

Table 11: Terrestrial Broadband Networks in ECOWAS Member States

Country	FO km 2022	Network Section	Comment
Benin	2 700	Backbone (including 218km metropolitan) (2024)	PDI2T project in 2018 + PDRHD project 2022-2024
Cabo Verde	1 672	Backbone with terrestrial and submarine cable (2018)	backbone achieved in 2002 with 803.5 Km of submarine cable and 868.2 Km of terrestrial cable.
Côte d'Ivoire	22 482	Backbone + Backhauling +Access	Global number adding the fiber of all operators. ORANGE 11,98 Km, MTN 4,509 km, MOOV 3,801 km, AWALE 2,187 km, ANSUT 2,000 km.
The Gambia	1 367	Backbone (National + private)	Fiber optic Backbone
Ghana	12 984	Backbone Backhaul and Access	No information found on the functioning of the Backbone
Guinea	4 400	National Backbone	National Backbone achieved in 2020, and designed by Huawei
Guinea-Bissau			- No fiber backbone
Liberia	522	Backbone (Solely private)	Fiber optic Backbone
Nigeria	49 637	Backbone + ACCESS	Land fiber deployed by different operators
Senegal	5 663	Backbone (2018)	2018 fiber backbone was deployed by Sonatel 4567 km and Free (SENTEL) 1096 km ++ 3000Km extra deployed by SENELEC but not commercialized.
Sierra Leone	1010	Backbone	1,010 km of in-country core fiber backbone network connects most major cities and towns
Togo	2 410	Backbone (National + private)	Fiber optic Backbone

Source: Digital Sector Development Strategy for the ECOWAS Region, 2024

Internet Exchange Points (IXP) is implemented by all ECOWAS Member States except Guinea-Bissau, and Sierra Leone, with a total of 15 local IXPs operating in the region. As data traffic grows, driven by video, IXPs help to save bandwidth by keeping traffic local. The Data Centres and Cloud Platforms need to be easily accessible to the target audience/population. Access to content covers not only the distribution channels of content (access to Data Centres) but also the

possibility to access with the right terminals at an affordable cost and with the minimum proper knowledge to use the terminal. In-country certified Data Centres (play a key role as they can make access to data processing and data storage more secure, cheaper and faster (Table 12). Despite the new Data Centre infrastructure built over the years mainly for public administration usage, there is a shortage of secured storage and processing capacity in the ECOWAS region.



Cloud computing is a key element of the evolving digital landscape (UNCTAD, 2013). It enables users to access scalable and flexible data storage and computing resources as well as to stream video and music. Businesses and individuals are moving from

local servers to Cloud because it is easy to buy and consume. A defining feature of cloud storage is the transfer of large volumes of data to third-party-owned data centres, often controlled by a small number of very large companies.

Table 12: Data Centres and Other Infrastructure Platforms in the ECOWAS Region

Country	Government Data Centre / Cloud Available	National PKI Platform Available	Foundational Unique ID Available	National CSIRT Available
Benin	Yes	Yes	Yes	Yes
Cabo Verde	Yes	No	Yes	No
Côte d'Ivoire	Yes	Yes	In progress	Yes
The Gambia	Yes but limited	No	Yes	Yes
Ghana	No, but Planned (2025)	Yes	Yes	Yes
Guinea	No, in process	No	No	Yes
Guinea-Bissau	No	No	No	No
Liberia	Yes	No	Yes	No
Nigeria	Yes	Yes	Yes	Yes
Senegal	Yes	No	In progress	Yes
Sierra Leone	No	No	Yes	Yes
Togo	Yes	No	In progress	Yes

Source: ECOWAS Digital Strategic Plan 2024-2027

IV. Other Digital Platforms

The expansion of digital platforms is directly linked to their capacity to collect, exchange, analyse and monetise digital data, with businesses ranging from Internet search, access to service portals, and social media to cloud storage and e-Commerce. Other key digital platforms the government should have are:

- Public Key Infrastructure (PKI)** platform. It allows the government to play the important role of Trust Body for digital trust services which are about to rapidly develop everywhere including in the ECOWAS region.
- Biometric database** of the population. With an estimated 500 million people in Africa living without any form of legal identification (birth certificate or national ID), the use of digital forms of identification becomes a necessity because of their relative ease, low cost, and convenience compared to any analogue systems. Digital IDs are critical for the successful implementation of the African Continental Free Trade Area (AfCFTA) This infrastructure should be designed to be the single trusted repository of personal data for people (nationals and residents) and become central to several digital services offered to the population.

Many Member States embarked on building and operating such platforms. Many projects are in operation in Benin, Côte d'Ivoire, Guinea, and Togo under the West Africa Unique Identification for Regional and Inclusion (WURI) programme. Nigeria has a working biometric database and keeps extending it to cover the entire population. Ghana has the National Identification System (NIS) under an "integrated multi-sectoral and multipurpose National Identity

System. The Interoperability platform allows the secured and authorised exchange of data within the public administration and also for the benefit of the private sector services to customers. Such a platform is key to adopting the principle of data stored only once, and operating e-Services for citizens. The platform contains cybersecurity and a service portal with different levels of centralisation.

Table 13: Available e-Service Portals in Selected ECOWAS Member States

Country	Link to the e-Service Portal
Benin	https://service-public.bj/
Cabo Verde	https://e-portaldef.gov.cv/web/guest/
Ghana	https://www.ghana.gov.gh/
Côte d'Ivoire	https://servicepublic.gouv.ci/
Liberia	https://eliberia.gov.lr/services/
Nigeria	https://services.gov.ng/
Togo	https://service-public.gouv.tg/

Source: Member Country Websites

V. Broadcasting

All ECOWAS Member States commit to switching to Digital Terrestrial Television (DTT) by a deadline that was initially set for 2017 but has already been missed. DTT is intended to provide better quality programmes, including high-definition (HD) displays, and to free up spectrum that will be marketed to mobile operators. According to the International Telecommunication Union (ITU), Côte d'Ivoire, Guinea-Bissau and Liberia completed the Switchover from analogue broadcasting to DTT in May 2023. Benin launched its DTT service on 17 February

2024 covering the entire country, switching off analogue broadcasting in August 2024. The project is ongoing in other Member States.

VI. Digital Services

The aim of developing a rich digital infrastructure is to support and interoperate the digital platforms that deliver digital services to public administrations, organisations and citizens/customers. The e-Government services are diverse and vary across Member States.



Table 14: e-Government Services Across the ECOWAS Member States

Country	One-Stop Shop Portal	Operational Tax System Portal	E-payment Portal	Operational Customs System Online Service Portal	Open Data Portal	E-Visa
Benin	Yes	Yes	Yes	Yes	Yes	Yes
Cabo Verde	Yes	Yes	Yes	Yes	Yes	Yes
Côte d'Ivoire	Yes	Yes	Yes	Yes	Yes	Yes
The Gambia	No	Yes	No	No	No	
Ghana	Yes	Yes	Yes	Yes	Yes	
Guinea	Yes	Yes	Yes	Yes	No	Yes
Guinea-Bissau	No	Yes	Yes	Under construction	No	
Liberia	Under reconstruction	Yes	Yes	Yes	No	
Nigeria	Yes	Yes	Yes	Yes	Yes	Yes
Senegal	Yes	Yes	Yes	Yes	Yes	
Sierra Leone	No	Yes	No	No	Yes	Yes
Togo	Yes	Yes	Yes	Yes	Yes	Yes

Source: Digital Sector Development Strategy for the ECOWAS Region, 2024

The One-Stop-Shop portal allows the government to harmonise their digital interface with citizens, residents and non-residents. It compels different government sectors to work on the same platform, preventing siloed operations and duplicative efforts. Given the dependency of Member States on fiscal revenue, it is not surprising that all of them have an Operational Tax System Portal. These portals enable individuals and organisations to pay their taxes and fines online. These portals also normalise invoices and manage to increase the VAT collection. The interoperability of these portals with other national databases, such as personal ID databases or company registries facilitates easier and faster controls. Several payment aggregation

companies operate in the region. Many national treasuries opted to manage their e-payment portals allowing direct payments into treasury accounts.

The Customs System Online Service Portals or one-stop-shop portal for customs digital services play a key role in increasing customs revenues by eradicating corruption and non-standard practices. Each Member State has a portal, but The Gambia, Guinea-Bissau and Sierra Leone are in the process of implementing their own. Open data portals provide the public and other government agencies with a platform for accessing authoritative, and non-confidential government data.

Table 15: Government OPEN DATA Access Link in the ECOWAS Region

Country	Government Open Data Sites
Benin	https://benin.opendataforafrica.org
Cape Verde	https://caboverde.opendataforafrica.org
Côte d'Ivoire	https://data.gouv.ci
	https://cotedivoire.opendataforafrica.org
The Gambia	https://gambia.opendataforafrica.org/
Ghana	https://ghana.opendataforafrica.org
Guinea	https://guinea.opendataforafrica.org
Guinea-Bissau	https://guineebissau.opendataforafrica.org
Liberia	https://liberia.opendataforafrica.org
Nigeria	https://nigeria.opendataforafrica.org/
Senegal	https://geosenegal.gouv.sn
Sierra Leone	https://sierraleone.opendataforafrica.org
Togo	https://geodata.gouv.tg
	https://opendata.gouv.tg/
Open Data for Africa is an online platform developed by the African Development Bank (AfDB) to promote transparency, access to data and evidence -based decision-making in Africa.	

Source: AfDB / Open Data for Africa

Some Member States completed the Open Data project to promote transparency and Foreign Direct Investments by providing reliable data to support business decisions. The e-VISA application is a global enabler for the easy movement of people. Most Member States have their own application, sometimes home-developed. While people travelling within the ECOWAS region do not need a visa, this application is crucial for our Diaspora and intra-Africa exchanges. In addition, an electronic signature provides a secure and accurate identification method for the signatory during a transaction. Electronic signatures are a key component of Digital Trust Services, which also include electronic certificates, electronic seals and

Digital trusted Time stamping. They are daily tools in digital transactions and are pivotal in the development of e-Commerce.

Other disruptive digital technologies involve Member States embarking on these disruptive digital technologies at their own pace, by private or public sector, starting with pilot projects or in-depth studies. The Internet of Things (IoT) are forging their way with specific use cases, mostly driven by the private sector. Artificial Intelligence (AI) is proving to be a major issue in national development policies in terms of regulation, digital economy, human capital, training, research, cooperation and innovation.



ECOWAS is home to several companies that are harnessing AI to drive innovation and economic growth. Among them, TelOne and NetOne, supported by government investments stand out for their role in the deployment of digital infrastructure. Other companies like M-Pesa, Airtel Money, EcoCash, Paystack, Fedapay, Kkiapay, and Flutterwave are revolutionizing the African financial landscape with their AI-powered mobile payment systems. Another sector of AI use case is the learning and translation of local dialects, contributing to the cultural development of Member States. In the region, AI is penetrating all economic sectors as a number of corporate applications are upgraded with AI technology to boost performance.

4. IMPACTS OF TRANSPORT AND COMMUNICATION INFRASTRUCTURE ON SOCIO-ECONOMIC PERFORMANCE OF THE ECOWAS REGION

4.1. IMPACT OF TRANSPORT INFRASTRUCTURE

The impact analysis focuses on the planned improvement of the 14,162 km of ECOWAS road corridors and the expected impacts on various areas of economic growth, trade facilitation and regional trade.



A professional benefiting from digital services in ECOWAS Region.

Table 16: Planned Implementation of Road Infrastructure from 2020 to 2030

Road Corridor No.	Project Description	Type of Intervention	Project Length (km)	Est. Project Cost (mill. USD)	Total Length of Corridor(km)	Current % in good condition	*Expected Improvement in % good condition	*Additional Dual Sections(km)	2020 General cargo volume/yr ('000 metric tonne)	2030 General cargo volume/yr ('000 metric tonne)	2040 General cargo volume/yr ('000 metric tonne)
Planned Implementation period 2020 - 2025											
1	Rehabilitation & asphaltting of Tambacounda (Senegal) - Siguiri(Guinea)	Rehabilitation and Asphaltting	911	718	3089.9	21.8	77	-			
1	Rehabilitation & asphaltting of Siguiri(Guinea) - Ganta(Liberia) - Danane(CIV)	Rehabilitation and Asphaltting	790	613	3089.9	21.8	77	-			
4	Construction of Abidjan - Lagos Corridor Highway (2 x 2 dual)	Construction	1022	2266	1028.8	79	100	859			
7	Upgrading Tema - Ouagadougou to dual carriageway	Construction	763	1162	950.4	20	100	763	6,127	14,374	33,723
8	Upgrading Lome-Cinkase-Ouagadougou to dual carriageway	Construction	950	222	955.9	58	100	950	2,900	7,056	12,235
9	Rehabilitation and asphaltting of Dassa(Benin) - Ouagadougou	Rehabilitation and Asphaltting	810	718	1027.8	20.7	100	-	3,536	8,867	22,236
9	Upgrading Cotonou - Niamey-Gao to dual carriageway	Construction	1450	1004.1	1027.8	20.7	100	1399	3,536	8,867	22,236
Planned Implementation period 2026 - 2030											
2	Construction of Dakar-Bamako-Ouagadougou-Niamey highway	Construction	2717	3474	3137.8	42.8	100	2,618	4,779	10,247	16,437



Table 16 (Continued)

3	Upgrading Conakry - Bamako to dual carriageway and expressway	Construction	1018	2642	973	12.8	100	1,018	47	87	179
11	Construction of Niamey-Kano-Ndjamena highway	Construction	1779	2660	2105	13.6	100	1,779	1,745	4,376	10,974

Source: ECOWAS Infrastructure Master Plan, 2022

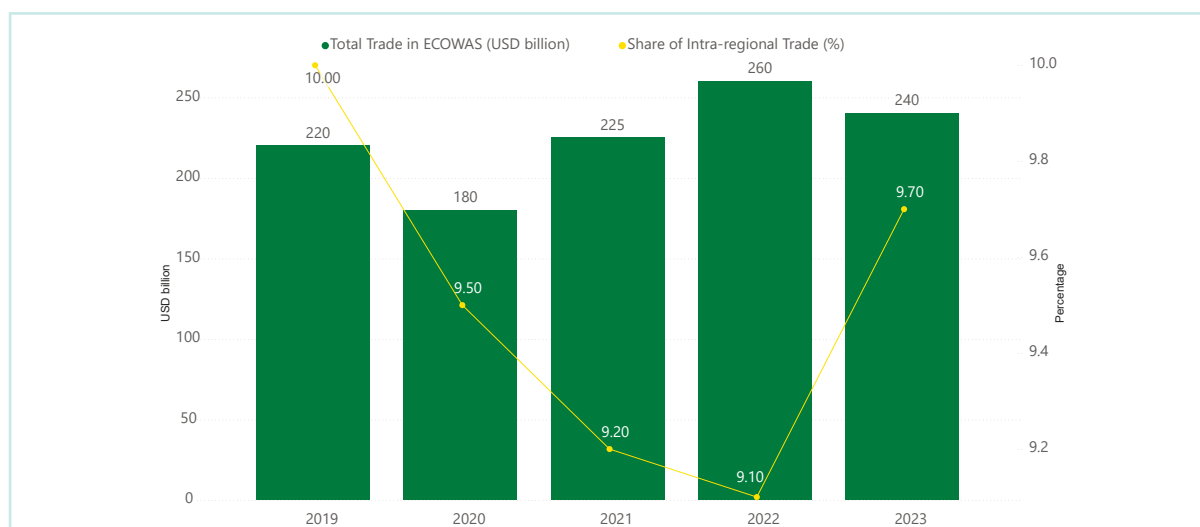
Evidence from previous interventions on the road infrastructure and cross-border facilities clearly indicates an expected reduction of 50 percent to 60 percent in total transit time on the sections of the corridors where the new facilities are provided. The savings made in travel time will reduce the cost of inputs and improve productivity.

The regional trade dynamics shows that intra-regional trade is expected to increase from 10 percent of total trade to 15 percent by 2025 (AfDB, 2023). UNECA (2020) projected intra-African trade to grow from 15 to 25 percent by 2040 when the key objectives of the AfCFTA of diversified economies,

improved competitiveness, structural transformation and value chains are met.

The data from ECOWAS provides the progression of the share of intra-regional trade to total trade over the period 2020 to 2023 as shown in Figure 79. The growth in total trade was 34 percent, while the growth in intra-regional trade was 37 percent from 2020 to 2023. Additionally, the reduction in total trade was 8 percent while the reduction in intra-regional trade was 1 percent during the same period. Intra-regional trade is expected to increase with anticipated growth in GDP of 4 percent in the ECOWAS region.

Figure 79: Total Trade and Intra-Regional Trade of ECOWAS Member States 2020 to 2023

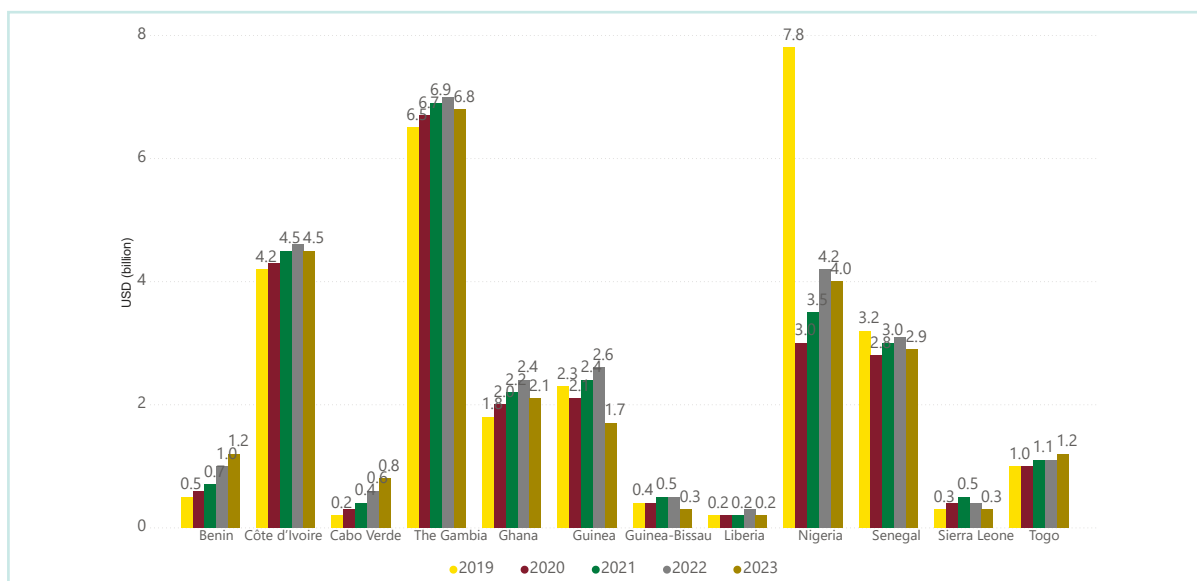


Source: ECOWAS, 2024

Nigeria, Ghana, Côte d'Ivoire and Senegal generated an average of 79 percent of the total regional trade from 2020 to 2023. These Member States are on Road Corridor Nos. 1 and 4 and also on the coast of the region. Nigeria generated about 46 percent of the total trade in the region. Ghana, Cote d'Ivoire and Senegal generated 14 percent,

13 percent and 6 percent, respectively. Cabo Verde, the Gambia, Guinea-Bissau, Liberia and Sierra Leone recorded an average share of between 0.3 percent and 1 percent of total trade. The performance of ECOWAS Member States in intra-regional trade is shown in Figure 80.

Figure 80: Value of Intra-Regional Trade of ECOWAS Member States from 2020 to 2023



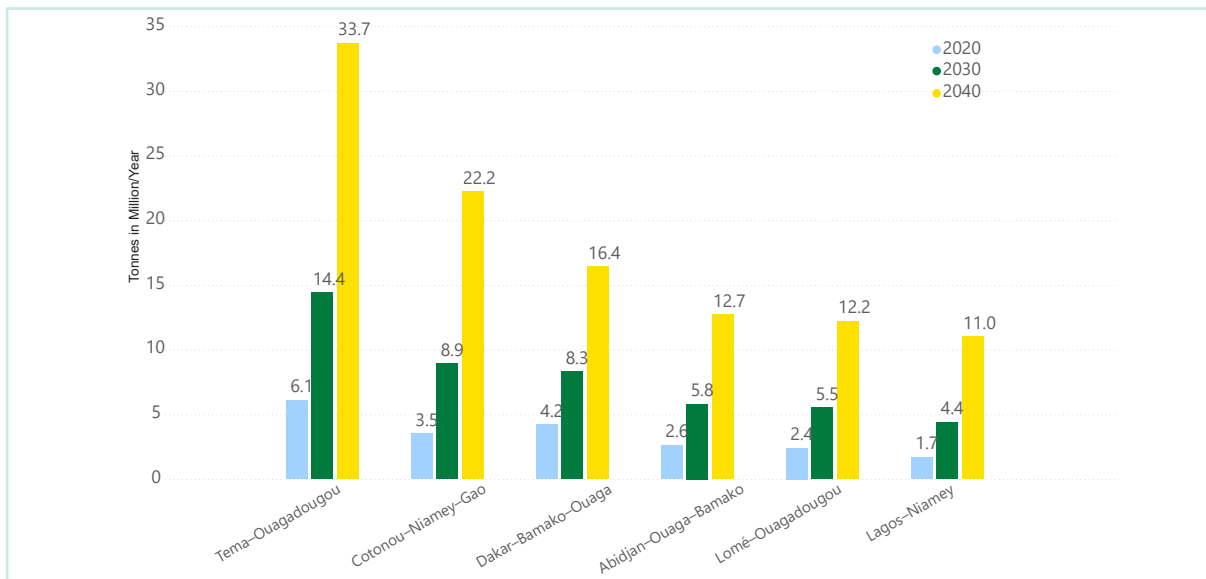
Source: ECOWAS, 2024

There is a steady growth of about 37 percent in intra-regional trade value from 2020 to 2023, indicating a gradual trade performance recovery. Guinea-Bissau experienced a 94 percent growth from US\$19 million to US\$37 million although its share of intra-regional trade is only 0.1 percent. Côte d'Ivoire also grew its intra-regional trade by 71 percent from US\$ 4.0 billion in 2020 to US\$6.9 billion in 2023, its average share being 24 percent. Guinea's trade value reduced from US\$0.57 billion to US\$0.54 billion (5.2 percent), and Liberia's from US\$0.21 billion to US\$0.06 billion (74 percent).

The ECOWAS Infrastructure Master Plan projected that general freight volumes on the specific road corridors will increase as illustrated in Figure 81 if the projects are completed as scheduled. Trade volumes (tons/year) are projected to increase between 100 percent to 150 percent by the end of 2040. The forecast is based on the projection of GDP growth in the region, improvement in road conditions, trade facilitation and the opportunity created by the AfCFTA.



Figure 81: Road Corridors Development and Trade Performance of the ECOWAS Region

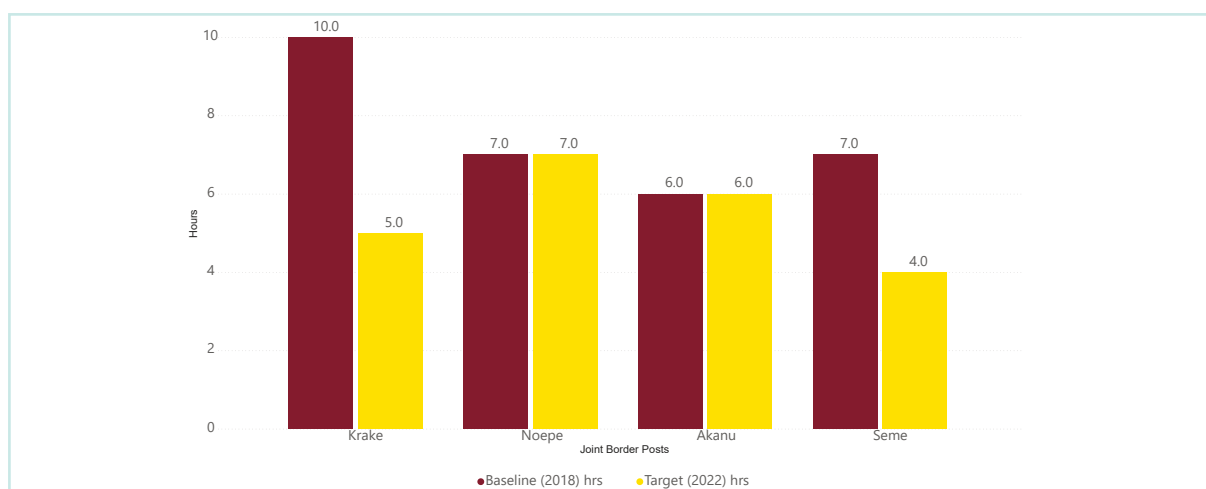


Source: ECOWAS Infrastructure Master Plan, 2022

Integrated planning and physical infrastructure as well as an integrated system of procedures, rules and regulations is a prerequisite for effective regional integration. It will enable Less Developed Member States to benefit from the economies of scale in the provision and development of

facilities for trade, economic development and accessibility⁵, and ensure balanced development while maximising the benefits. The completion of the corridors will lead to a reduction in border crossing times from 7 hours to 4 hours in the Seme border, and from 10 hours to 5 hours in Krake (Figure 82).

Figure 82: Border Crossing Time of Selected Joint Border Posts in the ECOWAS Region



Source: ECOWAS Assessment Reports on Joint Border Posts, 2019 and 2022

⁵ Accessibility is the measure of the capacity of a location to be reached from, or to be reached by, different locations. Therefore, the capacity and the arrangement of transport infrastructure are key elements in the determination of accessibility. Well-developed and efficient transportation systems offer high accessibility levels, while less-developed ones have lower levels of accessibility (Jean-Paul Rodrigue, 2024).

An improvement in the railway network will be beneficial to transport large volumes of freight if the expected GDP growth of 4 percent is achieved by 2025. The improvement in infrastructure necessitates

the standardisation of the rail specifications in terms of gauge size and track density at the ECOWAS level. Table 17 gives a summary of the planned improvements till 2030.

Table 17: ECOWAS Infrastructure Master Plan for Rail Infrastructure from 2021 to 2030

	Project Description	Type of Intervention	Project Length (km)	Est. Project Cost (mill. USD)	Current condition	New gauge type	Current Operational Status	2030 General cargo volumes/ yr (tonnes mill.)	2040 General cargo volumes/ yr (tonnes mill.)	Current Management Arrangement	Proposed Management & Financing Arrangement
Planned Implementation period 2021- 2025											
1	Rehabilitation of the Dakar - Bamako railway corridor	Rehabilitation & Modernization	1059	1002	Poor	Standard	Partial	5	10	Private sector operator	PPP
2	Rehabilitation of the Abidjan-Ouagadougou-Kaya railway corridor:	Rehabilitation & Modernization	1261	1452	Poor	Standard	Partial	5	10	Private sector operator	PPP
Planned Implementation period 2026- 2030											
3	Construction & modernization of Tema Ouagadougou as a high-speed train line.	Construction	1057	3502	9% in good condition	Standard	Good section in use for passenger service			Public sector	PPP

Source: ECOWAS Infrastructure Master Plan, 2022

The rehabilitation and modernisation as well as the construction of the planned projects will include the adoption of the standard gauge, a prerequisite for the connectivity of the ECOWAS rail network. The total rail network will increase to 11,705 km while rehabilitation of 2,320 km of the two bi-national railways, Dakar-Bamako and

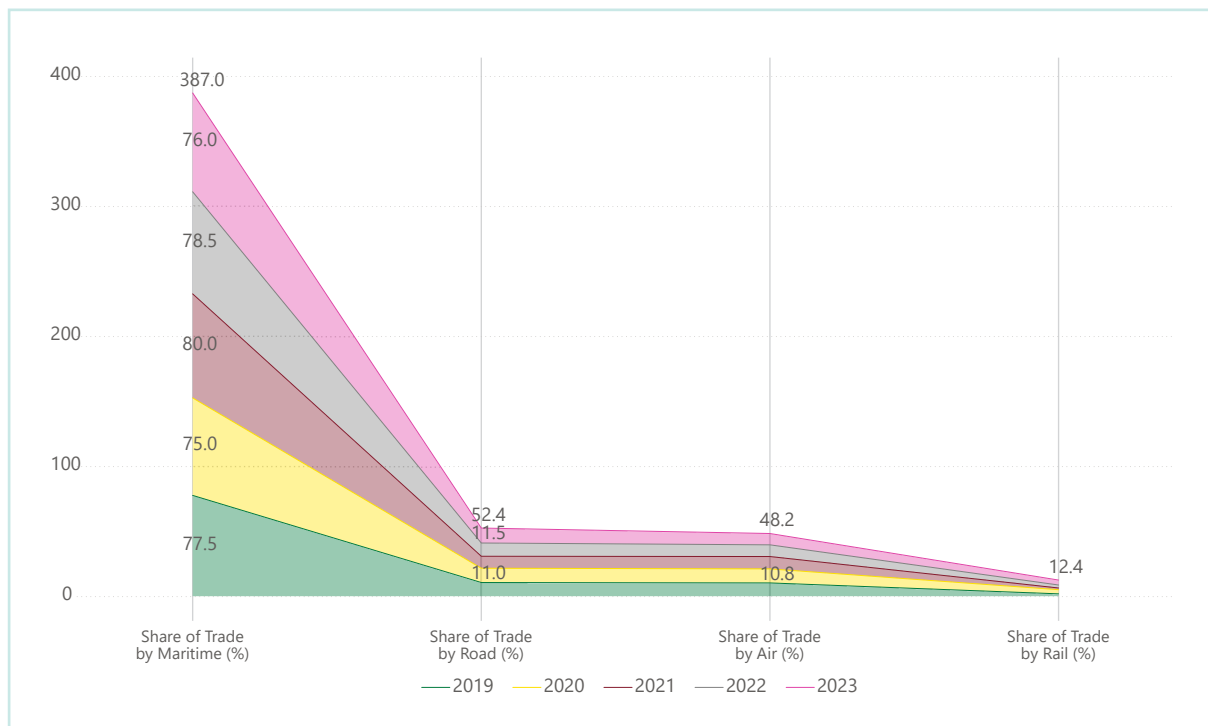
Abidjan-Ouagadougou-Kaya, will improve freight traffic and passenger services. The ECOWAS Infrastructure Master plan estimates that the Dakar to Bamako and Abidjan to Ouagadougou railway networks will transport more than 4 million metric tonnes of freight by 2030, increasing to over 20 million metric tonnes by 2045.



The planned improvement of rail infrastructure will revitalise the railway industry and provide for the movement of goods and services at competitive prices across Senegal, Cote d'Ivoire, and Ghana along the specified rail corridors. The trend of the share of total trade transported by rail in comparison to

the other transport modes - road, marine and air transport - is shown in Figure 83. Between 1 and 2.4 percent of the total trade is transported by rail in the ECOWAS region compared to 25 percent in Southern Africa, less than 20 percent in Central Africa, and around 5 percent in Eastern Africa.

Figure 83: Share of Total Trade by Mode of Transport in the ECOWAS Region from 2020 to 2023



Source: ECOWAS, 2024

It is also estimated that 800 million passengers will be transported on the Abidjan-Ouagadougou-Kaya rail corridor in the period 2020 to 2040. Ten (10) stations including the terminals will be rehabilitated as part of the Abidjan-Ouagadougou-Kaya project while eleven (11) stations will be rehabilitated on the Dakar-Bamako rail corridor. An improved and well-managed railway network will ensure that passenger services are restored as well. The benefits of an integrated regional railway network will include the reduction in the current delays

and ad hoc administrative procedures encountered at border crossings, and facilitate the free movement of peoples.

The construction and rehabilitation of the railway network will generate a high intensity of short-term direct and indirect employment during the construction. The nature of the railway industry also lends itself to a high rate of long-term employment. The industry can benefit from the establishment of several domestic, technical and support services to function effectively.

4.2. IMPACT OF COMMUNICATION INFRASTRUCTURE AND SERVICES

The economic impact of communication infrastructure can be assessed in terms of access to broadband internet in Africa which increased from 26 percent in 2019 to 36 percent in 2022. The increased accessibility was accompanied by enhanced affordability and service quality. The average broadband download speed in Africa grew from 2.7 megabytes per second (Mbps) in 2019 to 8.2 Mbps in 2022, and the average price of 1 gigabyte (GB) decreased from 10.5 percent of the monthly Gross National Income (GNI) per capita in 2019 to 5 percent in 2021 (World Bank, 2024). These figures demonstrate that, with the increased bandwidth and reduced cost, more digital services will be developed and create more involvement of governments and the private sector.

The GSMA's Mobile Economy Sub-Saharan Africa 2024 Report forecasts that technologies like AI, 5G (mobile) and satellite could help bridge a 60 percent usage gap and unlock over US\$170 billion in GDP by 2030 in Africa. Additionally, The International Finance Corporation (IFC) and Google reckon that a 10 percent increase in digital connectivity (40 percent) in Africa would lead to a 2.5 percent increase in GDP per capita. Satellite technologies are used to cover the low-density areas making the 100 percent population internet coverage a reality.

According to Google and IFC (2020), increasing Internet penetration in sub-Saharan Africa from 40 percent to 75 percent has the potential to create 44 million jobs. It is critical for economic development of ECOWAS Member States to ensure that investments in communication infrastructure are maintained at a high level by network operators and governments.

5. SWOT ANALYSIS OF TRANSPORT AND COMMUNICATIONS INFRASTRUCTURE AS ENABLERS OF REGIONAL INTEGRATION

5.1. SWOT ANALYSIS OF THE TRANSPORT INFRASTRUCTURE AND SERVICES

The SWOT analysis relates to the effectiveness of the current framework, programmes and plans in the transport sub-sector and the actual implementation of the same in relation to regional integration.

Strengths

ECOWAS transport system has several notable strengths. One of the main strengths is the continued development of infrastructure through heavy investment and expansion of networks. These efforts include the construction of new highways, the rehabilitation of railways as well as the improvement of ports and airports, allowing for better efficiency and increased connectivity among Member States. The geography of the region is a major strength which allows utilisation of different modes



of transport. The benefits from numerous natural transport corridors like rivers and coastal roads facilitate the movement of goods and people. These natural routes help reduce transportation costs and times, providing a competitive advantage to local and international businesses.

In addition, the diversity of available transport modes is another asset. These are road, rail, sea and air with considerable flexibility in terms of transport options. The diversity helps to meet the varied needs of users, whether transporting bulky goods, meeting rapid delivery requirements or minimizing costs. The combination of these factors makes the ECOWAS transport system a strategic asset for the region.

Weaknesses

Noticeable weaknesses relate to inadequate infrastructure. High cost of transportation serves as burden for businesses, making it more challenging to operate efficiently and competitively in the global market. The complexity of customs regulations and procedures leads to delays and increased costs of businesses and trade.

Opportunities

The transportation system in the ECOWAS region is poised to benefit from several promising opportunities. One of the primary drivers is the region's robust economic growth. As economies within the region continue to expand, there is a corresponding increase in demand for transportation

services. This growth creates a conducive environment for investment in infrastructure, the expansion of existing networks, and the enhancement of service delivery, all of which are essential for meeting the rising demand. The availability of transport infrastructure opens doors for new technologies and enhanced investment in innovations like electric vehicles, real-time tracking systems, and advanced logistics management which can improve the efficiency and sustainability of transportation networks.

The modernisation of the transportation system creates space for partnerships which can facilitate the transfer of knowledge, best practices, and cutting-edge technologies. The availability of international partnerships with private international companies can bring investment and knowledge transfer for transport infrastructure development. The opportunity created by the AfCFTA will provide larger market access for goods and services which will need additional transport infrastructure.

Threats

One major threat is the increased competition from both local and international transport companies. The competition can put considerable pressure on profit margins, making it more challenging for businesses within the region to maintain their market share and profitability.

Table 18 provides a summary of the SWOT analysis for Transport Infrastructure and Services.

Table 18: Summary of SWOT Analysis of Transport Infrastructure and Services

Strength	Weaknesses
<ul style="list-style-type: none"> Developing Infrastructure: Many Member States are investing in improving their transportation infrastructure. Geography: The region has many natural transportation corridors, such as rivers and coastal roads. Diversity of transport modes: The sector includes road, rail, maritime and air transport. Political and Agreements to accelerate integrated planning and implementation of regional projects including transport to support regional integration. 	<ul style="list-style-type: none"> Inadequate infrastructure: Despite investments, some regions still suffer from underdeveloped transport infrastructure. High costs: Transportation costs can be high due to distance and logistical obstacles including cross-border delays and non-physical barriers. Complex regulations: Customs regulations and procedures can be complex and time-consuming and low level of compliance of the regulations. Inefficient policy implementation and operation of the transport modes to achieve competitive transport costs. Low maintenance culture of infrastructure Lack of intermodal connectivity Weak databases for transit and transport indicators
Opportunities	Threats
<ul style="list-style-type: none"> Economic Growth: Economic growth in the region is creating increased demand for transportation services. Technology: Adopting new technologies, such as electric vehicles and real-time tracking systems, can improve efficiency. International partnerships: Partnerships with private international companies and DFIs can bring investment and knowledge. AfCFTA provides larger market access for goods and services. 	<ul style="list-style-type: none"> Increased competition: Competition from local and international companies can put pressure on profit margins. Inability to integrate markets and benefit from the economies of scale

Source: Author's analysis, 2024

5.2. SWOT ANALYSIS OF COMMUNICATION INFRASTRUCTURE AND SERVICES

Strengths

The increased investment in new infrastructure, leads to the emergence of new technologies like AI which require broadband

coverage, interoperability platforms and e-services portals. This will also require robust legal and regulatory framework with relevant governance bodies driving market evolution and network cost reduction at the country level through network sharing. Another added advantage is high mobile broadband coverage in Member States with special focus on cybersecurity. Improved



financial inclusion with widespread use of electronic wallets creates platform for digital economy, jobs and wealth creation, demand for digital services and communication infrastructure.

Weaknesses

Basic challenges to communication infrastructure relate to issues of affordability of digital services, access and security. Less than 40 percent of Africans have access to the internet and there is insufficient redundancy in subsea cable and terrestrial broadband routes. The terrestrial fibre to provide broadband is not fully developed. Insufficient Data Centre developments to meet the region's needs for resilience and sovereignty in data storage and processing is another weakness. Slow growth in the generation and usage of local and regional content, would drive regional infrastructure and service adoption. Inadequate digital skills and the availability of data to meet the needs of the growing economy are barriers to harnessing the opportunities in the sector.

Opportunities

At the ECOWAS Member State level, building regional data exchange corridors involving broadband telecommunication, IXPs and Data Centres is a good opportunity for the development of the sector. The inclusion of sustainable energy concepts as part of ICT deployment in the region and better use of universal service funds

support the emergence of the sector. E-government and e-services to citizens and residents platforms provide opportunities for investment and new technology. Foundational digital ID available to be used by the market for new e-services to customers and ICT skills improvement as a structured growing business are also opportunities.

The promotion of innovating start-ups and creating digital economy champions in the region and effective implementation of ECOWAS e-Commerce strategy and expanding to new market beyond borders support the sector. The rapid adoption of electronic wallets (mobile or otherwise) for payments by all socio-economic levels in the ECOWAS region is changing the role of banks in monetary transactions. This has brought financial inclusion to a high level and opened numerous opportunities.

Threats

A major threat is the loss of local digital skills to developed markets in Europe, Asia or North America. The possibility of cybercrimes and cyber-attacks lowers the adoption rate of digital technology. This is because payment and settlement systems are not fully under the control of Member States. High cost of energy and unfair competition from foreign e-commerce providers are basic challenges too.

Table 19 provides a summary of the SWOT of the Digital Communication Infrastructure.

Table 19: Strengths and Weaknesses of Digital Communication in the ECOWAS Region

Strengths	Weaknesses
<ul style="list-style-type: none"> • High level investment in Telecommunication infrastructure resulting in increased broadband coverage • Adoption of innovative digital technologies (AI, electronic payments, Interoperability, etc.) in several countries of the region, with new digital platforms and services in place • Robust legal and regulatory framework with relevant governance bodies, driving market evolution and network cost reduction at the country level (network sharing, NBN implementation, dig once policies) • Good Mobile broadband coverage in most countries (average >88 percent) • Significant focus on Cybersecurity, with CSIRTs in place • Improved financial inclusion due to the widespread use of electronic wallets used in the region • The Digital economy has become a market, creating jobs and wealth, with demographic trends sustaining demand for digital services and infrastructure • Most ECOWAS Member states have or are in the process of getting a biometric citizen database 	<ul style="list-style-type: none"> • Non-Affordability of digital services • Less than 40 percent of Africans have access to the Internet (source: State of Africa's Infrastructure Report 2024 (Africa Finance Corporation 2024)) • Insufficient redundancy in subsea cable and terrestrial broadband routes • Terrestrial Fibre to provide broadband to all, including rural areas, is not yet fully developed. • Insufficient Data Centre developments to meet the region's needs for resilience and sovereignty in data storage and processing. • Slow growth in the generation and usage of local and regional content, which would drive regional infrastructure and service adoption. • Skills at vocational and expert levels do not meet the needs of the growing digital economy • Harmonisation challenges to achieve regional integration • Insufficient availability of Data (Data Observatory)
Opportunities	Threat
<ul style="list-style-type: none"> • Building regional data exchange corridors involving broadband telecoms, IXPs and Data Centres • Inclusion of the sustainable energy concepts as part of ICT deployment in the region • Better use of Universal Service funds • New E-government (e-Services to citizens and residents) platforms in all countries • Foundational digital ID available to be used by the market for new e-Services to customers • ICT skills improvement as a structured growing business • Promoting innovating start-ups and creating Digital Economy champions in the region • Effective implementation of ECOWAS eCommerce Strategy and expanding to new market beyond borders 	<ul style="list-style-type: none"> • Cyber threats • Payment systems, especially when dealing with foreign currencies, not fully under control of Member states • Strong need for external financing • Need for foreign skilled manpower • High Cost of energy • Unfair competition from foreign eCommerce providers

Source: Author's Analysis, 2024



6. COULD ECOWAS MEET THE TRANSPORT AND COMMUNICATION INFRASTRUCTURE CHALLENGE OF SDG 9 BY 2030?

The 2023 SDG Index⁶ report indicates that global achievement of the SDGs recorded a modest improvement to 67 percent in 2022

compared to 66 percent in 2019. The Africa SDG Index was recorded at 53 percent. The performance of the Member States is shown in Table 20 indicating a fairly good performance of 80 percent to achieve Index scores above the Africa Index in 2022. The comparison of the scores shows only, Cote d'Ivoire, and Ghana recorded a decline in their scores.

Table 20: Overall SDG Index of ECOWAS Member States in 2020 and 2023 (Percent)

Member States	Index score 2020	Index score 2023
Benin	53.5	55.1
Cabo Verde	65.6	68.8
Côte d'Ivoire	57.7	62.3
The Gambia	55.5	58.3
Ghana	63.0	61.8
Guinea	51.0	57.2
Guinea-Bissau	NA	NA
Liberia	49.3	49.9
Nigeria	48.8	54.3
Senegal	58.7	61.8
Sierra Leone	51.6	55.7
Togo	54.4	56.3

Source: Implementing the SDG Stimulus. Sustainable Development Report 2023 (SDSN, 2023) & 2020 Africa SDG Index

6.1. WHAT IS THE SUSTAINABLE DEVELOPMENT GOAL (SDG) 9?

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

SDG 9 has 8 objectives and 12 monitoring indicators. The most relevant objectives and indicators are: Develop quality, reliable, sustainable and resilient infrastructure,

including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all (Target 9.1). Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020 (Target 9.c).

Digital Economy is assisting in the achievement of all SDGs. SDG1 (No Poverty): Digital economy brings financial inclusion

⁶ A score of 100 corresponds to the "best" possible value.

with digital wallets; SDG3 (Good health and well-being): telemedicine is a growing practice; SDG4 (Quality education): Capacity building for digital skills; SDG5 (Gender equality): promoting girls and women in accessing digital skills and jobs; SDG9 (Infrastructure and innovation): Digital infrastructure; SDG16 (peaceful and inclusive societies) and specifically 16.9: By 2030, provide legal identity for all, including birth registration; SDG17 (Building partnership): Partnership for projects to cover areas which may not be economically viable.

Efficient and affordable ICT infrastructure and services help countries to engage in the digital economy and boost their economic competitiveness and well-being. Most of the world's 42 Least Developed Countries (LDCs) are making impressive progress towards SDG 9, with significant impact on financial inclusion, poverty reduction and improved health.

6.2. SDG 9 AND TRANSPORTATION

One crucial aspect of achieving SDG9 is the transportation sector. Improved transportation infrastructure can enhance accessibility to essential services such as healthcare and education, particularly in remote areas. This can help bridge the gap between urban and rural communities, promoting inclusivity and reducing inequalities. By prioritising the development of efficient, inclusive, and environmentally friendly transportation systems, Member States can make great strides towards realising SDG 9 and creating a more sustainable future for all. In the ECOWAS region, the indicators related to passenger

and freight volumes by transport modes play a crucial role in understanding the transportation dynamics. These indicators provide valuable insights into the movement of people and goods within the region. For instance, in the case of passenger volumes, the indicators can reveal trends in the use of different modes of transportation such as buses, trains, and aeroplanes.

6.3. SDG 9 AND COMMUNICATION

Regarding SDG 9, the ITU provides a comprehensive explanation of how it aligns efforts to each of the SDGs, with a strong emphasis on ICT's role in SDG 9, which pertains to sustainable infrastructure. Table 21 provides information on the proportion of the population covered by a mobile network, by technology, to monitor progress in achieving SDG 9.

**SUSTAINABLE
DEVELOPMENT
GOALS**

**9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE**



Table 21: Proportion of the Population Covered by 3G Mobile Network in 2023 (Percent)

Member States	Network coverage (geographic coverage) 2023	3G Population Coverage 2023
Benin	85.4	96.0
Côte d'Ivoire	85.2	96.8
Cabo Verde	80.3	95.0
Ghana	89.4	99.4
Guinea	78.1	94.0
The Gambia	66.8	78.9
Guinea-Bissau	74.8	94.0
Liberia	75.5	85.0
Nigeria	77.5	86.0
Senegal	88.1	99.4
Sierra Leone	73.4	95.2
Togo	83.6	98.0

Source: ITU

In 2023, 3G coverage is more extensive than 4G and 5G, and it is also in use where 4G and 5G are installed. 2G Technology is no longer considered for mobile Internet coverage. There are 9 Member States that are above 95 percent and 3 below 90 percent (The Gambia, Liberia, and Nigeria). The weighted average for ECOWAS coverage is 88.4 percent.

6.4. CONCLUDING REMARKS AND RECOMMENDATIONS

The analysis reveals that ECOWAS has an adequate framework in terms of the Acts, Protocols and Directives as well as studies to support various integrated planning and programming. In addition, there are implementation guidelines and plans to support the objective of achieving regional integration with a focus on transport and communication infrastructure and services.

In some areas like corridor management and trade facilitation, additional modalities are required to effectively implement the Protocols and Directives while in Axle load control, additional political support is required.

As for the communication sector, the development of communication infrastructure and the multiplication of platforms improved the lives of citizens of the community. Universal internet connection and e-Service adoption are not yet achievable in the region. This calls for increased investment and accelerated development of communication infrastructure. By-products of the digital economy like transparency, new and larger addressable markets, operational efficiency and better decision-making processes contribute to the inclusive and sustainable development of Member States.

Based on these concluding remarks, the following recommendations are proposed:

ECOWAS Commission should:

- a. Develop a central management arrangement for the regional road network and maintenance of the defined network of the national road network.
- b. Propose recommended values for investment evaluations and regulatory studies for comparison of Travel Time estimated for different geographic locations to facilitate the transfer of values.
- c. Propose common specifications for optimal acquisition of the rolling stock of rail infrastructure.
- d. Develop regional strategies and revitalisation plans of the rail network to drive the regional integration agenda.
- e. Propose institutional arrangements to ensure an effective road maintenance funding regime including the legislation of a 2nd generation road fund to oversee the coordination and aggregation of a fuel levy to the Fund.
- f. Develop an implementation strategy relating to the harmonisation of standards and procedures for the control of weights and axle loads in the region.
- g. Develop policy for proper regulation of data through a regional framework and governance body encompassing privacy, authentication, financial transactions and e-Commerce.
- h. Make digitalisation projects part of a strategy that embodies concepts such as “secure by design” or “privacy by design” and ensure that infrastructure investments are in line with the digitalisation goals.
- i. Creating a centralised database accessible to all Member States. This platform should include standardised and harmonised data to ensure their comparability and integrity.
- j. Promote regional cooperation and data sharing by encouraging cooperation and data exchange among Member States and putting in place protocols to facilitate secure and confidential sharing of information.
- k. Monitor the growth of digital competencies in the region at all levels of education and training, contributing to a general culture of digital behaviour. Develop a regional framework and governance body for the regulation of data in terms of privacy, authentication, financial transactions and e-Commerce.
- l. Develop a regional data platform by creating a centralised database accessible to all Member States. This platform should include standardised and harmonised data to ensure their comparability and integrity.



Member States should:

- a. Consider various funding options like a fuel levy in the equivalent amount of about 15 to 20 cents per litre, the introduction of electronic tolling and other road use for effective road maintenance.
- b. Deregulate the trucking market, automate and streamline customs procedures, and promote the use of containers for all transit cargo.
- c. Enhance capacity to achieve the objectives of coastal and maritime security projects by implementing a multi-faceted approach that combines funding, political commitment, capacity building, technology adoption, and community engagement.
- d. Address the digital divide by bridging location and gender gaps in internet usage.
- e. Reduce non-essential charges and fees that increase the costs of airline tickets.
- f. Adopt common standards for aviation safety and operational management to improve transparency, efficiency and safety.
- g. Encourage investment by attracting private investment in the aviation sector to modernise infrastructure and improve services.
- h. Promote regional cooperation through strengthening of collaboration among Member States to share resources and knowledge to facilitate the free movement of people and goods.



ECOWAS Commission Headquarters in Abuja, Nigeria



CHAPTER **04**

GENERAL CONCLUSION AND RECOMMENDATIONS

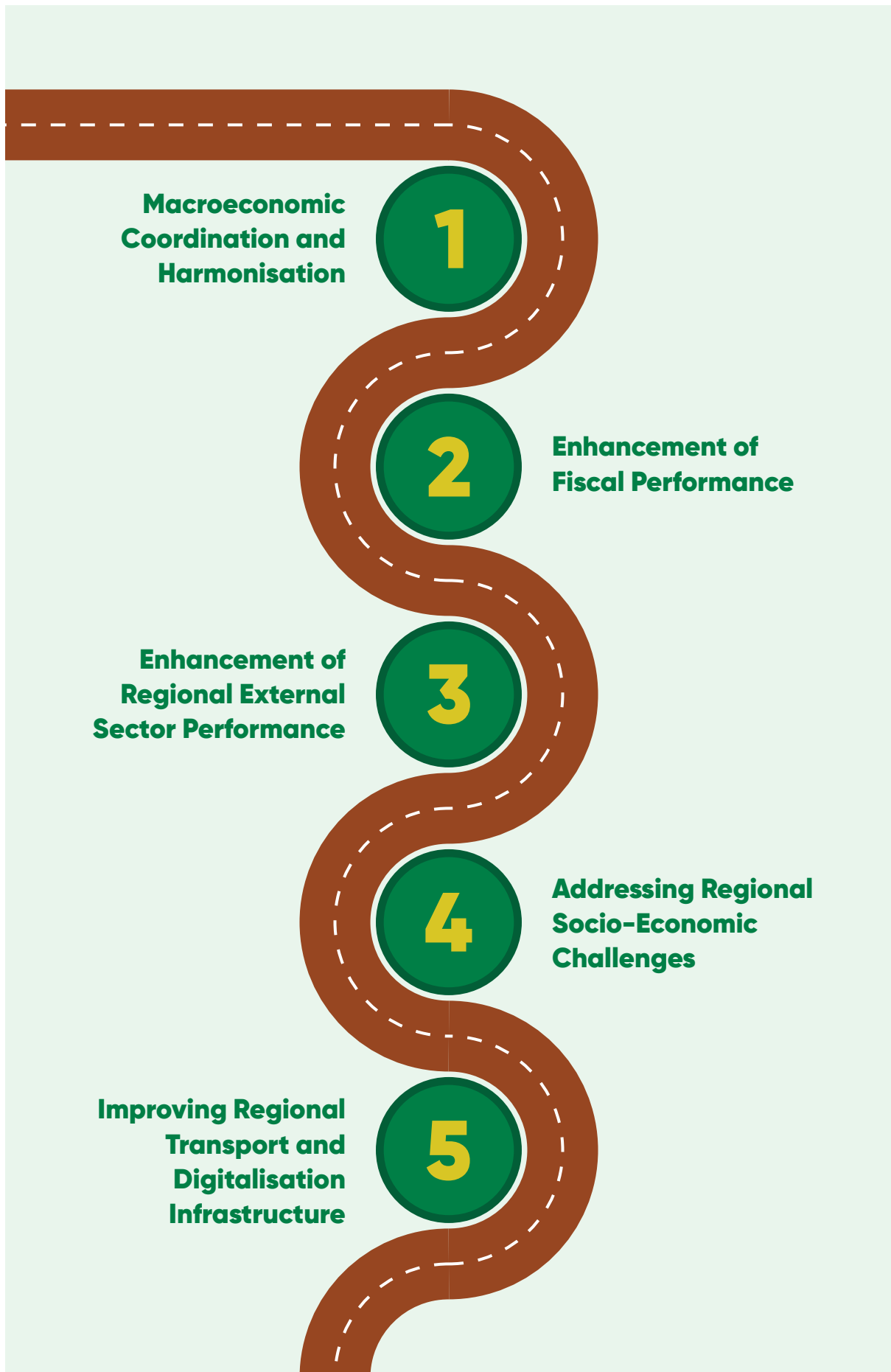
In terms of economic performance, the regional economic growth shows mixed results as the real GDP growth rate increased considerably from -0.2 percent in 2020 to 4.4 percent in 2021 and 3.6 percent in 2023. The growth in 2021 was mainly attributed to post-COVID-19 recovery efforts and economic policies implemented by Member States to build greater resilience. In addition, governments prioritised public investment in key infrastructure projects and implemented social protection measures to help vulnerable households cope with the ripple effects of global disruptions. ECOWAS Member States demonstrated resilience in their external economic engagements, but continue to face challenges like trade deficits, fiscal imbalances, evolving social crises and governance issues.

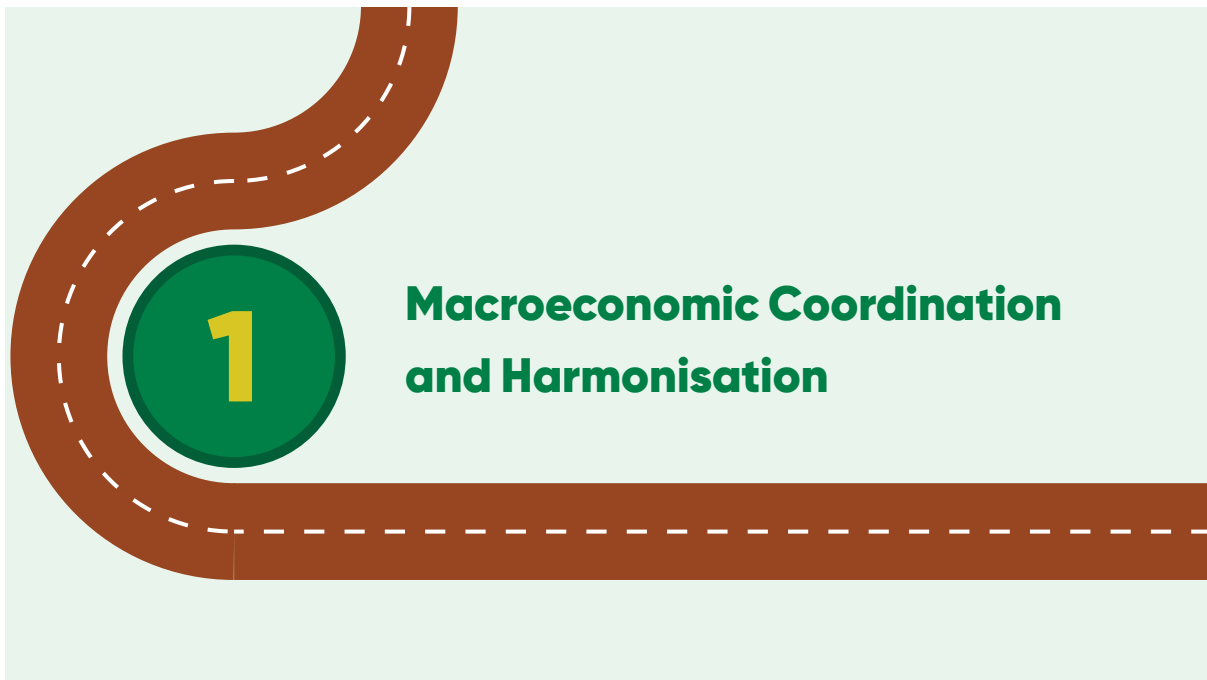
The regional prospect in terms of socio-economic performance is quite promising as real GDP growth is projected to increase from 4.1 percent in 2024 to 4.7 percent in 2025 and 4.6 percent in 2026. This is above the WAMZ projection of 3.1 percent and WAEMU Member States are expected to perform above the regional average of 6.9 percent. However, there are many downside and upside risks to the regional performance. Notable downside risks are the possibility

of the political, economic, and security implications of the withdrawal of Mali, Burkina Faso, and Niger from ECOWAS and twin decisions of the USA in terms of tariff hikes and temporary suspension of USAID activities. The upside risk depends on how the ECOWAS region reacts to these external developments to create opportunities to expand trade relationships with China, India, and the EU.

The outlook reveals that ECOWAS provides an adequate regional framework to support various integrated planning and implementation guidelines for achieving regional integration with a focus on transport and communication infrastructure and services. Based on the ECOWAS Vision 2050, the ECOWAS Infrastructure Master Plan 2020-2045 and the Community Strategic Framework 2023-2027, adequate guidance and modalities are provided for the implementation of regional projects. The availability of digital skills and expertise becomes imperative with the advancement of new technologies like AI, 5G, the Internet of Things (IOT), virtual reality and blockchain.

Based on these findings, the following recommendations are made:



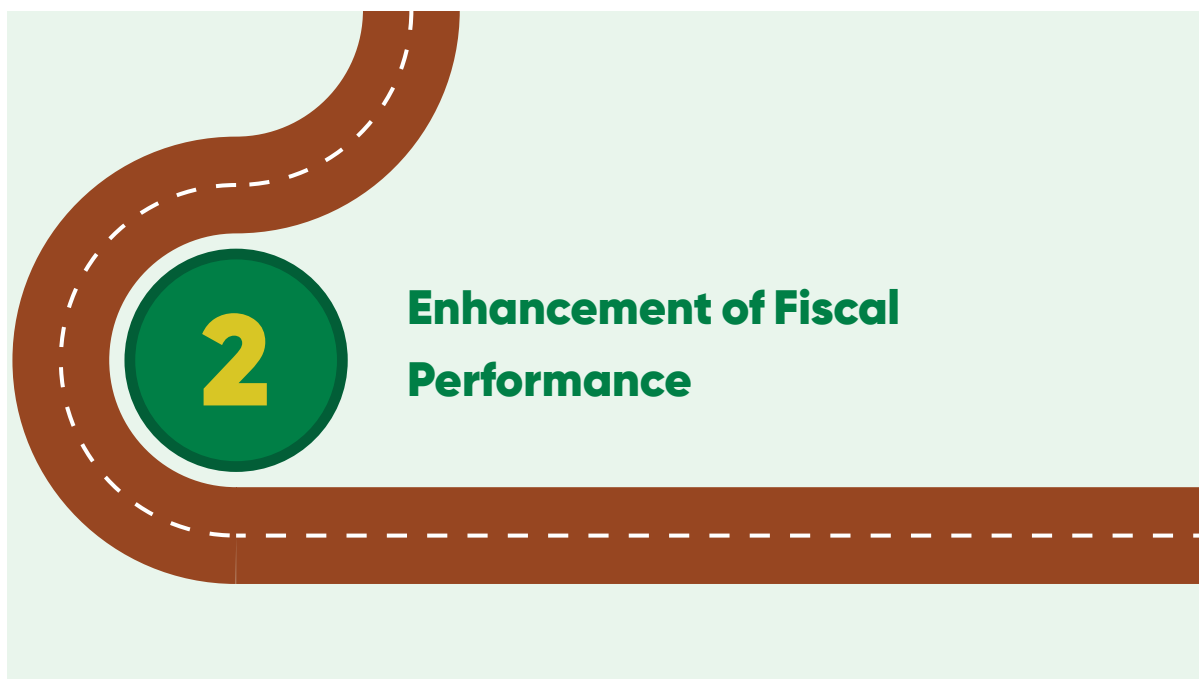


ECOWAS Commission should:

- i. Use the platform of the ECOWAS Monetary Cooperation Programme (EMCP) to enhance regional economic performance by using inflation moderation and stability of exchange rate to revive the real sector.
- ii. There is need for a strategic study to analyse the coordination of macroeconomic policy instruments to improve the productivity of the real sector.
- iii. Support data and statistical harmonisation in ECOWAS to ensure comparable, consistent, and reliable information across member states by adopting common methodologies, standards, and classifications, enabling accurate measurement of key indicators for informed policy and regional development.

Member States should:

- i. Support the real sector to thrive through affordable transportation and adequate investment in infrastructure, improved productivity and support economic diversification.
- ii. Put in place policies to stimulate private sector credit growth, by offering guarantees or incentives to banks that lend to priority sectors like agriculture, manufacturing, and small businesses.
- iii. Ensure that the central banks explore alternative instruments like open market operations, reserve requirements, and foreign exchange interventions to achieve monetary stability.



ECOWAS Commission should:

- i. Strengthen the capacity of the ECOWAS Bank for Investment and Development (EBID) to provide long-term investment funds to Member States for economic returns, rather than financing recurrent expenditure.
- ii. Encourage fiscal cooperation among Member States through sharing best practices in fiscal policy, coordinating tax policies to combat tax evasion, and working together to attract FDI.
- iii. Develop a unified regional approach to managing fiscal deficits to improve overall fiscal discipline in the region. The fiscal rule, the implementation of Electronic Funds Transfers (EFT), Revised Travel Ordinance; and Fiscal Rules and Public Financial Management Instrument should be sustained.

Member States should:

- i. Focus on improving tax compliance, broadening the tax base, and enhancing transparency in tax administration. Digitalisation of tax systems is an important step toward making tax collection more efficient.
- ii. Prioritise the improvement of the quality and efficiency of public spending by targeting critical sectors like infrastructure, education, and healthcare.
- iii. Focus on building robust social protection systems that can cushion the impact of fiscal austerity measures on vulnerable populations.





ECOWAS Commission should:

- i. Intensify sensitisation and education efforts to enhance knowledge and understanding of regional trade agreements of all stakeholders especially ETLS, ECOWAS Common External Tariff (CET) and AfCFTA.
- ii. Conduct a strategic study on the causes of low implementation of various regional trade agreements in the region.

Member States should:

- i. Use available regional platforms to address unfair trade practices mitigating seamless trade within the region.
- ii. Promote intra-regional trade through the effective implementation of the ETLS and accelerate the implementation of the ECOWAS Common External Tariff (CET).
- iii. Encourage effective participation in the Guided Trade Initiative (GTI) of the AfCFTA through the development of adequate trade-related transport and communication infrastructure.



ECOWAS Commission should:

- i. Use the ECOWAS Human Capital Development Programme to provide a platform for poverty alleviation through the provision of social safety net, redistribution of income and enhance the employability of the youth.
- ii. Be proactive in developing regional strategies to mitigate the adverse effects of external shocks, such as the withdrawal of USAID and the increase in US customs duties, and propose effective responses to cushion the effects.

Member States should:

- i. Develop strategies to ensure autonomy in the essential sectors through mobilisation and transparent management of domestic resources.
- ii. Promote entrepreneurship, diversification of career pathways, and ensure the country's workforce is aligned with industry practices.



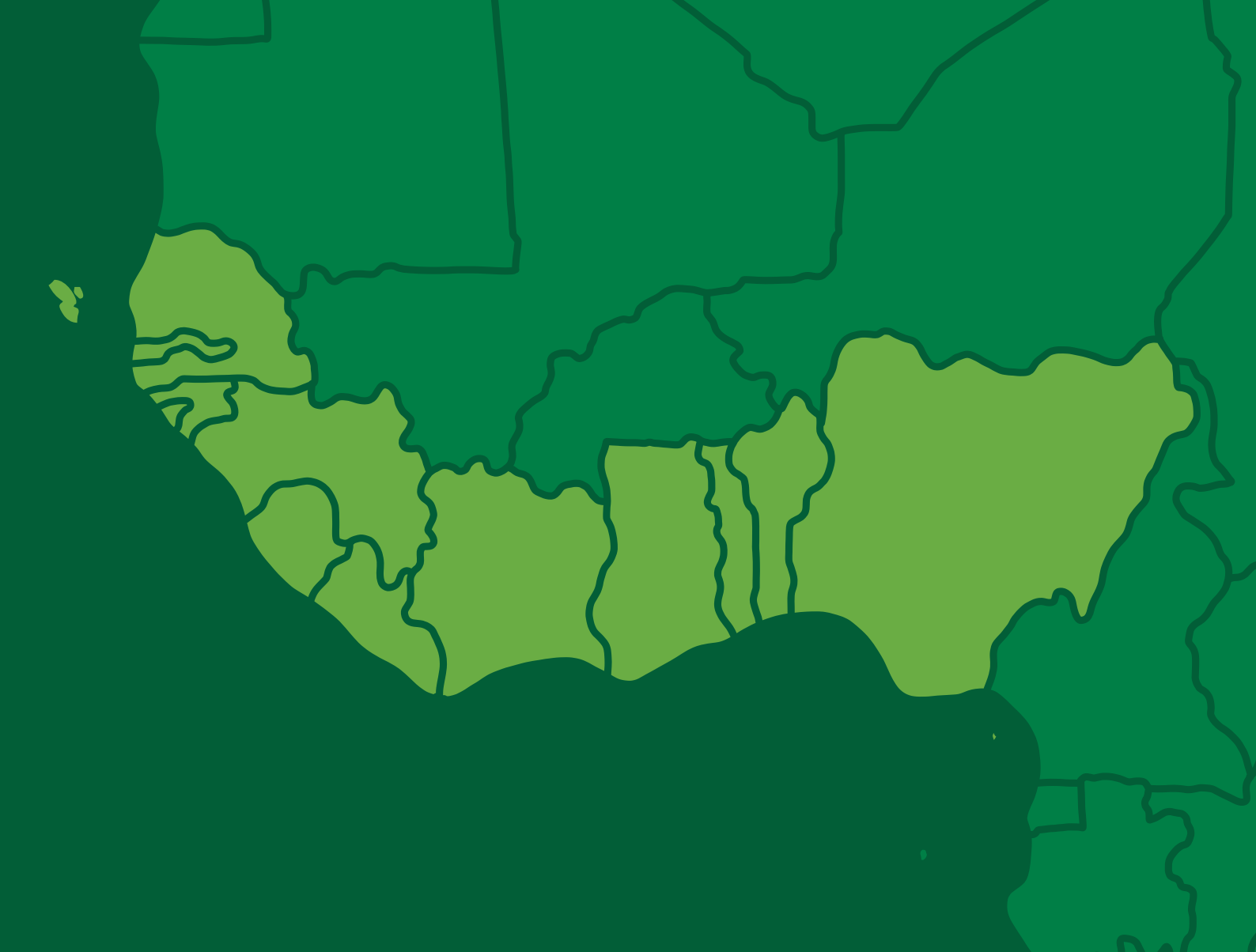


ECOWAS Commission should:

- i. Provide the platform for reliable transport and communication data through the development of a regional data platform by creating a centralised database accessible to all Member States.
- ii. Continue to develop common standards and protocols for the collection, processing and dissemination of transport and digitalisation data among Member States.

Member States should:

- i. Continue to increase broadband coverage and adoption of secure e-Services.
- ii. Promote digital services by encouraging faster deployment to the population and digital communication.



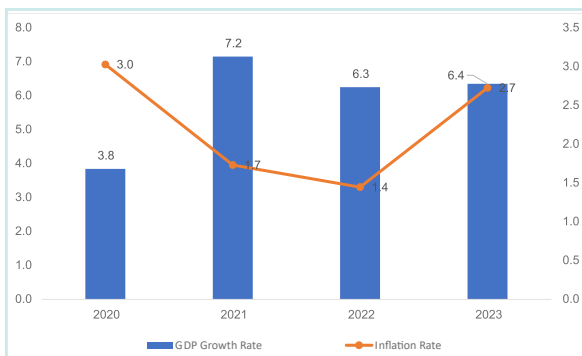
MEMBER STATE NOTES

Benin

Economic Performance

In Benin, efforts have been made to improve public sector performance, strengthen public financial transparency, and increase accountability. The real GDP growth rate increased from 3.8 percent in 2020 to 6.4 percent in 2023, from 6.3 percent in 2022. Growth was supported by the dynamism of industrial and agricultural production as well as the resilience of the services sector. The inflation rate remained largely contained within the sub-regional norm of 5 percent, standing at 2.7 percent in 2023 compared to 1.8 percent in 2020.

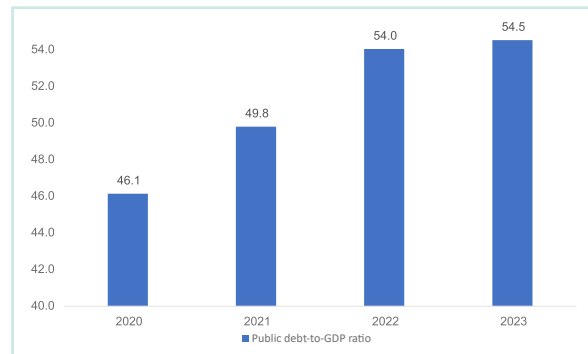
Figure 1: Trend of Real GDP Growth Rate and Inflation Rate in 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

The country manages its public debt with the objective of extending maturity and reducing its cost. The debt ratio was thus brought under control and stood at 54.5 percent in 2023 after 54.0 percent in 2022 and 46.1 percent in 2020.

Figure 2: Trend of Public Debt to GDP Ratio in 2020 to 2023 (Percent)

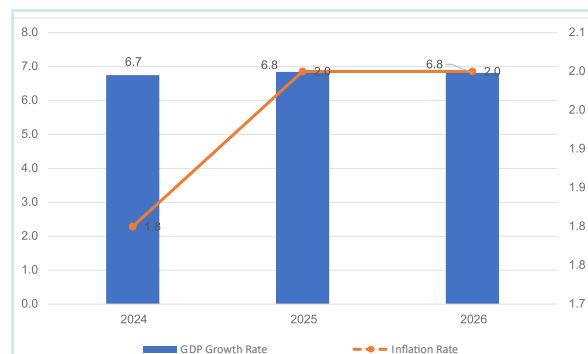


Source: ECOWAS Commission, 2024

Economic Outlook and Risk Factors

GDP growth is expected to reach 6.7 percent in 2024 and 6.8 percent in both 2025 and 2026. The main risks to the outlook include economic and exchange rate policies with Nigeria, climatic hazards, and security risk.

Figure 3: Projected Real GDP Growth Rate and Inflation Rate in 2024 to 2026 (Percent)



Source: ECOWAS Commission, 2024



Transport and Communication Infrastructure

In the 2021 to 2026 Government Action Programme, the infrastructure and transport component represent about 25 percent of the budget. Progressive investments are made in the ICT sector to develop ICT-related infrastructure and services. The results are noticeable in terms of improved Internet connectivity, expansion, modernization of telecommunications networks and better access to information technology. The government is also working to boost the digital economy by promoting the creation of ICT companies, security and data protection in this sector.

However, although the ICT sector has evolved, challenges remain in the country. The sector faces disparities between urban and rural areas, such as unequal access to technology, digital infrastructure and connectivity, which creates market access opportunities for the sector. In addition, protection against cyber threats, which is a daunting task that requires strategies and strong collaboration, should continue.

Recommendations

1. Continue resource mobilisation while promoting social safety nets.
2. Continue efforts at maintaining sound debt management.
3. Continue the consolidation and intensification of productive activities.
4. Reduce disparities in access to infrastructure between urban and rural areas.
5. Maintain and improve the quality of services provided by the infrastructure.
6. Continuously develop and improve the Public Private Partnership framework to mobilise necessary investments to meet the growing needs of the population.
7. Develop strategies to combat cybersecurity risks.

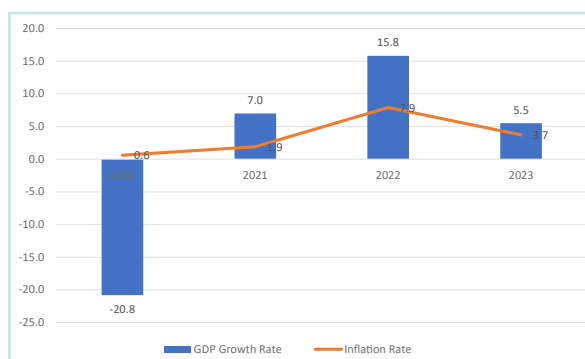


Cabo Verde

Economic Performance

Cabo Verde’s economy maintained its growth momentum in 2022 and 2023. Indeed, after the Covid-19 pandemic, the real GDP growth rate rebounded to 15.8 percent in 2022 and fell to 5.5 percent in 2023, driven by weaker domestic demand, tighter credit conditions, and a slower-than-anticipated recovery in the tourism sub-sector (Figure 1).

Figure 1: Real GDP Growth Rate and Inflation Rate in 2020 to 2023 (Percent)

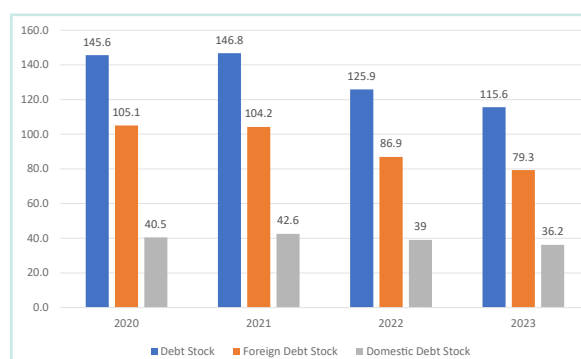


Source: INE (2024)

On the supply side, the services sector remains the dominant contributor to GDP, with 70.1 percent in 2023, with trade, transport, and tourism driving the growth. In contrast, the industrial sector and agricultural sector performance reduced from 13.8 percent in 2020 to 10.4 percent in 2023, while the agriculture share fell from 6.3 percent to 4.5 percent, reflecting structural challenges and climate-related pressures. On the demand side, economic growth was driven by exports and private consumption, which accounted for 2.1 percentage points in 2023.

Inflation increased from 0.6 percent in 2020 to 7.9 percent in 2022 due to rising costs of basic necessities, and decreased to 3.7 percent in 2023. The debt stock to GDP ratio decreased from 145.6 percent in 2020 to 115.6 percent in 2023. This was due to the recovery of both international and national economic growth and exchange rate stability (Figure 2).

Figure 2: Total Debt Stock, External Debt, and Domestic Debt from 2020 to 2023 (Percent)



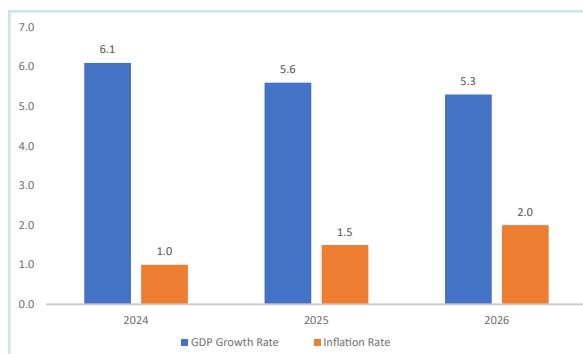
Source: INE and Cabo Verde Central Bank (2024)

Economic Outlook and Risk Factors

The economic outlook for the period 2024 to 2026 is favourable, with a projected real GDP growth rate reduced from 6.1 percent in 2024, to 5.6 percent in 2025 and 5.3 percent in 2026. Despite a favourable outlook, Cabo Verde faces downside risks due to its susceptibility to both external and internal shocks. Global economic slowdowns and potential energy shocks can worsen fiscal and external balances. Climate change-related risks pose threats to the tourism sub-sector.



Figure 3: Projection of Inflation Rate and Inflation Rate to GDP Ratio from 2024 to 2026 (Percent)



Source: INE and Cobo Verde Central Bank (2024)

Transport and Communication Infrastructure

Cabo Verde has an extensive road network, totaling 1,230,923 km in 2023. The country boasts of two major ports—Mindelo and Praia—and four international airports (Sal, Santiago, Boa Vista, and São Vicente). Telecommunication infrastructure is rapidly expanding as 75 percent of the population owned a mobile phone, near the world average of 76 percent in 2023. There was an increased provision as 94 percent of the population had access to mobile broadband, which was close to the global average of 95 percent. Investments in transport and communication infrastructure focus on improving roads connecting ports and airports thereby promoting intermodal transport.

Recommendations

1. Promote and strengthen efforts at diversification into renewable energy, the blue economy, and financial services.
2. Sustain the promotion of investments in economic and social infrastructure.
3. Enhance participation in regional integration and contribute toward effective implementation of ECOWAS regional trade agreements.
4. Advocate for increased regional cooperation, international support, and strategic investments to improve the socio-economic progress of the country.

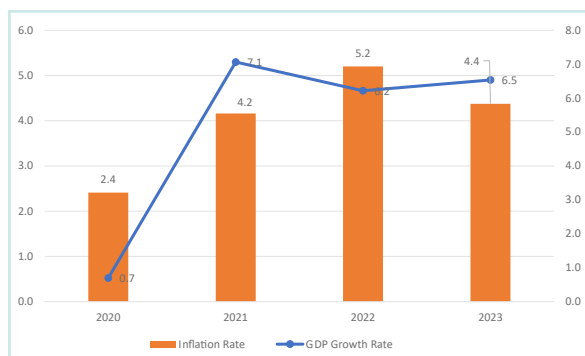


Côte d'Ivoire

Economic Performance

The economy of Côte d'Ivoire maintained its growth momentum with a real GDP growth rate that increased from 2.4 percent in 2020 to 6.2 percent in 2022 and 6.5 percent in 2023. On the supply side, the secondary and tertiary sectors with respective performance of 10.3 percent and 8.4 percent growth rates were the main drivers of real GDP growth in 2023. Monetary policy has been broadly restrictive, favouring a deceleration of inflation to 4.4 percent in 2023 from an inflation rate of 5.2 percent in 2022.

Figure 1: Trend of Real GDP Growth Rate and Inflation Rate from 2020 to 2023 (Percent)

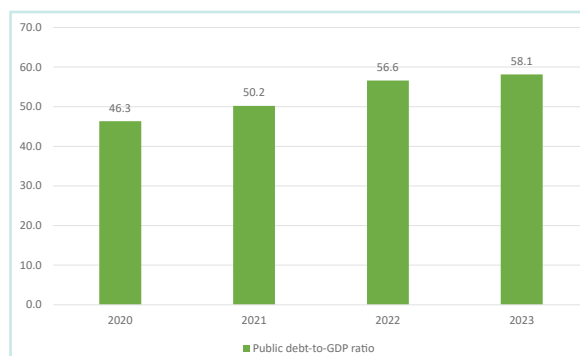


Source: ECOWAS Commission, 2024

The country's fiscal position improved with a reduction of the budget deficit from 6.5 percent in 2022 to 5.3 percent of GDP in 2023. This performance is explained by the continued efforts to implement tax reforms. In terms of public debt, the tightening of international financing conditions and high interest rates resulted in an accumulation of

public debt, with a debt ratio of 58.1 percent, up by 1.5 percentage points compared to 2022.

Figure 2: Trend of Public Debt to GDP Ratio from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

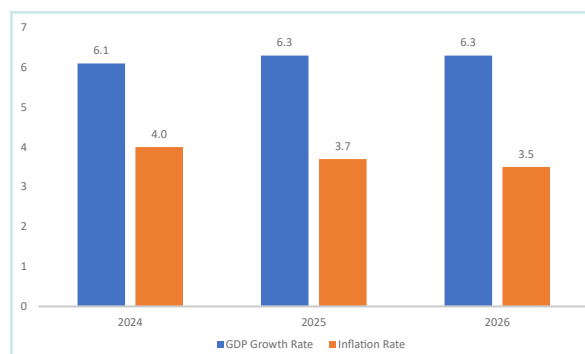
Economic Outlook and Risk Factors

The economic outlook for the period 2024 to 2026 is favourable, with a projected increase in real GDP growth rate from 6.1 percent in 2024 to 6.3 percent in 2025 and 2026. The prudent monetary policy is expected to continue with a view to managing inflation at 4.0 percent in 2024 and at the target level of 3 percent in 2025 and 2026.

The favourable outlook for the economy, however, remains subject to major risks. These include the fragmentation of the ECOWAS regional institution with the exit of Mali, Niger and Burkina Faso; the deterioration of the security situation and the risk of political instability linked to the 2025 elections; persistent inflation; ongoing losses and damage due to climate change.



Figure 3: Projections of Growth Rate and Inflation Rate from 2024 to 2026 (Percent)



Source: ECOWAS Commission, 2024

Transport and Communication Infrastructure

The road network of Côte d'Ivoire in 2023 was approximately 82,000 km of classified roads including 7,731 km of national roads and 370 km of motorways. Maritime transport is provided by two (2) major ports: - the port of Abidjan and the port of San Pedro. Eight (8) airports including one (01) international airport (FHB International Airport of Abidjan) provide air transport. Rail transport is carried out via the 1,260 km railway line which connects Côte d'Ivoire to Burkina Faso. Communications infrastructure expanded with mobile network coverage of 95 percent of localities and 98 percent of the population. The 4G network covers 73 percent of localities, providing 93 percent of the population with access to high-speed mobile internet.

Analysis shows that increasing the length of national roads increases exports to other ECOWAS member states. In particular, the presence of a paved transnational road corridor increases exports to member states

by 34.2 percent. Furthermore, expanding mobile phone network subscriptions by 1 percentage point improves export flows to ECOWAS Member States by 0.1 percentage points. The continuation of structuring projects, notably the construction of the Abidjan-Ouagadougou corridor, the Abidjan-Lagos coastal highway, multimodal interchange hubs and the paving of 2,200 kilometres of roads are the prospects for the period of 2024 to 2026.

Recommendations

1. Accelerate the deployment of national optical fibre to facilitate access to digital services for rural populations and increase their productivity.
2. Increase the number of training centres in emerging ICT technologies.
3. Continue to interconnect community roads and facilitate transport between Côte d'Ivoire and border member states.
4. Promote multimodal interconnection among road, lagoon and rail transport.
5. Develop technical and financial support models adapted to the informal sector with a view to improving the creation of decent jobs.

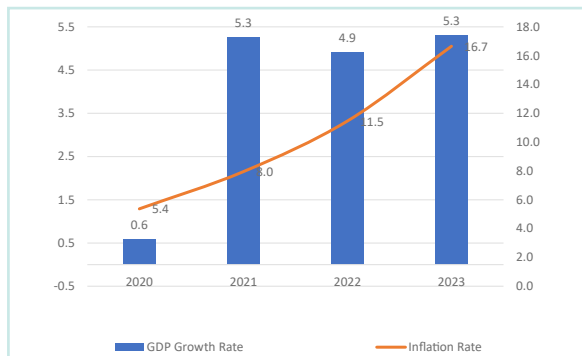


The Gambia

Economic Performance

The Gambian economy continues to recover from the impact of the COVID-19 pandemic, the ripple effects of the Russia-Ukraine war, and the war in Gaza. Real GDP growth remained positive averaging 4.0 percent between 2020 and 2023. The real GDP growth rate increased from 0.6 percent in 2020 to 5.3 percent in 2021, decreased to 4.9 percent in 2022 and increased to 5.3 percent in 2023. The increase in 2023 was supported by enhanced productivity in agriculture and tourism.

Figure 1: Real GDP Growth Rate and Inflation Rate from 2020 to 2023 (Percent)



Source: Gambia Bureau of Statistics (GBoS), 2024

The inflation increased from 0.6 percent in 2020 to 8.0 percent in 2021, 11.5 percent in 2022 and 16.7 percent in 2023. This was due to increase in global commodity prices, the devaluation of the national currency, and the domestic output gap. The services sector was the highest contributor to GDP growth and was driven mainly by wholesale trade, repair, accommodation, and food-related

services, accounting for 55 percent of GDP. The agriculture sector accounted for 25.4 percent of GDP with an average growth rate of 7.9 percent. The industrial sector remains the least contributor with 16.1 percent of GDP averaging 5.9 percent. The gross public and publicly guaranteed debt stock as a percentage of GDP decreased from 83.9 percent in 2020 to 77.0 percent in 2023.

Figure 2: Public Debt to GDP Ratio from 2020 to 2023 (Percent)



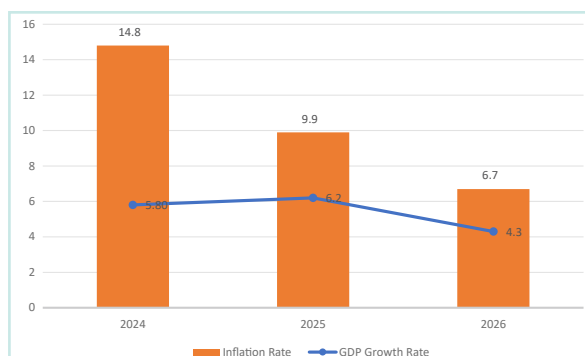
Source: The Gambia Bureau of Statistics (GBoS), 2024

Economic Outlook and Risk Factors

The country's medium-term economic outlook is positive as the domestic economy is expected to grow by 5.8 percent in 2024, 6.2 percent in 2025 and 4.3 percent in 2026. Inflation is projected at 14.8 percent in 2024, 9.9 percent in 2025 and 6.7 percent in 2026. The decline in the inflation rate will be supported by moderate commodity prices and convergence in policy efforts by the fiscal and monetary authorities.



Figure 3: Projections of Growth Rate and Inflation Rate: 2024 to 2026 (percent)



Source: Gambia Bureau of Statistics (GBoS), 2024

However, the country is susceptible to risks emanating from volatility in global markets. The rising geopolitical and trade tensions can slow down the recovery process. The crises can lead to high global commodity prices, as the country is dependent on imports of essential commodities.

Transport and Communication Infrastructure

In 2020, the transport and communication sectors contributed about 6.6 percent to the GDP and declined in 2023 due to unreliable ferry services experiencing frequent breakdowns. The Gambia's geographical location along the Atlantic Ocean and its strategic position as a gateway to the ECOWAS region provide the need for the expansion of infrastructure at the Port of Banjul and the Airport modernisation initiatives.

In addition, there is a considerable increase in mobile phone usage, enhancing communication access nationwide. The

total number of mobile line subscribers rose by 18 percent, increasing from 2.7 million subscribers in 2020 to 3.2 million subscribers in 2023. The adoption of new technologies like 5G presents opportunities for further growth and innovation in the sector. However, the infrastructure gap in the sector posed a barrier to achieving widespread connectivity and technological advancement.

Recommendations

1. Support the development and modernisation of the agricultural sector to increase productivity.
2. Develop proactive and well-coordinated monetary operations, including open market operations and foreign exchange interventions, to manage inflation.
3. Promote private sector involvement in the financing and administration of roads and communication projects, thereby reducing dependence on external funding.
4. Enhance connectivity in rural areas to foster economic inclusivity and improve access to educational resources, healthcare services, and market opportunities for all.

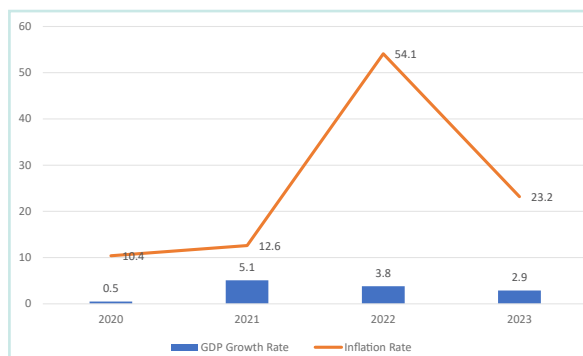


Ghana

Economic Performance

The real GDP growth rate increased from 0.5 percent in 2020 to 5.1 percent in 2021 and declined to 3.8 percent in 2022 and 2.9 percent in 2023. From a sectoral perspective, the slowdown was driven by weak industrial performance, while from an expenditure perspective, it was caused by weak gross fixed capital formation. Given the low growth, the unemployment rate increased from 11.3 percent in 2022 to 14.7 percent in 2023.

Figure 1: Real GDP Growth Rate and Inflation Rate from 2020 to 2023 (Percent)

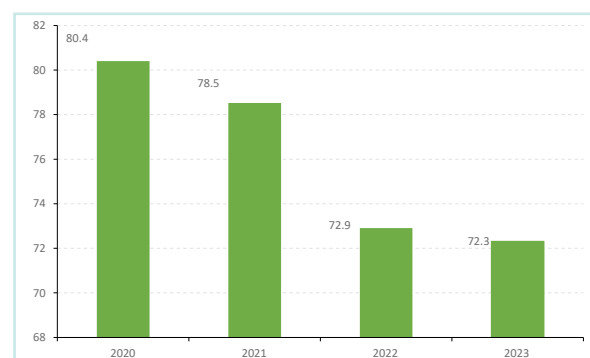


Source: Ministry of Finance, Ghana, 2024

The difficult macroeconomic conditions of 2022 eased in 2023, as the inflation rate decreased from 54.1 percent in 2022 to 23.2 percent in 2023. This was driven by the performance of the domestic currency and lower monetary growth. The fiscal and external balances also improved considerably. As regards the public debt dynamics, the debt-to-GDP ratio improved from 72.9 percent in 2022 to 72.3 percent in 2023 (Figure 2). The external debt-to-GDP

ratio increased from 39.3 percent to 41.7 percent, reflecting the depreciation of the exchange rate, which increased the local currency value of foreign exchange liabilities. However, the domestic debt-to-GDP ratio declined to 30.6 percent from 33.6 percent, more than compensating for the increase in the foreign debt ratio. The fall in domestic debt was driven by large fiscal adjustments and debt restructuring.

Figure 2: Public Debt as a Ratio of GDP from 2020 to 2023 (Percent)



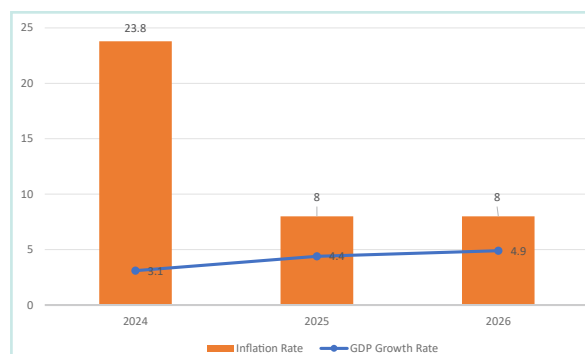
Source: Ministry of Finance, Ghana, 2024

Economic Outlook and Risk Factors

Real GDP growth is projected to improve to 3.1 percent in 2024, 4.4 percent in 2025, and 4.9 percent in 2026. Inflation is projected to be 23.8 percent in 2024 and decline to 8.0 percent in 2025 and 2026. The decrease in the inflation rate is expected to have a positive effect on interest rates, which are high. Risks to the outlook include potential election-induced fiscal slippages and possible impacts of adverse global factors, like regional and global conflicts.



Figure 3: Projected Real GDP Growth Rate and Inflation Rate in 2024 to 2026 (Percent)



Source: Ministry of Finance, Ghana, 2024

Transport and Communication Infrastructure

Ghana made notable progress in developing transport infrastructure. The road network is extensive and continues to expand. However, it faces reliability and quality issues, as the proportions of paved roads (27.0 percent) remain low. Railway transport is underdeveloped, with poor infrastructure and extremely limited coverage as well as fluvial transport. On the other hand, maritime infrastructure is relatively well-developed, with two principal, modernised ports – Tema and Takoradi – which are attracting growing traffic. The country has modernised air transport infrastructure, with seven airports, including Kotoka International Airport (KIA), the primary international gateway. The transportation infrastructure in Ghana is well-designed to connect all economic activities to facilitate the movement of people and goods.

Recommendations

1. Fiscal policy should be adjusted to improve fiscal balance and reduce the high debt service burden.
2. Provide regulatory, institutional, and financial incentives to address supply-side constraints, weak industrial sector and low entrepreneurship and investment.
3. Continue to utilise gold resources to strengthen foreign reserves, aiding exchange rate stability and managing inflation.
4. Enhance investment in transport infrastructure – rail, waterways, and roads – through public-private partnerships to alleviate public budget pressures and facilitate new projects.

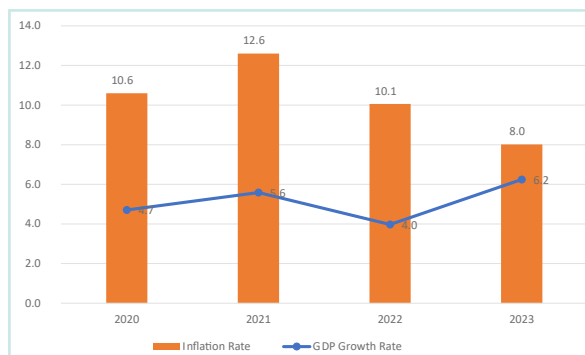


Guinea

Economic Performance

The GDP growth rate increased from 4.7 percent in 2020 to 5.6 percent in 2021, reduced to 4.0 percent in 2022 and increased to 6.2 percent in 2023. The contribution of the tertiary sector to GDP led with 36.7 percent, followed by the secondary sector with 30.0 percent, and the primary sector with 27.0 percent in 2023. The inflation rate increased from 10.6 percent in 2020 to 12.6 percent in 2021, declined to 10.1 percent in 2022 and 8.0 percent in 2023.

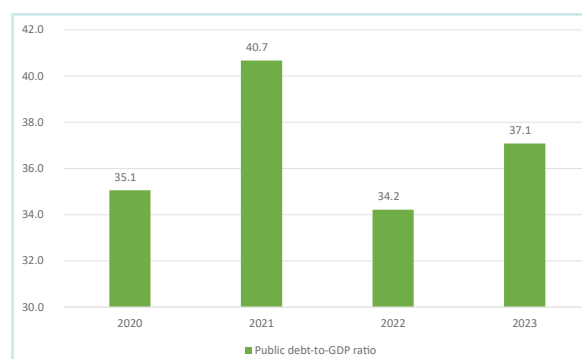
Figure 1: Trend of the Real GDP Growth Rate and the Inflation Rate from 2020 to 2023



Source: ECOWAS Commission, 2024

Guinea’s public debt experienced marked fluctuations with debt to GDP ratio of 35.1 percent in 2020, 40.7 percent in 2021, 34.2 percent in 2022 and 37.1 percent in 2023.

Figure 2: Trend of the Public Debt to GDP Ratio from 2020 to 2023



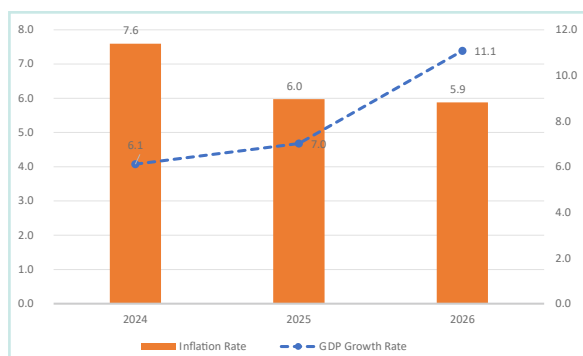
Source: ECOWAS Commission, 2024

Economic Outlook and Risk Factors

In terms of the economic outlook, the real GDP growth rate will be 6.1 percent in 2024, 7.0 percent in 2025, and 11.1 percent in 2026. The average annual inflation rate will be 5.9 percent in 2026, 6.0 percent in 2025 against 7.6 percent in 2024. The dynamics will be a result of effective implementation of the Interim Reference Programme (PRI) and the Economic Recovery Plan (PRE), investments in infrastructure and the acceleration of construction work on the Simandou infrastructure project.



Figure 3: Projections of Growth Rate and Inflation Rate from 2024 to 2026



Source: ECOWAS Commission, 2024

Guinea's development faces several risk factors that could hamper its economic and social growth. The main challenges are fluctuations in commodity prices, and weak industrial and agriculture sectors, which limit employment and growth opportunities outside the mining sector. The risks also include political uncertainty; land degradation and pollution; and poor condition of roads and the railway network.

Transport and Communication Infrastructure

Guinea has the lowest ratio of paved road in the ECOWAS region as only 30 percent of the total 43,348 km of road is paved. Within the network, there are only 7,625 km of national roads, compared to 16,000 km of prefectural roads and 19,000 km of community roads. In addition, roads are not well maintained. Heavy rainfall and regular overloading of transport trucks exacerbate the problem.

The railway network consists of a single metre-gauge line built between 1900 and 1914, connecting Conakry and Kankan over 662 km. The development of transport and communications infrastructure offers a lot of opportunities to Guinea.

Recommendations

1. Reduce dependence on the mining sector by developing agriculture and manufacturing.
2. Engage in inclusive dialogue with all stakeholders to ensure a transparent democratic transition.
3. Improve governance by strengthening public institutions, and ensuring transparent management of public resources.
4. Develop transport, energy and communications infrastructure to support economic growth and the wellbeing of people.
5. Promote the development of transport and telecommunications links to facilitate internal trade.
6. Strengthen ties with neighbouring Member States and regional organisations to promote trade, security and common development.

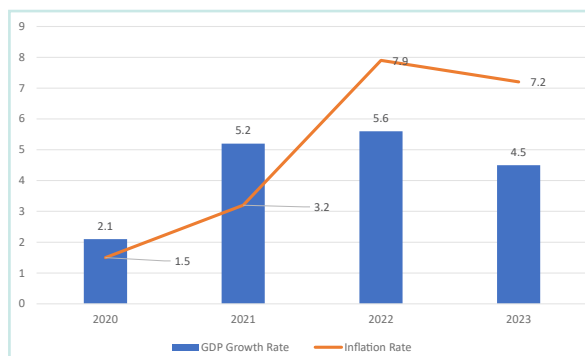


Guinea-Bissau

Economic Performance

The real GDP growth rate was 2.1 percent in 2020 and increased to 5.2 percent in 2021, and 5.6 percent in 2022; it however declined to 4.5 percent in 2023. The economic environment remains unfavourable to cashew nut exports, and the national distribution system for this product has not improved. Cashew nut exports increased to 210.9 thousand tonnes in 2023.

Figure 1: Trend of the Real GDP Growth Rate and the Inflation Rate from 2020 to 2023 (Percent)

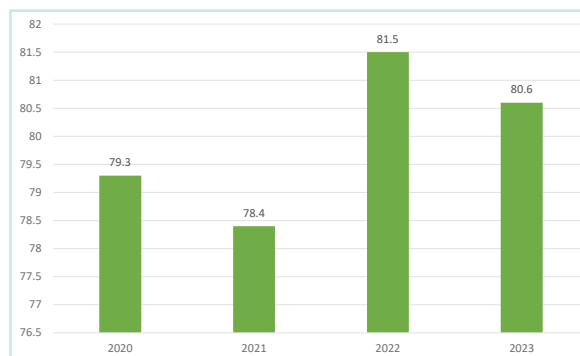


Source: Ministry of Finance, Guinea-Bissau, 2024

The tertiary sector was the largest contributor to GDP, with an annual average of 45 percent, driven by trade and catering (18 percent), other services (9 percent), and public administration (7 percent). The primary sector followed with 34.0 percent, mainly due to subsistence farming (17 percent) and cashew nut production (11 percent). The country's public debt to GDP ratio was 79.3 percent in 2020, decreased to 78.4 percent in 2021, increased to 81.5 percent

in 2022 and reduced to 80.6 percent in 2023.

Figure 2: Public Debt to GDP Ratio from 2020 to 2023 (Percent)

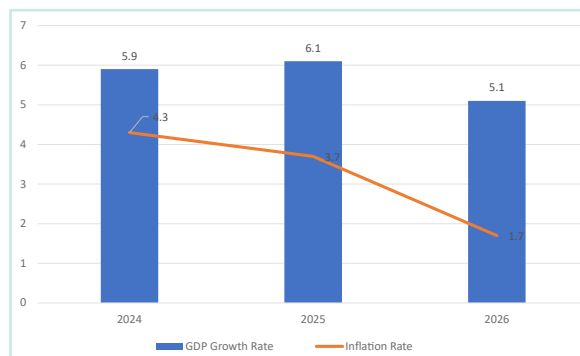


Source: Ministry of Finance, Guinea-Bissau, 2024

Economic Outlook and Risk Factors

In terms of the economic outlook, the real GDP growth rate is projected at 5.9 percent in 2024, 6.1 percent in 2025, and 5.1 percent in 2026. The inflation rate is projected to reduce from 4.3 percent in 2024 to 3.7 percent in 2025, and 1.7 percent in 2026.

Figure 3: Projected Real GDP growth rate and inflation rate: 2024 to 2026



Source: Ministry of Finance, Guinea-Bissau, 2024



Despite the great agricultural potential, the country has enormous weaknesses in terms of agricultural production and productivity. To bridge the food gap, the country imported an average of 155.8 thousand tons of rice per year between 2020 and 2023. From 2024 to 2026, it is estimated that at least 92.4 thousand tons of rice will be imported annually, further widening the trade deficit. The public debt-to-GDP ratio, projected to remain above the threshold (≤ 70 percent), will be 80.3 percent in 2024, 73.2 percent in 2025 and 68.2 percent in 2026. The economic prospects will depend on the maintenance of political stability, the continuation of reforms in public administration, and security.

Transport and Communication Infrastructure

Guinea-Bissau's transport and communication infrastructure is underdeveloped, poorly connected and in poor condition. Nevertheless, millions of people and goods cross its borders with Senegal and Guinea via road routes (Bissau-Dakar, Bissau-Banjul, Farim-Tanaf-Sedjo, Quebo-Boké) and air links to various member states (Senegal, Guinea, Cabo Verde, Togo and Côte d'Ivoire). Commercial, economic and financial transactions are becoming increasingly important among member states, thereby promoting connectivity, inter-community exchanges and economic growth.

Recommendations

1. Continue reforms in public administration and defence.
2. Mobilise domestic revenue, control expenditures, and reduce the budget deficit to the convergence threshold.
3. Promote local sustainable production, reduce poverty, and enhance food security through the National Agricultural Investment Programme.
4. Invest in transport and communication infrastructure like bus stations and airports.
5. Intensify efforts to restructure the energy sector to improve power supply and water supply.

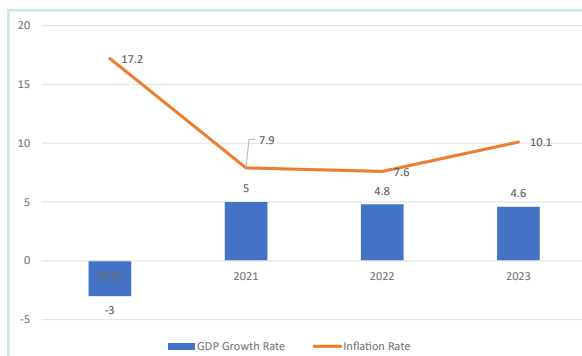


Liberia

Economic Performance

Liberia's GDP growth rate was -3.0 percent in 2020 and increased to 5.0 percent in 2021, declining to 4.8 percent in 2022 and 4.6 percent in 2023. This slowdown in 2022 and 2023 was due to the weak performance of the agriculture, forestry, and mining sub-sectors. The inflation rate was 17.2 percent in 2020, declined to 7.9 percent in 2021 and 7.6 percent in 2022. It increased in 2023 to 10.1 percent, which was above its projected target of 8.7 percent. The trend was mainly driven by exchange rate depreciation and an increase in the price of imported food.

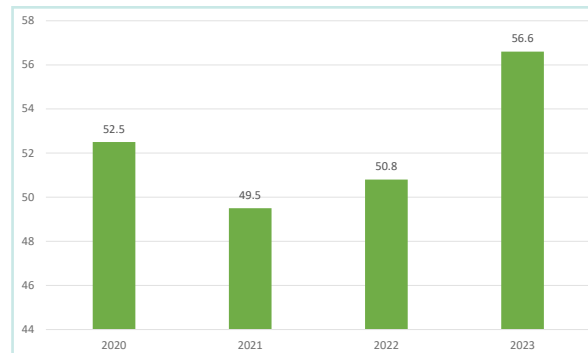
Figure 1: Real GDP Growth Rate and Inflation Rate from 2020 to 2023 (Percent)



Source: Country Report, 2024

Overall fiscal deficit (including grants) increased, with a debt-to-GDP ratio of 52.5 percent in 2020, declined to 49.5 percent in 2021, increased to 50.8 percent in 2022 and 56.6 percent in 2023. This development was because of increased capital expenditure and transfers.

Figure 2: Public Debt to GDP Ratio from 2020 to 2023 (Percent)

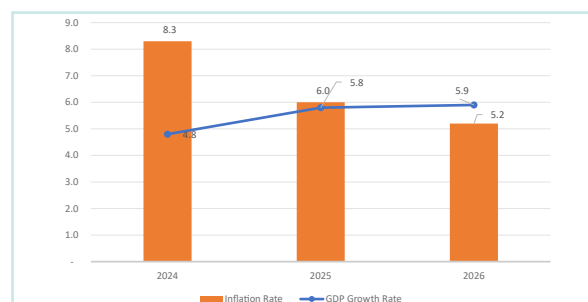


Source: Country Report, 2024

Economic Outlook and Risk Factors

Liberia's economic growth is expected to remain strong, with real GDP growth increasing from 4.8 percent in 2024 to 5.8 percent in 2025 and 5.9 percent in 2026. This will be driven by Agriculture and Fisheries, Mining and Panning, Manufacturing and Services. The favourable medium-term outlook is heavily reliant on extractive sector activities and programme-targeted sectoral growth.

Figure 3: Projected Real GDP Growth Rate and Inflation Rate from 2024 to 2026 (Percent)



Source: Country Report, 2024



Inflation is projected to remain in single digit, declining from 8.3 percent in 2024 to 6.0 percent in 2025 and 5.2 percent in 2026. This decrease is attributed to falling petroleum prices, lower food costs (especially rice), and a stabilised exchange rate. The sustenance of economic prospects will depend on currency stability, economic diversification (e.g., cash crops), increased domestic food production, tax policies on key commodities, and infrastructure improvements like farm-to-market roads and better electricity supply.

Transport and Communication Infrastructure

Liberia's road infrastructure is underdeveloped, with only 10 percent (1,275 km) paved road out of the 13,019 km road network. Also, Roberts International Airport facilities were renovated for better accommodation of flights and passengers. The country has 167 radio stations and 85 media outlets, with an internet penetration rate of 90 percent. However, only 6 out of 15 Counties have reliable internet access. There is also the presence of internet banking and mobile money, which support rural farmers. The National Electronic Payment Switch (NEPS) and modernised collateral systems enhance financial inclusion, and ATMs streamlined banking.

Recommendations

1. Prioritise fiscal responsibility and governance improvements for effective implementation of the ARREST agenda.
2. Upgrade major roads and invest in rail and water transport infrastructure.
3. The Ministry of Posts and Telecommunications should collaborate with the Universal Access Fund and key ICT players, including local ISPs and international companies like Google and Facebook to achieve Universal Internet Access.
4. Formalise the operations of 'Phen-Phen' riders to enhance their viability as a transport service.

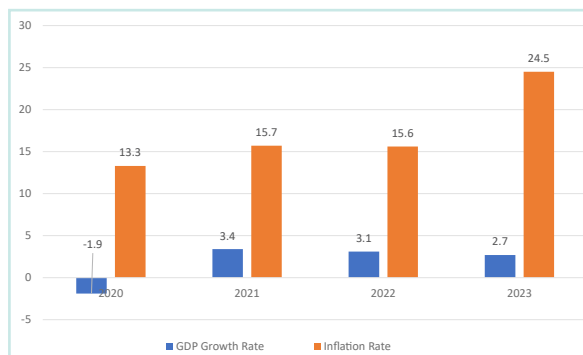


Nigeria

Economic Performance

Nigeria’s real GDP growth rate was -1.9 percent in 2020 but increased to 3.4 percent in 2021, declined to 3.1 percent in 2022 and 2.7 percent in 2023. The sectoral growth rate of the real sector experienced significant fluctuations as the real growth rate of agriculture and industry was 26.2 percent and 21.4 percent in 2020 compared to 22.6 percent and 19.0 percent in 2022, 25.2 percent and 18.7 percent in 2023. The services sector growth rate increased from 52.6 percent in 2020 to 56.2 percent in 2023. Inflation rate was 13.3 percent in 2020, increased to 15.6 percent in 2022 and to 24.5 percent in 2023.

Figure 1: Real GDP Growth Rate and Inflation from 2020 to 2023 (Percent)

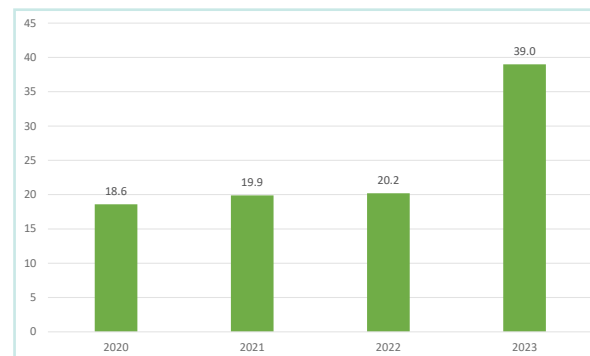


Source: Federal Ministry of Finance, Nigeria, 2024

The public debt to GDP ratio was 18.6 percent in 2020, increased to 19.9 percent in 2021, 20.2 percent in 2022 and 39.0 percent in 2023. The trend was the reflection of planned infrastructural investment, social interventions, and the secularisation of the

Ways and Means Advances to the federal government.

Figure 2: Public Debt to GDP Ratio from 2020 to 2023 (Percent)

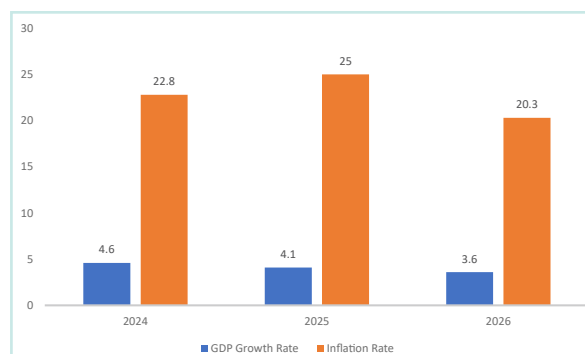


Source: Federal Ministry of Finance, Nigeria, 2024

Economic Outlook and Risk Factors

The real GDP growth rate is projected at 4.6 percent in 2024, 4.1 percent in 2025 and 3.6 percent in 2026. Also, the expected inflation rate will increase from 22.8 percent in 2024 to 25.0 percent in 2025 and decline to 20.3 percent in 2026. This pattern reflects the effects of contractionary monetary policy. Though the removal of the subsidy on Premium Motor Spirit (PMS) will increase government revenue, the measure can be inflationary. The possibility that the fiscal deficit will be financed by borrowing, and the bias toward concessional and longer maturity debt, may have consequences on public debt and fiscal balance.

Figure 3: Projected Real GDP Growth Rate and Inflation from 2024 to 2026 (Percent)



Source: Federal Ministry of Finance, Nigeria, 2024

Transport and Communication Infrastructure

Nigeria has a large road network of about 195,000 km, with only 60,000 km paved. The remaining 135,000 are unpaved roads. The majority of the unpaved roads belong to the states and local governments. Although the country made efforts to modernise its transport infrastructure, road quality remains poor, and transport costs are high. The railway network is limited and mostly non-electrified, with plans to shift to standard gauge lines. Air transport is more developed, with 20 airports and a growing number of domestic and international airlines.

In terms of communication, Nigeria's telecommunication infrastructure grew from 6.2 percent in Quarter 1 to 5.2 percent in Quarter 2 and to 6.8 percent in Quarter 3 of 2023. However, the teledensity declined from 116.6 percent in 2022 to 103.7 percent in 2023. Nigeria is well-positioned to benefit from the digital economy, with nearly half of its 200 million population under 30 and the largest

mobile market in Sub-Saharan Africa. While mobile broadband infrastructure is strong, fixed broadband and rural connectivity remain limited. Digital technologies are expected to boost productivity with 46 percent of potential jobs.

Recommendations

1. Strengthen agricultural value chains through targeted investments in mechanisation, irrigation, and climate adaptation.
2. Implement policies that promote local manufacturing and lessen dependence on imports.
3. Create a supportive environment for businesses and encourage research and development in technology and renewable energy.
4. Develop social protection programmes to support vulnerable population during economic shocks.
5. Increased investment in education and vocational training necessary to meet the changing needs of the labour market.
6. Invest in regional transport corridors to connect the country to other member states.

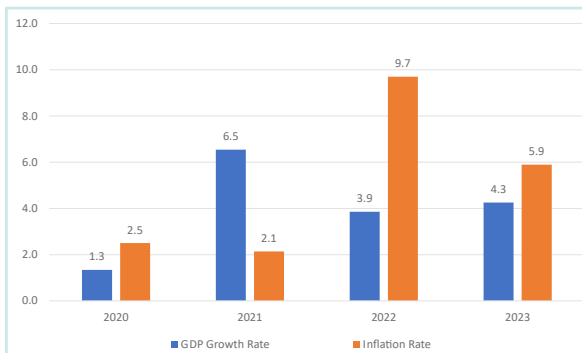


Senegal

Economic Performance

Senegal’s real GDP growth rate increased from 1.3 percent in 2020 to 3.9 percent in 2022 and 4.3 percent in 2023. The economy was resilient in 2023 amid political tensions combined with persistent, albeit declining inflation. The primary sector improved due to the strong performance of the agricultural sector and dynamics of the livestock and fisheries sub-sectors, which benefited from good rainfall and various government support measures.

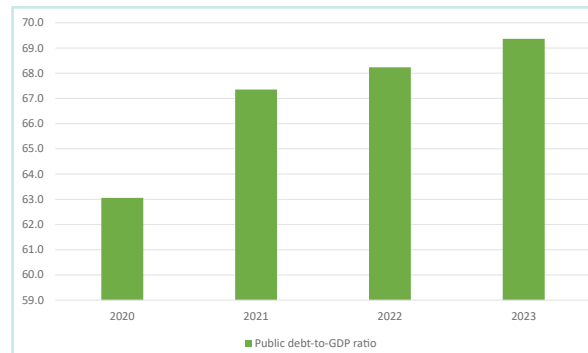
Figure 1: Trend of the GDP Growth Rate and Inflation Rate in Senegal from 2020 to 2023 (Percent)



Source: ECOWAS Commission 2024

Inflation, increased from 2.5 percent in 2020 to 9.7 percent in 2022 and 5.9 percent in 2023, and the total public debt to GDP ratio increased from 63.1 percent in 2020 to 68.2 percent in 2022 and 69.4 percent in 2023.

Figure 2: Public Debt to GDP Ratio in Senegal from 2020 to 2023 (Percent)

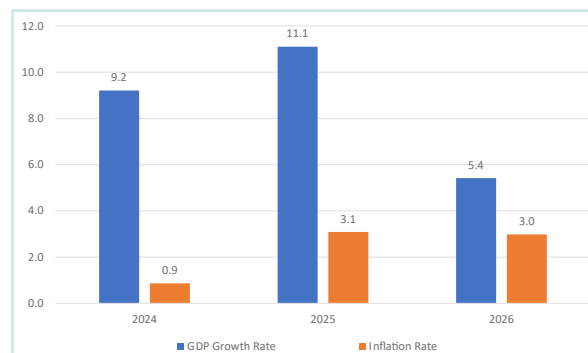


Source: ECOWAS Commission 2024

Economic Outlook and Risk Factors

Over the period 2024 to 2026, the real GDP growth rate is projected at 9.2 percent in 2024, 11.1 percent in 2025 and 5.4 percent in 2026. Inflation will remain at a stable rate of around 3.0 percent over the period 2024 to 2026 and below the 5 percent threshold adopted within the ECOWAS’ multilateral surveillance framework.

Figure 3: Projections of Real GDP Growth Rate and Inflation Rate in Senegal from 2024 to 2026



Source: ECOWAS Commission 2024



However, the Senegalese economy remains vulnerable to uncertainties in the global economy. Indeed, geopolitical tensions at the regional and global levels pose a major challenge. Furthermore, the crisis between Russia and Ukraine is expected to affect economic activity due to the disruption in the supply of wheat, refined petroleum products and construction materials. Furthermore, persistent inflation and the tightening of financing conditions in developing country economies are hampering the economy.

Transport and Communication Infrastructure

The road network in Senegal in 2023 extends over 16,495 km compared to 14,825 km in 2010. The establishment of the Praia-Dakar-Abidjan corridor will transform regional connectivity and promote access to international markets, and the competitiveness of the region within the framework of the AfCFTA. Regarding air transport, the construction of Blaise Diagne International Airport (AIBD) reinforces Senegal's vision of becoming a "Regional Aviation Hub." In 2024, traffic at Blaise Diagne International Airport is expected to reach 2,926,090 passengers, compared to 2,942,594 in 2023, a decrease of 0.57 percent.

Senegal made considerable investments in communications infrastructure. The network is 100 percent digital, with a 3,000 km fibre optic loop spanning the entire country. Broadband is available in all regional capitals. The country had an internet penetration

rate of 99.3 percent in 2023. The number of Senegalese who are active on social media was 3.7 million in January 2024, representing 20.6 percent of the total population.

Regarding mobile telephony, the number of active SIM cards in Senegal increased from 20.5 million to 22.3 million between 2022 and 2023. This is in addition to government digital services as well as other innovative services provided by private start-ups in the fields of education, health, commerce, and agriculture.

Recommendations

1. Strengthen governance and regulation in the mining, agricultural, hydrocarbon and extractive sectors.
2. Establish a sustainable macroeconomic framework by adopting a prudent and well-managed debt policy.
3. Effectively manage public debt by accelerating the implementation of reforms that will strengthen revenue collection and control of public spending.

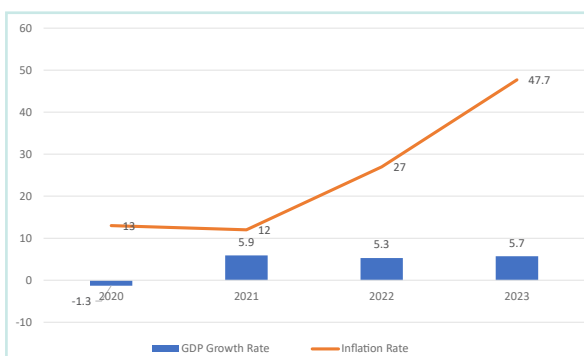


Sierra Leone

Economic Performance

Real GDP growth increased from -1.3 percent in 2020 to 5.9 percent in 2021, 5.3 percent in 2022 and 5.7 percent in 2023. The trend is supported by rebound in the mining sector and moderate growth in agriculture and services. Inflation rate declined from 13.0 percent in 2020 to 12.0 percent in 2021, 27.0 percent in 2022 and 47.7 percent in 2023. This was due to currency depreciation, global price shocks, and fiscal imbalances.

Figure 1: Real GDP Growth Rate and Inflation Rate from 2020 to 2023 (Percent)



Source: Statistics Sierra Leone & IMF, 2024

The fiscal deficit narrowed from 6.1 percent of GDP in 2022 to 5.2 percent in 2023, owing to improved revenue mobilisation and expenditure restraint. Domestic revenue increased from 8.4 percent of GDP in 2020 to 12.3 percent in 2023, supported by tax reforms and digital systems. Public

expenditure declined to 14.6 percent of GDP in 2023. Public debt to GDP ratio was 63.1 percent in 2020 and increased to 67.4 percent in 2021, 68.2 percent in 2022 and 69.4 percent in 2023. Over 50 percent of domestic revenue was spent on debt servicing in 2023, crowding out social and capital expenditure.

Figure 2: Public Debt to GDP Ratio from 2020 to 2023 (Percent)

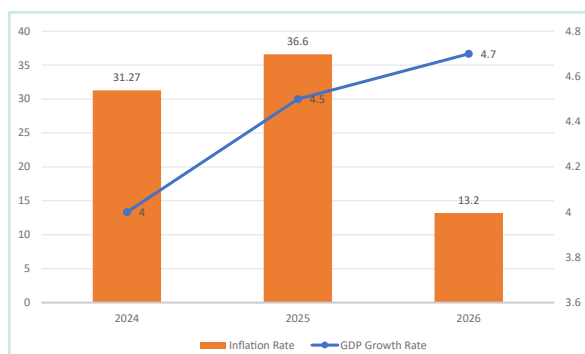


Source: Bureau of Statistics, Sierra Leone & IMF, 2024

Economic Outlook and Risk Factors

GDP growth is projected at 4.0 percent in 2024, 4.5 percent in 2025 and 4.7 percent in 2026. Inflation is forecast to increase from 31.3 percent in 2024 to 36.6 percent in 2025 and decrease to 13.2 percent in 2026. Risks to the outlook include global commodity price volatility, limited export diversification, rising debt service and weak private sector investment.

Figure 3: Projected Real GDP Growth Rate and Inflation from 2024 to 2026 (Percent)



Source: Bureau of Statistics, Sierra Leone & IMF, 2024

Transport and Communication Infrastructure

Road infrastructure remains underdeveloped in rural areas, affecting market access and regional trade. While urban roads improved under donor-funded projects, only a limited share of the national network is paved and in good condition. Maritime transport is centred on Queen Elizabeth II Quay in Freetown, which was modernised through public-private partnerships. Air transport is served by Lungi International Airport, which underwent renovations but suffers from high operational costs and limited intra-regional connectivity. Rail and fluvial transport are non-existent in the national transport framework, offering no contribution to regional mobility and trade.

Communication infrastructure expanded with mobile penetration exceeding 90 percent. However, there are challenges of high data costs, low rural coverage, and limited digital skills hindering broader access. Internet access reached 31 percent in

2023, reflecting steady progress but below regional peers.

Recommendations

1. Maintain fiscal discipline to reduce debt vulnerabilities and create fiscal space for priority investments.
2. Promote economic diversification, particularly in agribusiness and light manufacturing, to reduce exposure to global commodity shocks and create jobs.
3. Scale up infrastructure investments, in rural roads, maritime logistics, and digital connectivity, using public-private partnerships.
4. Accelerate institutional reforms, including public financial management, land tenure, and business regulation, to enhance the investment climate.
5. Expand regional connectivity by fast-tracking the development of ECOWAS Transport Corridors and harmonizing trade and infrastructure policies with neighbouring Member States.

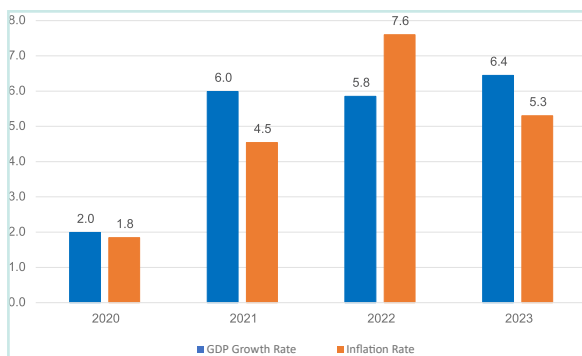


Togo

Economic Performance

The Togolese economy recorded sustained growth, rising from 2.0 percent in 2020 to 5.8 percent in 2022 and 6.4 percent in 2023. This growth is mainly attributable to the performance of the tertiary sector with a contribution of 3.5 percentage points. The contribution of the secondary and primary sectors was 1.1 points and 1.0 points respectively.

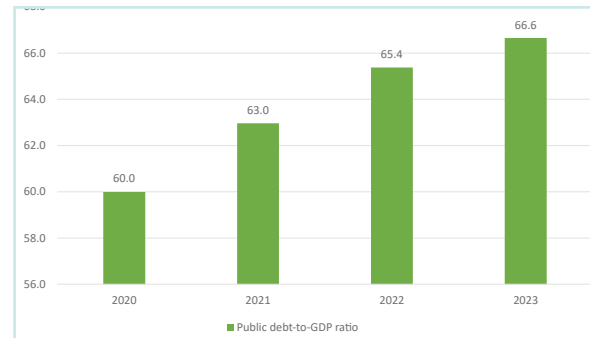
Figure 1: Trend of Real GDP Growth Rate and Inflation Rate from 2020 to 2023 (Percent)



Source: ECOWAS Commission, 2024

In addition, the inflation rate decreased from 7.6 percent in 2022 to 5.3 percent in 2023. Togo's public debt-to-GDP ratio stood at 66.6 percent in 2023, up from 65.4 percent in 2022, below the community threshold of 70.0 percent

Figure 2: Public Debt to GDP Ratio from 2020 to 2023 (Percent)

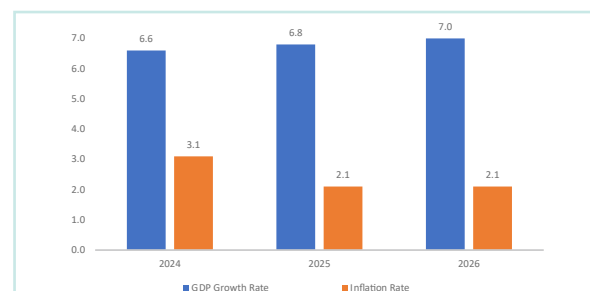


Source: ECOWAS Commission, 2024

Economic Outlook and Risk Factors

The economic outlook is favourable, due to structural reforms and major investment projects. Real GDP growth is expected to be 6.3 percent in 2024, 6.2 percent in 2025 and 6.5 percent in 2026, driven by the dynamism of the supply side of the tertiary and secondary sectors. On the demand side, final consumption and investment are expected to be the main drivers of the real GDP growth. The downward trend in inflation is expected to continue to 2.2 percent in 2024 and 2025 and 1 percent in 2026.

Figure 3: Projections of Real GDP Growth Rate and Inflation Rate from 2024 to 2026 (Percent)



Source: ECOWAS Commission, 2024



In terms of tax reforms, Togo is making progress towards greater control of its public finances. The fiscal deficit is projected to reach 5.5 percent of GDP in 2024 and 3.0 percent in 2025 and 2026, supported by increased revenue mobilization and tighter expenditure management. The stock of public debt remains under control and is estimated at 69.2 percent, 65.2 percent and 64.8 percent of GDP in 2024, 2025 and 2026 respectively. The main risks to this economic outlook are a possible escalation of terrorist violence, declining agricultural yields, and volatility in global phosphate prices. However, these risks can be mitigated through effective coordination of fiscal policies and continued structural reforms.

Transport and Communication Infrastructure

Togo has a 34,595 km long road network, of which only 18 percent is asphalted. This network is organized around the main Lomé-Cinkassé axis (700 km), which includes the Lomé-Kpalimé branch (119 km), and transversal axes that connect Togo to Benin (East) and Ghana (West). Recent efforts include the construction of 4,472 km long rural roads between 2021 and 2024, the opening up of 1,665 localities and the improvement of access to more than 8,000 socio-economic infrastructures. Maritime transport is mainly based on the Autonomous Port of Lomé (PAL), a strategic asset due to its deep-water capacity (-16.60 m). However, the rail network is largely outdated, with lines limited to minor freight routes

The communications sector has recorded notable growth, supported by the “Togo Digital

2025 - 2030” strategy, which aims to digitize 75 percent of public services by 2025. The Internet penetration rate reached 88.5 percent in 2024, with a notable increase in 3G/4G/5G subscriptions. In addition, regional initiatives, such as free roaming within selected ECOWAS member states, are strengthening regional integration in telecommunications. Digital infrastructure is supported by projects such as Togo's Digital Acceleration Programme (PANT), which aims to make the country a regional hub

for digital technology. However, rural areas remain underserved, limiting equitable access to digital services

Recommendations

1. Accelerate the rehabilitation and expansion of the national road network.
2. Strengthen digital infrastructure to ensure inclusive national coverage.
3. Modernize the rail sector to support national and regional economic development.
4. Continue the development of port and logistics infrastructure to boost foreign trade.







ANNEX

Annex 1: Regional Validation Workshop Participants: EREO 2024

ECOWAS COMMISSION
COMMISSION DE LA CEDEAO
COMISSÃO DA CEDEAO



**REGIONAL VALIDATION WORKSHOP OF THE ECOWAS REGIONAL
ECONOMIC OUTLOOK: 2024 EDITION IN LAGOS, NIGERIA FROM 04 TO 09
AUGUST, 2025**

MEMBER STATES REPRESENTATIVE FOR VALIDATION

S/N	NAME OF PARTICIPANTS	COUNTRY	SIGNATURE
1.	Mr Alban Gildas KOUTCHADE	Benin	
2.	Mr Kouame Pierre KOFFI	Cote D'Ivoire	
3.	Mr Mamadou BARRY	The Gambia	05/08/25
4.	Mr Raymond Kodjoe NAZAR	Ghana	
5.	Ms Sarah BOSOMPEM		
6.	Mr Abdoulaye Mamadama CAMARA	Guinea	
7.	Mr Sambu MUSSA	Guinea Bissau	
8.	Mr Edwin PUWOGAR	Liberia	
9.	Mr Ali Malik YAKUBU	Nigeria	
10.	Mr Hamat SY	Senegal	
11.	Mr Stephen Patrick MEDO	Sierra Leone	
12.	Miss Hodalo Bede KPATCHA	Togo	

Annex 2: Nominal Exchange Rates of National Currencies to US\$

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
BEN	495.80	471.80	510.89	494.06	494.34	591.15	592.93	581.94	555.78	585.89	575.64	554.44	623.44	623.44	623.44	623.44
CPV	83.28	79.28	85.84	83.07	81.92	99.40	99.69	97.89	93.43	98.53	96.77	93.24	104.84	104.84	104.84	104.84
CIV	495.80	471.80	510.89	494.06	494.34	591.15	592.93	581.94	555.78	585.89	575.64	554.44	623.44	623.44	623.44	623.44
GMB	27.99	30.10	34.07	35.96	41.53	42.51	43.82	47.88	48.02	50.10	50.91	51.09	55.40	55.40	55.40	55.40
GHA	1.43	1.51	1.81	1.98	2.90	3.71	3.91	4.35	4.59	5.21	5.60	5.81	8.31	8.31	8.31	8.31
GIN	5730.71	6669.94	6985.86	6908.21	7014.76	7487.67	8634.24	9180.92	9010.69	9178.99	9565.47	9766.18	8695.71	8695.71	8695.71	8695.71
GNB	495.80	471.80	510.89	494.06	494.34	591.15	592.93	581.94	555.78	585.89	575.64	554.44	623.44	623.44	623.44	623.44
LBR	71.50	72.50	72.46	82.50	84.87	88.50	94.46	112.63	144.04	186.30	191.45	166.22	152.91	152.91	152.91	152.91
NGA	150.30	159.70	157.25	157.31	158.55	196.49	253.49	305.79	305.58	306.42	358.81	397.92	423.25	423.25	423.25	423.25
SEN	495.80	471.80	510.89	494.06	494.34	591.15	592.93	581.94	555.78	585.89	575.64	554.44	623.44	623.44	623.44	623.44
SLE	4182.67	4375.79	4331.31	4357.37	4520.82	5077.41	6289.94	7384.43	7934.88	9000.92	9829.03	10361.96	14022.44	14022.44	14022.44	14022.44
TGO	495.80	471.80	510.89	494.06	494.34	591.15	592.93	581.94	555.78	585.89	575.64	554.44	623.44	623.44	623.44	623.44



Annex 3: Member States' Weight

Member State	Weight : 2020-2022	Weight : 2010-2019
BEN	2.10	1.38
CPV	0.29	0.20
CIV	8.54	5.12
GMB	0.25	0.14
GHA	9.83	6.49
GIN	1.61	1.33
GNB	0.23	0.17
LBR	0.49	0.31
NGA	65.07	75.60
SEN	3.44	2.82
SLE	0.61	0.69
TGO	1.05	0.66



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