ECOWAS REGIONAL ECONOMIC OUTLOOK
2025 TO 2027

FOOD SECURITY AND CHALLENGES OF REGIONAL INTEGRATION IN ECOWAS

MARCH 2026

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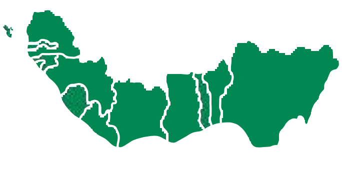
Data and information used for the analysis of economic prospects of the ECOWAS region are sourced from validated data templates of Member States as at April 2025.



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LIST OF ABBREVIATIONS AND ACRONYMS

AADEPA: Improved Sustainable Access to Portable Water Sanitation Project

AAID: ARREST (Agriculture, Road, Rule of Law, Energy, Sanitation) Agenda for Inclusive Development

AES: Alliance of Sahel States

AfCFTA: African Continental Free Trade Area

AfDB: African Development Bank

AGOA: African Growth and Opportunity Act

BCEAO: Central Bank of West African States

CAADP: Comprehensive Africa Agriculture Development Programme

CEN-SAD: Community of Sahel–Saharan States

CFSVA: Comprehensive Food Security and Vulnerability Analysis

CNSA: National Council for Food Security

CoHD: Cost of a Healthy Diet

COMESA: Common Market for Eastern and Southern Africa

CPI: Consumer Price Index

CRENAM: Outpatient Nutritional Recovery Centre for Moderate Individuals

CRENAS: Ambulatory Nutritional Recovery Centre for Severe Patients

CRENI: Inpatient Nutritional Recovery Centre (Hospitalisation)

EAC: East African Community

ECF: Extended Credit Facility

ECOWAP: Economic Community of West African States Agricultural Policy

ECOWAS: Economic Community of West African States

EMDEs: Emerging Market and Developing Economies

EREO: ECOWAS Regional Economic Outlook

EVD: Ebola Virus Disease

FAO: Food and Agriculture Organization

FASDEP II: Food and Agriculture Sector Development Policy

FGP: Feed Ghana Programme

GAFSP: Global Agriculture and Food Security Program

GDP: Gross Domestic Product

GFCF: Gross Fixed Capital Formation

GHI: Global Hunger Index

GLSS: Ghana Living Standards Survey

GNAIP II: Gambia National Agricultural Investment Plan

GNFSS: The Gambia National Food Security Survey

HIV/AIDS: Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome

IFAD: International Fund for Agricultural Development

IFJ: Investing for Food and Jobs

IMF: International Monetary Fund

IT: Information Technology

LGAs: Local Government Areas

LICs: Low-Income Countries

METASIP I and II: Medium-Term Agriculture Sector Investment Plans

MoFA: Ministry of Food and Agriculture

MoU: Memorandum of Understanding

MPR: Monetary Policy Rate

MTRMS: Medium-Term Revenue Mobilisation Strategy

NAFCO: The integration of the National Food Buffer Stock Company

NAIP: National Agricultural Investment Program

NDPOs: National Development Planning Offices

NDPs: National Development Plans

NEPAD: New Partnership for Africa's Development

NPRE: National Programme for Rural Electricity

NFEM: Nigeria Foreign Exchange Market

NPAIFNS: National Plan for Agricultural Investment and Food and Nutrition Security

NSOs: National Statistics Offices

OCC: Official Creditor Committee

ONASA: National Office for Food Security Support

PAD: Agricultural Development Poles

PASANDAD: Programme for Food and Nutrition Security and Sustainable Agricultural Development of Guinea

PERD: Planting for Export and Rural Development

PFJ: Planting for Food and Jobs

PNDA: National Agricultural Development Policy

PPP: Public-Private Partnerships

PSDEPA: the Strategic Plan for the Development of Livestock, Fisheries and Aquaculture

PSDSA: Plan for Agricultural Sector Development

RAAF: Regional Agency for Agriculture and Food

RECs: Regional Economic Communities

RECTS: Regional Electronic Cargo Tracking System

RELIT: Strengthening Basic Literacy for All

RFJ: Rearing for Food and Jobs

RFSR: ECOWAS Regional Food Security Reserve

RPTPDM: Togo's Performance Report on the Progress Made in the Implementation of the Malabo Declaration

SADC: Southern African Development Community

SAVA: Agricultural Season and Food Vulnerability

SEP: Senegal Emerging Plan

SDGs: Sustainable Development Goals

SMEs: Small and medium-sized enterprises

SNSAR: National Food Security and Resilience Strategy

SRGI: Strategic Revenue Growth Initiative

SRID: Research and Information Directorate

SSA: Sub-Saharan Africa

SWOT: Strengths, Weaknesses, Opportunities and Threats

TESTS: Transforming the Education System for Teachers and Students

UK: United Kingdom

UMA: Arab Maghreb Union

US: United States

USAID: United States Agency for International Development

USD: United States Dollar

VAT: Value Added Tax

WAEMU: West African Economic and Monetary Union

WAMA: West African Monetary Area

WAMZ: West African Monetary Zone

WHO: World Health Organization

Message from the President of the ECOWAS Commission

It is with great honour that I present the ECOWAS Regional Economic Outlook (EREO) 2025 to 2027, a flagship publication that captures the economic realities, emerging challenges, and transformative opportunities shaping our region. At a time of profound global and regional changes, the Outlook underscores both the resilience of the ECOWAS region and the urgency of renewed collective action to secure our shared future.

In recent years, ECOWAS faced an extraordinary combination of shocks, ranging from global tariff tensions and monetary tightening, to climate induced disruptions, rising food insecurity, and geopolitical realignments. The temporary suspension of USAID activities and the official withdrawal of Burkina Faso, Mali, and Niger from ECOWAS added new layers of complexity to our regional landscape.

Yet, despite these pressures, the ECOWAS region continues to demonstrate remarkable capacity for recovery, adaptation, and innovation.

The regional economy expanded by 4.3 percent in 2024, reflecting the determination of Member States to pursue reforms that stabilize inflation, strengthen fiscal performance, expand productive capacity, and deepen financial inclusion. Several Member States achieved strong growth in agriculture, manufacturing, services, and infrastructure development. Indeed, the medium term outlook signals rising confidence; regional growth is projected to exceed 7.0 percent by 2027, driven by large scale investments, renewed monetary stability efforts, and the expansion of digital and energy markets.

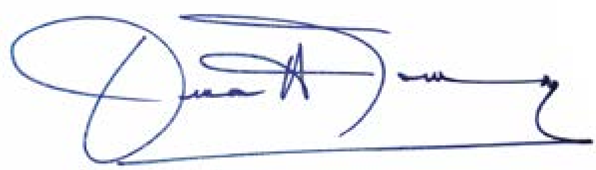
It is worthy to note that economic growth alone is not enough. Food insecurity remains one of the gravest threats to human development and regional stability. In 2024, an estimated 34.7 million people across the ECOWAS region required urgent food assistance, an alarming signal that we should accelerate implementation of ECOWAP, strengthen early warning and response systems, and transform our agri-food systems in line with the Maputo, Malabo, and Kampala commitments. The forthcoming years provide a critical window for rebuilding our food systems, enhancing resilience, and reducing our exposure to external shocks.

Recent geopolitical tensions affecting global trade also highlight the importance of deepening regional integration, expanding intra-ECOWAS trade, and advancing the ECOWAS Single Currency programme. As this report makes clear, closer coordination of fiscal, monetary, and structural policies will be essential to maintaining macroeconomic stability and reinforcing investor confidence.

A stable and predictable regional environment remains the cornerstone of our ambition to create a secure, prosperous, and competitive ECOWAS region. I extend my sincere appreciation to the Member States, national statistical institutions, technical partners, and dedicated staff of the ECOWAS Commission whose expertise has made this publication possible. Their contributions reflect our shared commitment to rigorous analysis, transparency, and forward looking policy planning.

As we navigate the years ahead, let us remain united in purpose, confident in our collective strength, and guided by the principles of solidarity, good governance, and shared prosperity. ECOWAS will continue to champion the reforms, investments, and partnerships needed to ensure that every citizen of our community benefits from sustainable development, economic opportunity, and lasting peace.

Together, we can build a stronger, more resilient, and more integrated West Africa.



H.E. Dr. Omar Alieu Touray

President of the ECOWAS Commission

Acknowledgments

The ECOWAS Regional Economic Outlook (EREO) 2025 to 2027 was prepared by the Department of Economic Affairs and Agriculture, led by the Commissioner, Dr. Kalilou Sylla, under the guidance of the Acting Director of Research and Statistics, Prof. Felix Fofana N'Zué. He coordinated all the technical activities that led to the production of the report. The core team involved in the preparation of the report includes Wumi Olayiwola and Mohamed Jalloh, from the Directorate of Research and Statistics. They were supported by Durand Koffi Adjassou, Liatu Damishi and Kingsley Opara, Sharon Zira Dia, Tahiru Usman and Jennifer Uzoma who provided invaluable research and administrative assistance.

The data were sourced from the National Statistical Offices of ECOWAS Member States, ministries in charge of Economy, Finance, Planning, Agriculture, Food, Animal and Fisheries Production, as well as validated data from the ECOWAS Commission's 2024 Convergence Reports. The data collation and analysis benefited from national validations, which enriched and ensured ownership of the information in the report. The drafting of the Country Notes, which greatly contributed to the report, was undertaken by national consultants. These consultants are: Roland Médjigbodo (Université Abomey-Calavi of Benin), Jose Sanchez (Centro Internacional De Estudos Estrategicos E De Desenvolvimento CIEED-Cabo Verde), Tite Beke (Université Felix Houphouet Boigny, Abidjan Côte d'Ivoire), Cherno Jallow (University of The Gambia, Banjul), Sarkodie Owusu (University of Ghana), Suande Camara (National Statistics Office, Guinea-Bissau), Abdoul Aziz Diallo (Economist, IMF Country Office, Guinea), Edna Johnny (University of Liberia), Amos Ogunwale (Nigerian Institute of Social and Economic Research, Nigeria), Mayoro Diop (Université Cheikh Anta DIOP de Dakar, Senegal), Abubakar Tarawalie (Fouray Bay University, Sierra Leone), and Damien Agbodji (University of Lomé, Togo).

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The EREO 2025 to 2027 is here. Congratulations. Thank you for your hard work and let us get ready for the next edition.

Professor Félix Fofana N'Zué

Acting Director of Research and Statistics,
ECOWAS Commission

Executive Summary

The first chapter of the ECOWAS Regional Economic Outlook (ECOWAS) 2025–2027 presents an overview of recent developments in the global and regional economy. It focuses on the dynamics that structure the international economy, growth trends, inflation, tariff pressures and risks that could influence African economic trajectories and, more specifically, those of ECOWAS. It provides a much-needed analytical framework for understanding the environment in which the region's macroeconomic performance and vulnerabilities are embedded.

The global economy is returning to a moderate but stable pace of growth, with projected growth of 2.6 percent and 2.7 percent for 2026 and 2027. However, significant geopolitical tensions persist, including the tariff war unleashed by the United States in February 2025. In Africa, economic performance is diverse. Sub-Saharan Africa is growing by 3.7 percent in 2024, with projections reaching 4.3 percent in 2026. East Africa is the most dynamic region, with growth rates above 5.9 percent. West Africa retains its second place with an expected growth of 4.3 percent in 2025 and 2026.

Inflation remains a major challenge for all economies. Globally, inflation is projected to decrease from 4.3 percent in 2025 to 3.4 percent in 2027. In advanced economies, it is expected to return to around 2.2 percent by 2026-2027. In Africa, inflation decreases from 18.7 percent in 2024 to 10.3 percent in 2026. The global dynamics described in this chapter have direct implications for the economic health of ECOWAS. Three main factors are highlighted. Inflationary pressures, global financial tightening and international trade tensions are key factors to consider.

Finally, the chapter highlights that despite these vulnerabilities, several structuring opportunities are emerging for the region, namely the diversification of exports, the rise of digital and financial services, the rise of infrastructure investments, the improvement of agricultural productive capacities, and enhanced regional integration through intra-ECOWAS trade. These elements constitute an essential lever for transforming growth into sustainable and inclusive development.

Chapter 2 provides an in-depth look at ECOWAS' economic dynamics between 2022 and 2024, as well as growth drivers, macroeconomic vulnerabilities, and ongoing economic reforms in Member States. This is a central chapter of the report, as it establishes the internal diagnosis necessary to understand the challenges of competitiveness, financial stability and regional integration facing the region.

The latter recorded real GDP growth of 4.3 percent in 2024, up from 3.6 percent in 2023, but marked by strong disparities between countries. The best-performing economies are Côte d'Ivoire, Benin, Togo, and Cabo Verde, which have rates above 6.0 percent. Conversely, Nigeria, Sierra Leone and The Gambia show more modest returns, often below 4.0 percent.

This growth is still largely driven by the dynamism of services, particularly telecommunications and finance; agriculture, whose performance has improved thanks to more favourable agricultural seasons; infrastructure investments, supported by public-private partnerships and international financing. However, the chapter also highlights a relative slowdown in the secondary sector (manufacturing), which accounts for only 19.2 percent of GDP in 2024, down from 2023.

Inflation remains an endemic problem in the region. The average inflation rate rises from 16.7 percent in 2022 to 24.5 percent in 2024, driven by rising food prices, rising energy costs, currency depreciation (especially the Nigerian naira) and disruptions in global supply chains. The WAMZ, made up of countries not pegged to the euro, has particularly high inflation rates (25.0 percent on average), while the WAEMU, protected by the CFA's peg to the euro, has much lower levels (about 3.2 percent). We also note that central banks have adopted restrictive monetary policies to counter this inflation. This is the case of the BCEAO, which has maintained its key rate at 3.5 percent, the Bank of Ghana and the Central Bank of Nigeria, which have opted for rates above 20.0 percent. These measures are slowing down access to credit but gradually stabilizing prices.

As for government revenues, they account for an average of 10.8 percent of GDP in the region – a very low level compared to the African and global average. States are implementing several reforms including the digitalization of tax systems (Côte d'Ivoire, Ghana), the elimination of subsidies (Nigeria), and the rationalization of public spending (Benin, Togo). Despite this, public spending continues to grow, reaching 12.4 percent of GDP in 2024, resulting in a budget deficit of 4.4 percent.

Regional public debt reached 48.1 percent of GDP, with critical levels in some countries such as Cabo Verde (110.0 percent), Guinea-Bissau (86.0 percent), and Togo (65.0 percent). High exposure to external debt, often denominated in United States dollar, increases vulnerability to exchange rate volatility.

As far as foreign trade is concerned, there is a structural deficit despite the dynamism of intraregional trade. Regional exports reach USD 229.5 billion in 2024, mainly driven by Nigerian oil, Ghanaian gold, and Ivorian cocoa. Imports increased sharply, reaching USD 176.8 billion, due to the strong dependence on food, fuel and capital goods. Intra-ECOWAS trade reached USD 13.9 billion, far exceeding the initial forecasts (USD 7 billion). This performance reflects an improvement in logistics, an increase in bilateral trade, and the rise in re-exports. Nigeria and Côte d'Ivoire contribute more than 80 percent of this trade flow.

In terms of the 2025 to 2027 Outlook, the report forecasts a gradual improvement in regional real GDP, namely 4.8 percent in 2025, 5.0 percent in 2026, 7.1 percent in 2027. The drivers of this acceleration will be the increase in energy and mining production, strategic industrial projects (Dangote refinery, mines in Guinea), massive investments in infrastructure, and the rise of financial and digital services. However, this positive outlook may be undermined by the US tariff war, the suspension of USAID aid, the withdrawal of AES countries from the ECOWAS, climate risks, and low government revenues.

In terms of social indicators, poverty is declining in some countries (Benin, Gambia) but increasing in others, such as Sierra Leone (32.7 percent in 2024). The inequality measured by the Gini coefficient stagnates around 0.3 to 0.4. Unemployment remains officially low, but the economy remains dominated by the informal sector and underemployment. Finally, access to electricity and water is increasing, but remains very unequal across countries.

Chapter 3 is one of the most critical of the report as it deals with the most pressing structural challenge for ECOWAS: food security. In 2024, more than 34.7 million people were in need of urgent food assistance. Despite the fact that ECOWAS and its Member States rely on continental commitments, namely: The Maputo Declaration (2003) which recommends allocating 10 percent of the budget to agriculture; The Malabo Declaration (2014), which aimed to end hunger by 2025, and the Kampala Declaration (2025), which set new agricultural targets for the 2026-2035 period, most of these countries remain below 10 percent of the agricultural budget, with the exception of Senegal in some years. This limits progress on productivity, irrigation and agricultural transformation. This chapter 3 also covers the 4 pillars of food security, namely: Food availability, the analysis shows that food production is increasing in some countries such as Ghana and Côte d'Ivoire but stagnating or declining in others. Especially because of climate shocks. Dependence on imports remains high: rice in Nigeria and Senegal, cereals in Ghana.

The second pillar concerns access to food. Under this pillar, rising food prices make basic commodities inaccessible to millions of households. This is the case in Ghana where healthy food costs 67.7 percent of the minimum wage and in Nigeria where food inflation remains around 40.0 percent. The third pillar concerns food use. This pillar highlights that malnutrition in the region remains high, especially in Nigeria where 36.9 percent of the population is stunted, and in Ghana where 36.0 percent of women are anaemic.

The fourth and final pillar concerns food stability, which is severely compromised due to floods, droughts, conflicts, and fluctuations in world prices. As regards regional integration, the report shows that national agricultural policies are not sufficiently coherent with each other or aligned with ECOWAP. States regularly impose export restrictions (maize, rice), which harms the regional market. Cross-border infrastructure is insufficient, corridors are insecure, and the implementation of regional mechanisms such as the Regional Food Security Reserve (RRSA) is limited by a lack of funding.

The SWOT analysis of regional food security highlights the following as strengths: the existence of a strong regional policy framework, and an information system (ECOAGRIS). In terms of weaknesses, we can point to underinvestment, post-harvest losses , and poor irrigation. As far as opportunities are concerned, we can take into account the AfCFTA and agro-industrial processing. As for the threats, we can remember climate change, dependence on imports, political instability, and price volatility.

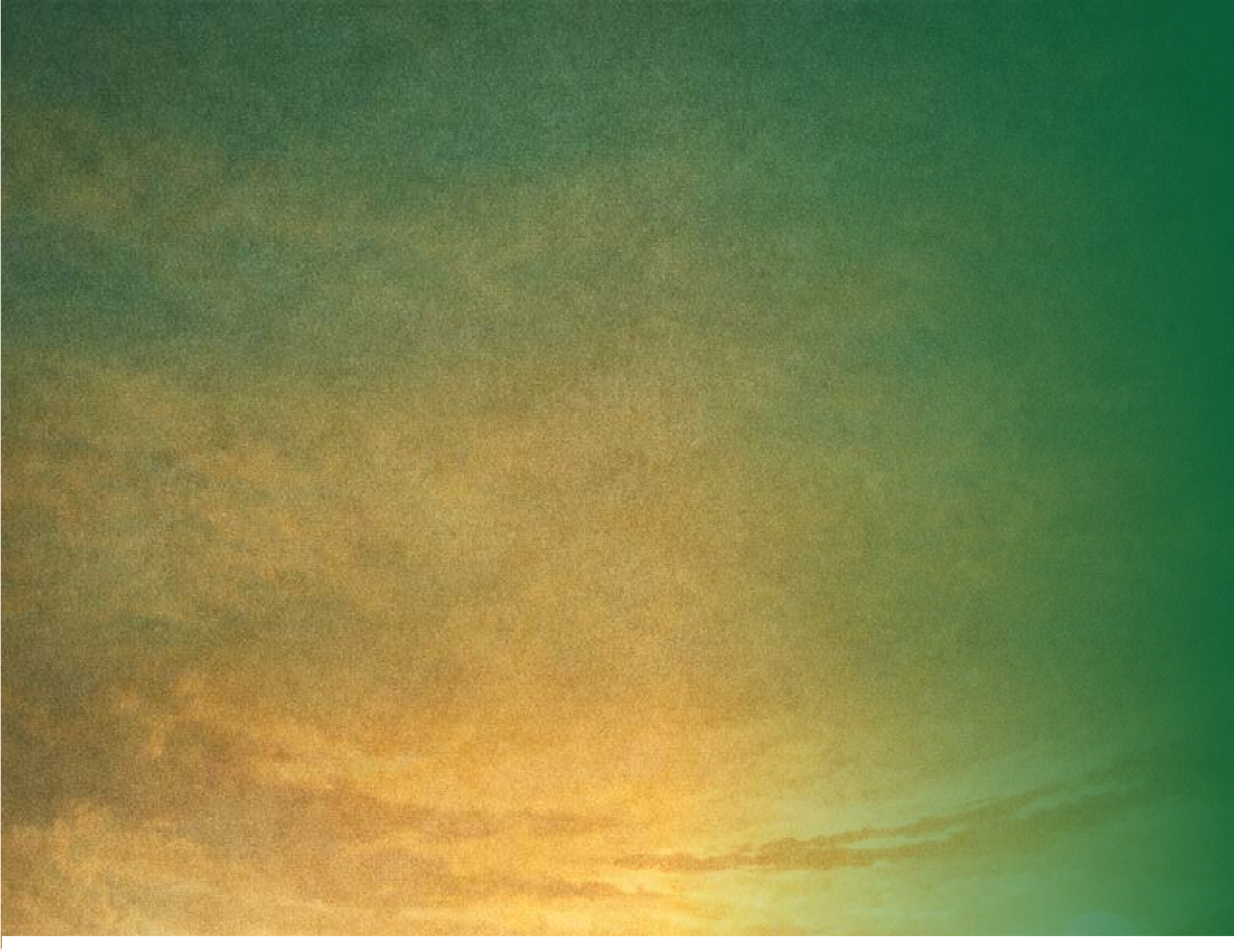
Chapter 4 consolidates the overall analysis of the report to identify short-, medium- and long-term strategic priorities. Thus, the overall diagnosis shows that ECOWAS has significant economic potential, but the cumulative challenges - inflation, low revenue mobilization, climate vulnerability, food dependence - weigh on the capacity for structural transformation.

The report makes major recommendations on macroeconomic policies (increasing domestic revenues, reducing tax exemptions, increasing fiscal discipline and controlling public debt), agricultural transformation (i.e. compliance with the Maputo commitments, acceleration of irrigation, mechanization and storage, promotion of local processing and agro-industrial value chains).

Other recommendations relate to food security (strengthening maternal and child nutrition and modernizing early warning systems), regional integration (a major strategic lever that requires the harmonization of agricultural and trade policies as well as the facilitation of cross-border trade and the reduction of non-tariff barriers) and climate resilience (which includes investment in resistant varieties, development of agricultural insurance and strengthening of rural infrastructure).

Dr. Kalilou Sylla

Commissioner for Economic Affairs and Agriculture



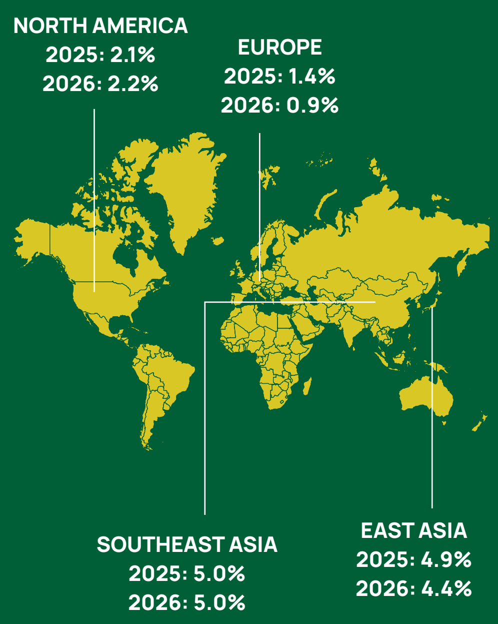
CHAPTER **01**

RECENT ECONOMIC DEVELOPMENTS WITHIN GLOBAL AND REGIONAL PERSPECTIVES

The global economy demonstrated strong resilience following stabilisation gains in 2024 despite increasing global trade related tension emanating from the United States (US) tariff hikes in 2025. The remarkable pace of global economic recovery from the 2020 recession saw 90 percent of advanced economies hitting above pre-pandemic per -capita income levels (World Bank 2026). Global real gross domestic product (GDP) growth - which stood at 2.8 percent in 2023 and 2024 - is anticipated to slightly weaken to 2.7 percent in 2025 on account of weakening global trade driven by a slowdown in demand for traded goods and softening domestic demand in major economies as the effects of tariff hikes intensify. Global real GDP growth is also forecasted to edge to 2.6 percent in 2026 before picking up to 2.7 percent in 2027 as trade improves following a decline in tariff-hike related uncertainty and the easing of global monetary policy tightening. In the United States (US), real GDP growth, which grew at 2.9 percent in 2023 and 2.8 percent in 2024 is projected to decline to 2.1 percent in 2025 before picking up to 2.2 percent in 2026. For the Euro Area, real GDP growth which rose from 0.5 percent in 2023 to 0.9 percent in 2024, is projected to further strengthen at 1.4 percent in 2025 before declining to 0.9 percent in 2026. In Japan, real GPD growth is projected to 1.3 percent in 2025 from a negative growth of 0.2 percent in 2024.

In emerging market and developing economies (EMDEs), real GDP, which was growing at 4.4 percent in 2023 and 4.3 percent in 2024, is projected to weaken to 4.2 percent in 2025. Growth in EMDEs is forecast to decelerate to an average of 4.0 percent in 2026 to 27, as the projected slowdown in China is partly offset by a gradual pickup in other EMDEs (World Bank, 2026). In spite of China's robust fiscal stimulus and increased shipments to non-US markets, real GDP is projected to weaken to 4.9 percent in 2025 before further declining to 4.4 percent and 4.2 percent in 2026 and 2027 respectively. Whilst Indonesia is expected to maintain its real GDP growth rate at 5.0 percent over the period 2025 and 2026, Thailand's real GDP growth is projected to decline to 2.0 percent and 1.8 percent in 2025 and 2026 respectively, from 2.5 percent in 2024. Across the EMDE region, projected pickup in real GDP growth reflects an acceleration in domestic demand, driven by stronger investment and firmer consumption, in addition to a recovery in trade and manufacturing, with commodity exporters also supported by a modest rise in industrial commodity prices.

PROJECTED REAL GDP GROWTH RATE ACROSS SELECTED REGIONS

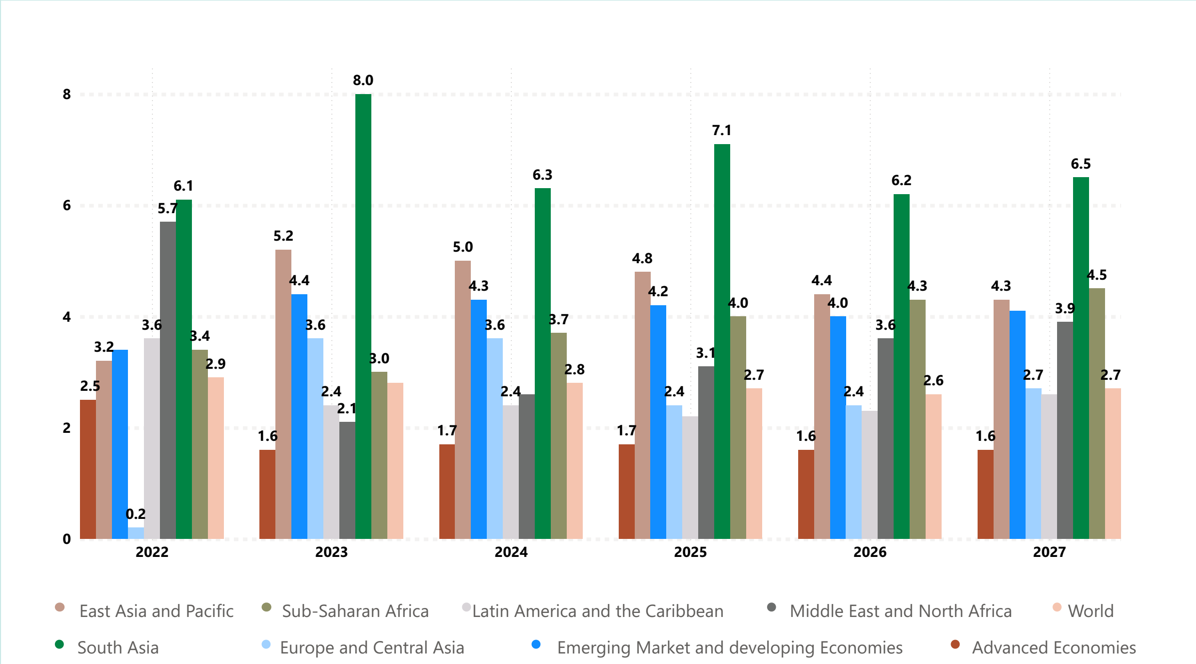


Real GDP growth in low-income-countries (LICs) is projected to rise to around 5.0 percent in 2025 from 3.6 percent in 2024. Growth in LICs is anticipated to further accelerate to 5.7 percent and 5.6 percent in 2026 and 2027 respectively. This is largely driven by a surge in activity among a good number of commodity-exporting economies—particularly metal exporters—as well as anticipated improvement in fragile economies. Notwithstanding, the increasing uncertainties accompanying escalating conflicts in most fragile economies has given cause for a significant downgrade on the growth prospects of most LICs. In the absence of stronger growth, many LICs will find it difficult to create more jobs , particularly as many economies and sectors undergo structural changes.

PROJECTED REAL GDP GROWTH RATE ACROSS SELECTED REGIONS

According to the World Bank's projection, South Asian economic growth in 2025 stood at 7.1 percent, up from 6.3 percent in 2024. This is primarily driven by robust domestic consumption, rebounding tourism, and sustained investment in infrastructure. This is also backed by sustained policy reforms as well as improving macroeconomic stability. For India, real GDP is projected to grow at the rate of 7.2 percent in 2025 with a possibility of declining to 6.5 percent and 6.6 percent in 2026 and 2027, respectively. On the contrary, real GDP growth for Bangladesh is projected to weaken from its 2024 performance to 3.7 percent in 2025 but will pick up in 2026 and 2007 at the rate of 4.6 percent and 6.1 percent, respectively. In Sri Lanka, real GDP growth is projected to continually decline from 4.6 percent in 2025 to 3.1 percent in 2027. Through the South-South cooperation, trade relations between West Africa and South Asian countries (primarily India) have grown rapidly over the past two decades. India, is currently a major trading partner for Nigeria, Ghana and other ECOWAS Member States. India is also increasing its investment in West African energy and pharmaceutical manufacturing. Economic growth in the South-Asian region will therefore impact positively on ECOWAS Member States through increased trade flows as well as enhancing development in the energy and pharmaceutical industries. For Latin America and the Caribbean, real GDP is projected to decline slightly to 2.2 percent in 2025 but thereafter grew at the rate of 2.3 percent and 2.6 percent in 2026 and 2027, respectively. In the Middle East and North Africa, real GDP is projected to grow at the rate of 3.1 percent in 2025, 3.6 percent in 2026 and 3.9 percent in 2027.

Figure 1: Real GDP Growth Rate by Region from 2022 to 2024 and Projections for 2025 to 2027



Source: The World Bank January 2026

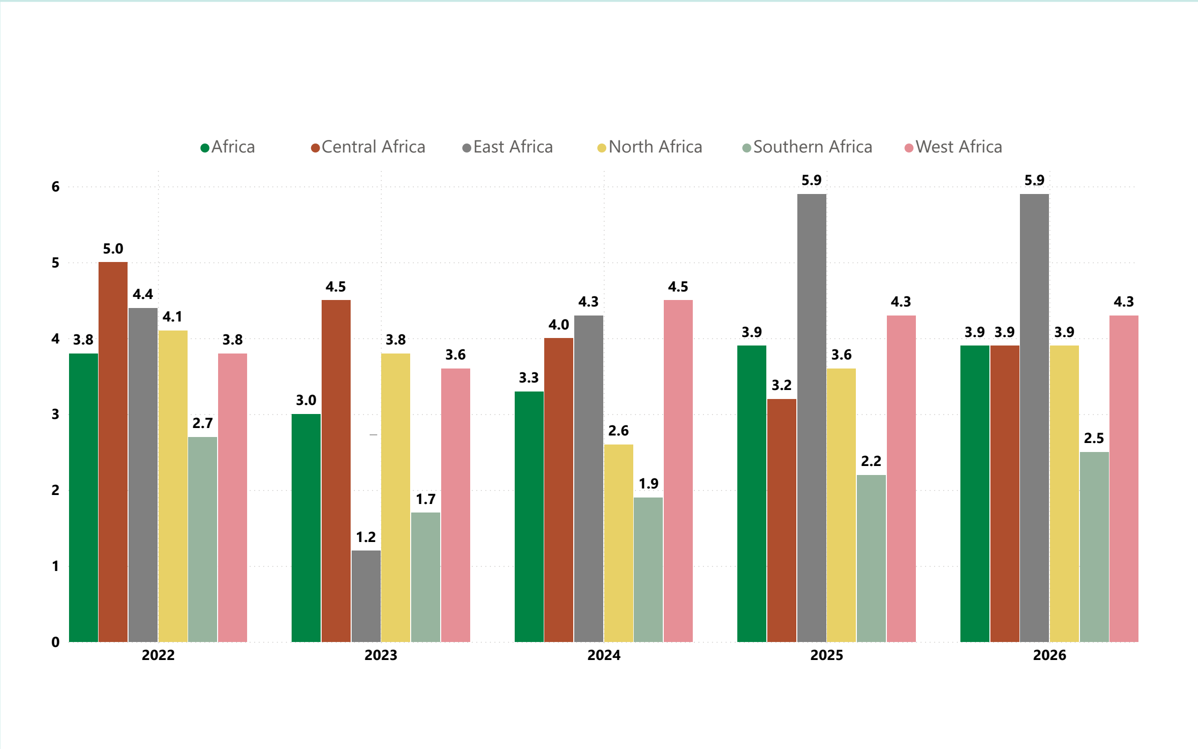
As shown in Figure 1, almost all regions in the global economy demonstrated some level of resilience in 2025 despite the tariff hikes initiated by the US government. Indeed, with the exception of the advanced economies, Europe, Central Asia, Latin America and the Caribbean, all other regions are expected to grow above 3.0 percent during the period 2025 to 2027. Real GDP growth in advanced economies is expected to slow from 1.7 percent in 2025 to 1.6 percent in 2026 and 2027. In the Russian Federation, real GDP growth is projected to fall from 4.3 percent in 2024 to 0.9 percent in 2025, 0.8 percent in 2026 before rising to 1.0 percent in 2027. The prolonged Russia-Ukraine war may explain the deteriorating growth performance.

In Sub-Saharan Africa (SSA), real GDP growth rate was 3.7 percent in 2024 and is expected to increase to 4.0 percent and 4.3 percent in 2025 and 2026 respectively. This can be attributed to the expected increase in Nigeria's real GDP growth from 4.2 percent in 2025 to 4.4 percent in 2026 (World Bank, 2026). The trend is the same for South Africa and Ethiopia as these countries recorded growth of 0.6 percent and 7.2 percent respectively in 2023 increasing to 1.2 percent and 8.1 percent in 2024, respectively. Real GDP growth rates for South Africa and Ethiopia were projected at 1.3 percent and 7.2 percent in 2025, respectively.

The African Development Bank (2025) projected real GDP growth rate in Africa to increase from 3.3 percent in 2024 to 3.9 percent in 2025 and 4.1 percent in 2026. Strong government spending in many countries and a pick-up in private consumption will support this economic growth. This, however, can be derailed by persistent inflationary pressures, elevated costs of debt, currency depreciations, pockets of regional conflict and insecurity, and climate shocks.

At the sub-regional level, East Africa maintains its position as Africa's fastest growing region with real GDP growth projected at 5.9 percent in both 2025 and 2026. The impressive growth performance of the region reflects the resilience of growth in Ethiopia, Djibouti, Rwanda, Uganda and Tanzania, all expected to grow by an average rate of 6.0 percent or higher in 2025 and 2026, supported by continued public investments to deepen domestic value chains in agriculture and energy infrastructure.

Figure 2: Real GDP Growth Rate in Africa and its Sub-Regions from 2022 to 2024 and Projections for 2025 to 2026



Source: African Development Bank, 2025

The West African region will continue to occupy the position as the second-fastest growing region in Africa after East Africa though Real GDP growth rate is projected to decline from 4.5 percent in 2024 to 4.3 percent in 2025 and 2026. With the exception of Ghana, Nigeria, and Sierra Leone, the AfDB projected all other countries to grow by 5.0 percent or higher in 2025. The growth performance of West Africa will be driven by the combined effects of strong domestic demand, increased oil and gas production, sustained public and private investments and augmented value addition in key agricultural products. However, inflationary pressures, mounting fiscal deficits, and elevated debt vulnerabilities may undermine economic growth prospects. AfDB (2025) projected the 2025 real GDP growth for Nigeria, Ghana and Sierra Leone at 3.2 percent, 6.0 percent and 4.4 percent, respectively. On the contrary, real GDP growth projections for Benin, Côte d'Ivoire and Senegal in 2025 are 6.4 percent, 6.3 percent and 10.3 percent, respectively.

As observed in Figure 2, North African countries experienced modest real GDP growth, however, it slowed from 3.8 percent in 2023 to 2.6 percent in 2024. Nevertheless, forecasts by AfDB indicate that real GDP growth in North Africa for 2025 and 2026 will exceed those of Central and Southern Africa. Precisely, the region is projected to grow at the rate of 3.6 percent in 2025 and 3.9 percent in 2026. The projected increase in real GDP growth for the region from 2025 to 2026 is driven by expected rebounds in Libya, Egypt, and Morocco.

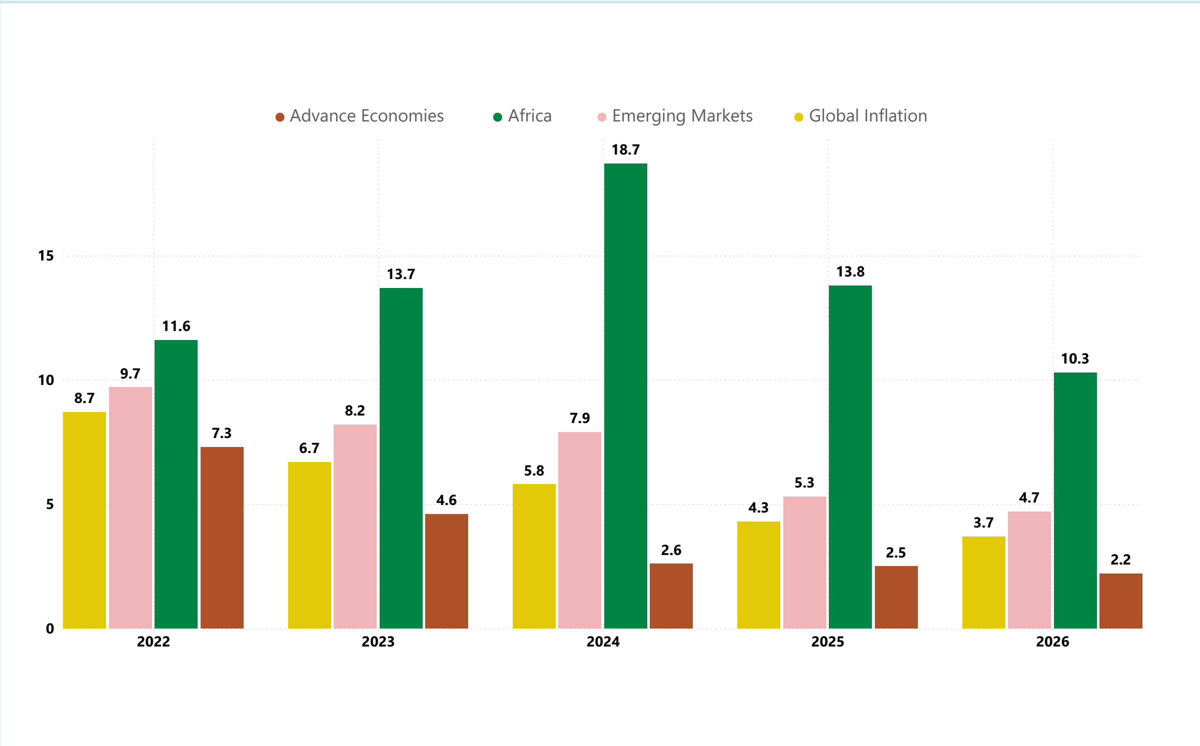
In Central Africa, real GDP growth is projected to slow from an estimated 4.0 percent in 2024 to 3.2 percent in 2025 and 3.9 percent in 2026. The expected decline in the region's real GDP growth in 2025 largely reflects deceleration in oil and mining production, restrained public investment due to growing uncertainty, and weak prospects for global trade. Decelerating real GDP growth in the Democratic Republic of Congo and projected growth contraction in Equatorial Guinea affects the region's prospect. The projected recession for the region is based on its limited economic diversification to compensate for losses resulting from a decline in hydrocarbon production and exports. For the Southern African region, real GDP growth is projected to increase from an estimated 1.9 percent in 2024 to 2.2 percent in 2025 and 2.5 percent in 2026. The region's emergence from the impact of a devastating drought that slowed growth in 2024 raises expectation for a better prospect. Increased rainfall in 2025 is expected to support a strong recovery in agriculture output and improve energy production from Lake Kariba, a key source of hydropower generation shared by Zambia and Zimbabwe.

The growth performance of West Africa will be driven by the combined effects of strong domestic demand, increased oil and gas production, sustained public and private investments and augmented value addition in key agricultural products.

The global inflationary pressures continue to ease on account of sustained monetary tightening by the Central Banks in both advanced economies and emerging market and developing economies. Global headline inflation is expected to decline from 4.3 percent in 2025 to 3.7 percent in 2026 and 3.4 percent in 2027. According to the International Monetary Fund (IMF, 2026), the US core inflation is projected to return to the country's 2.0 percent target during 2027. In the United Kingdom (UK), inflation is anticipated to revert to target by the end of 2026 as the country's labour market continues to exert downward pressure on wage growth. In Japan, as food and commodity prices ease, inflation is expected to moderate in 2026 and converge toward the country's target in 2027. In the euro area, headline inflation is projected to be 2.0 percent, with core inflation projected to decline to that level in 2027. China's inflation is projected to rise from low levels, whereas inflation in India is expected to return to near target levels after a marked decline in 2025, driven by subdued food prices.

Global inflation is expected to decline due to lower energy and non-energy commodity prices, driven by weakening global demand. It also reflects the effects of global monetary policy tightening. In advanced economies, average annual inflation is projected to decline from 2.6 percent in 2024 to 2.5 percent in 2025 and 2.2 percent in 2026. In EMDEs, inflation is projected to decline from 7.9 percent in 2024 to 5.3 percent in 2025 and 4.7 percent in 2026. For Africa, average annual inflation is projected to decline from 18.7 percent in 2024 to 13.8 percent in 2025 and 10.3 percent in 2026.

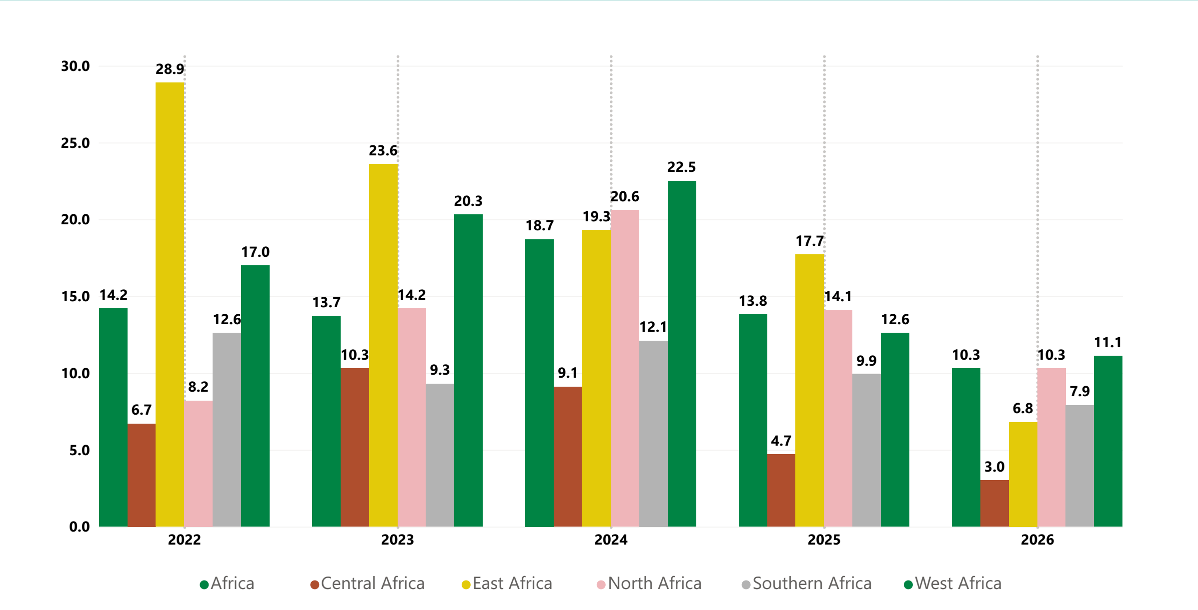
Figure 3: Global and Regional Inflation Rate from 2022 to 2024 and Projections for 2025 to 2026



Source: IMF and AfDB, 2025

In terms of sub-regional analysis, inflation in North Africa is projected to decline from 20.6 percent in 2024 to 14.1 percent in 2025 and 10.3 percent in 2026, due largely to falling food and energy prices. Inflation in Southern Africa is expected to decline from 12.1 percent in 2024 to 9.9 percent in 2025 and 7.9 percent in 2026, driven mainly by declining energy and food prices. Inflation in East Africa is expected to decline from 19.3 percent in 2024 to 17.7 percent in 2025 and 10.3 percent in 2026, largely driven by the sustained tightening of monetary policy in the region.

Figure 4: **Inflation Rate in Africa's Sub-Regions from 2022 to 2024 and Projections for 2025 to 2026**

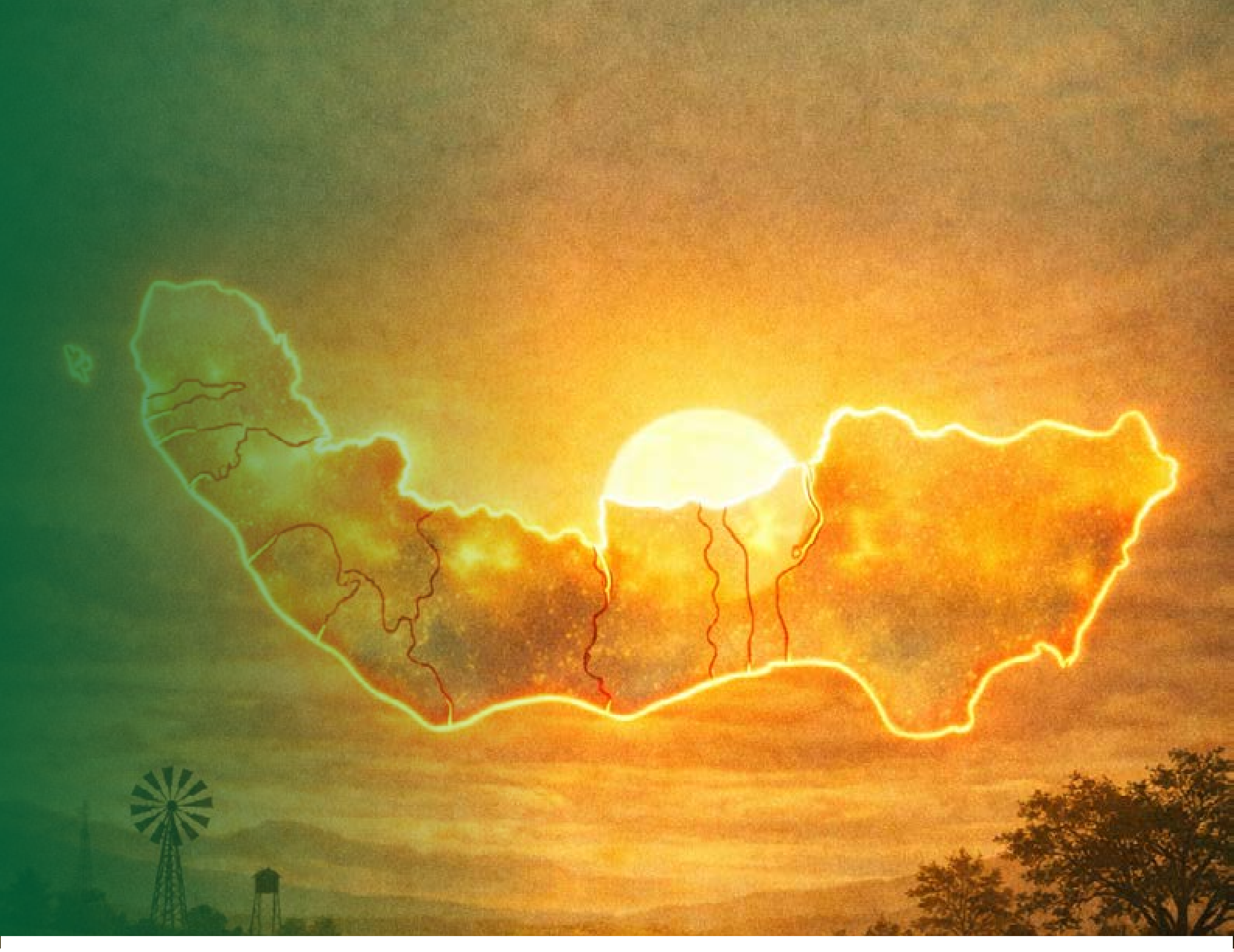


Source: African Development Bank, 2024

Inflation in the Central African region has consistently been 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. Inflation in Central Africa has been below Africa's average with single digits. The region's inflation is projected to decline from 9.1 percent in 2024 to 4.3 percent in 2025 and 3.0 percent in 2026. In West Africa, inflation, which surged above the continent's average, is expected to decline from 22.3 percent in 2024 to 12.6 percent in 2025 and 11.1 percent in 2026. The key drivers of the region's inflation in 2024 include the high inflationary pressure in Sierra Leone, Ghana and Nigeria.

The analysis of recent economic performance shows that both global and regional economies demonstrate a better GDP growth and easing of inflationary pressure. As concluding remarks, does the dynamics of economic performance of ECOWAS region portray this global trend?

In West Africa, inflation, which surged above the continent's average, is expected to decline from 22.3 percent in 2024 to 12.6 percent in 2025 and 11.1 percent in 2026.



CHAPTER **02**

DYNAMICS OF ECONOMIC PERFORMANCE AND PROSPECTS IN THE ECOWAS REGION

2.1. INTRODUCTION

The dynamics of the economic performance in the ECOWAS region is analysed within the context of trends in real GDP growth, inflation, sectoral composition, and growth drivers from 2022 to 2024, and economic prospects from 2025 to 2027. The performance analysis is complemented by examining the variances in projected and actual values of selected macroeconomic indicators in 2024. This is done to highlight emerging patterns of economic resilience and vulnerability, identification of key growth drivers, and assessment of the policy implications for sustaining inclusive and stable economic growth. In addition, it situates regional performance within the context of domestic policy reforms, geopolitical shifts, and external shocks, including the withdrawal of the Alliance of Sahel States (AES), global trade disruptions, and changes in development financing.

2.2. MIXED ECONOMIC GROWTH PERFORMANCE

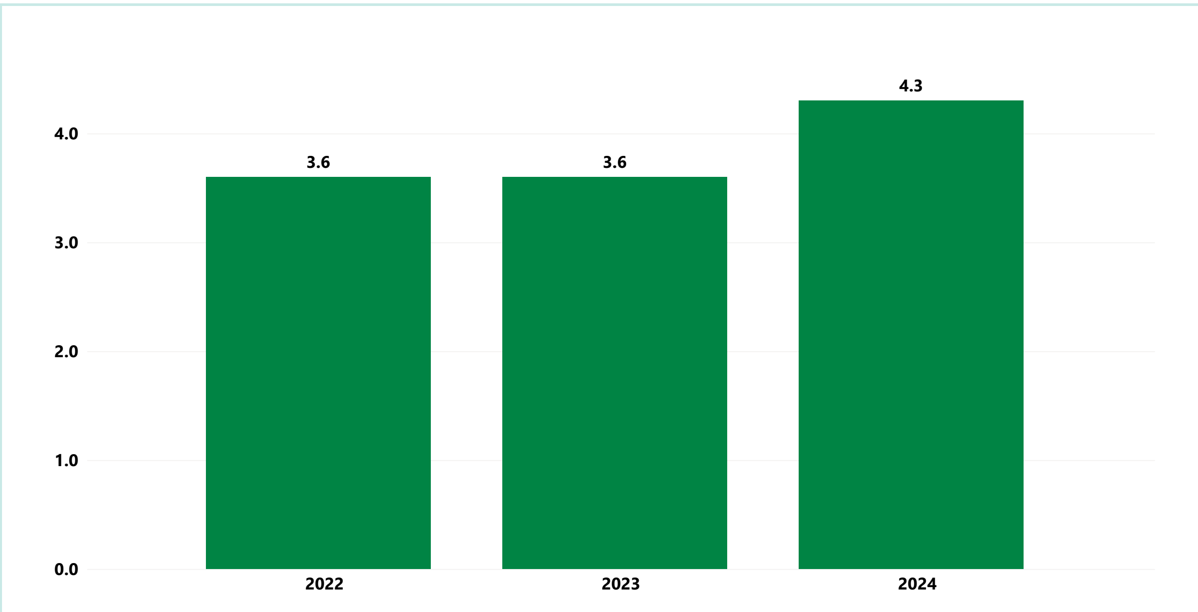
Over the period of 2022 to 2024, regional nominal GDP in the ECOWAS region decreased from US$873.0 billion in 2022 to US$730.5 billion in 2023 and declined to US$489.1 billion in 2024. This considerable decline can be attributed to depreciation of national currency of some Member States. However, the regional real GDP growth rate was an average of 3.9 percent over the period. It increased from 3.6 percent in 2022 and 2023 to 4.3 percent in 2024.

REGIONAL REAL GDP GROWTH

2023 **3.6%**

2024 **4.3%**

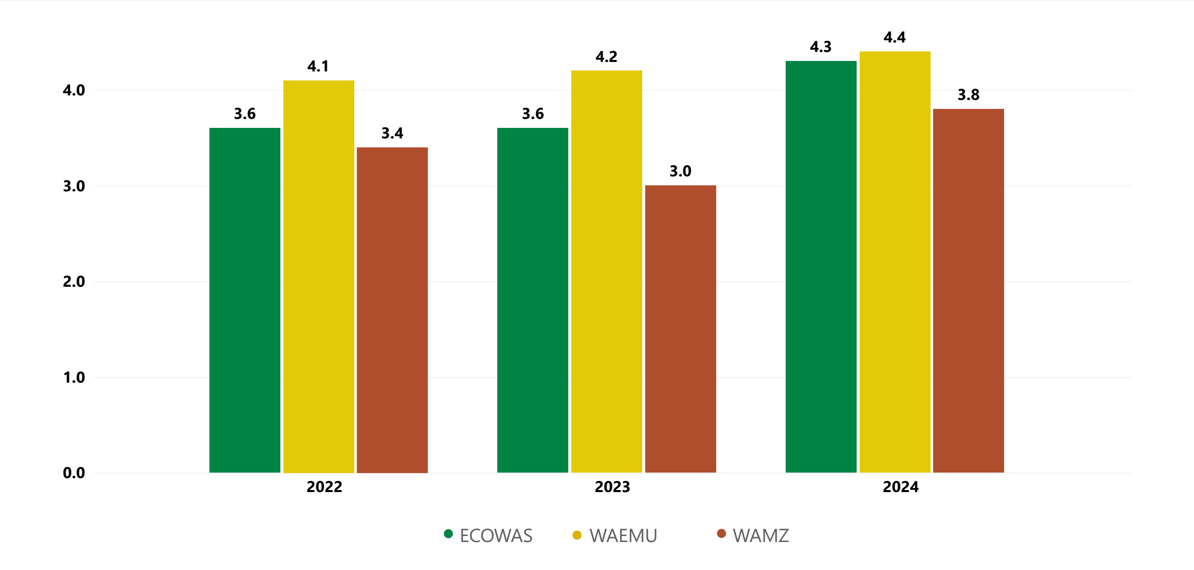
Figure 5: Average Real GDP Growth Rate in ECOWAS from 2022 to 2024 (Percent)



Source: ECOWAS Member States Note, 2025

West Africa Economic and Monetary Union (WAEMU) recorded better performance, with real GDP growth of 4.1 percent in 2022, 4.2 percent in 2023, and 4.4 percent in 2024, yielding an average growth rate of 4.2 percent. This is attributed to macroeconomic stability, and sustained agricultural and investment-driven growth across Member States. West Africa Monetary Zone (WAMZ) real GDP growth rates reduced from 3.4 percent in 2022 to 3.0 percent in 2023, and recovered to 3.8 percent in 2024. This is attributed to the weak secondary sector and exchange rate depreciations in some Member States. The better performance of WAEMU compared to WAMZ, reflects the diverse nature of the regional economy (Figure 6).

Figure 6: **Real GDP Growth Rate of ECOWAS, WAEMU and WAMZ from 2022 to 2024**

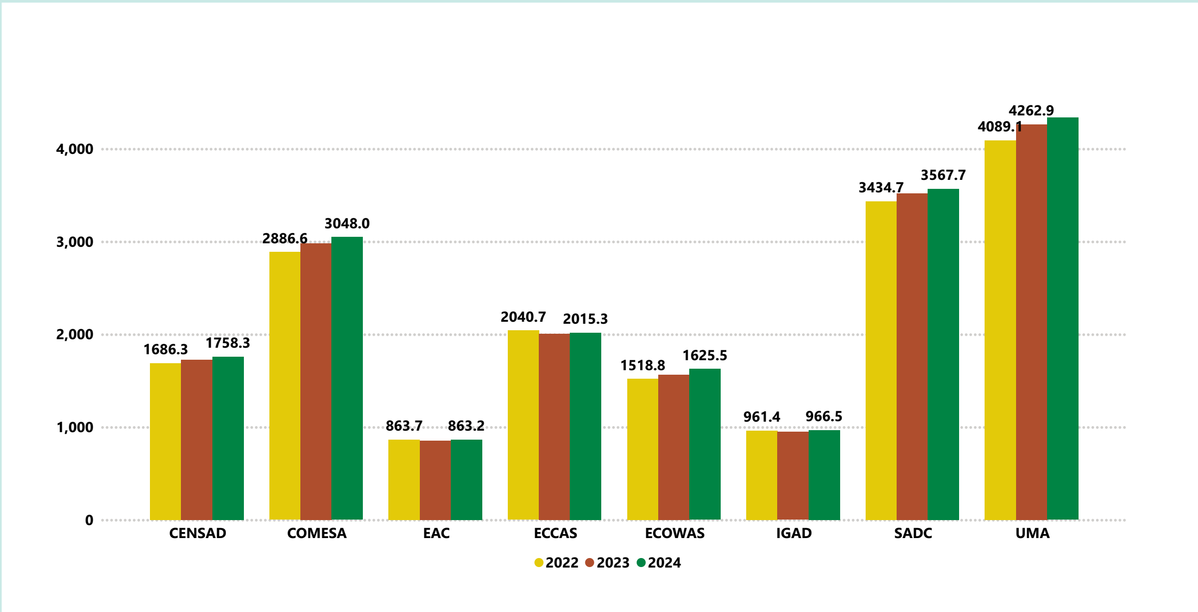


Source: ECOWAS Member States Note, 2025

The regional GDP per capita recorded an improvement, rising from US$1,518.8 in 2022 to US$1,564.3 in 2023 and US$1,625.5 in 2024. This represents an increase of 7.0 percent and average GDP per capita of US$1,569 between 2022 and 2024. Despite this increase, ECOWAS region remained in the lower-middle range when compared with other African Regional Economic Communities (RECs). ECOWAS outperformed lower-income RECs like East African Community (EAC), whose average GDP per capita between 2022 and 2024 was US$859.5.4. ECOWAS performed comparably to the Community of Sahel-Saharan States (CEN-SAD), which had a higher GDP per capita of US$1,686.3 in 2022, US$ 1,725.3 in 2023, and US$1,758.3 in 2024.

The regional GDP per capita recorded an improvement, rising from US$1,518.8 in 2022 to US$1,564.3 in 2023 and US$1,625.5 in 2024. This represents an increase of 7.0 percent and average GDP per capita of US$1,569 between 2022 and 2024.

Figure 7: GDP Per Capita of ECOWAS and Other African RECs from 2022 to 2024



Source: World Bank, 2025

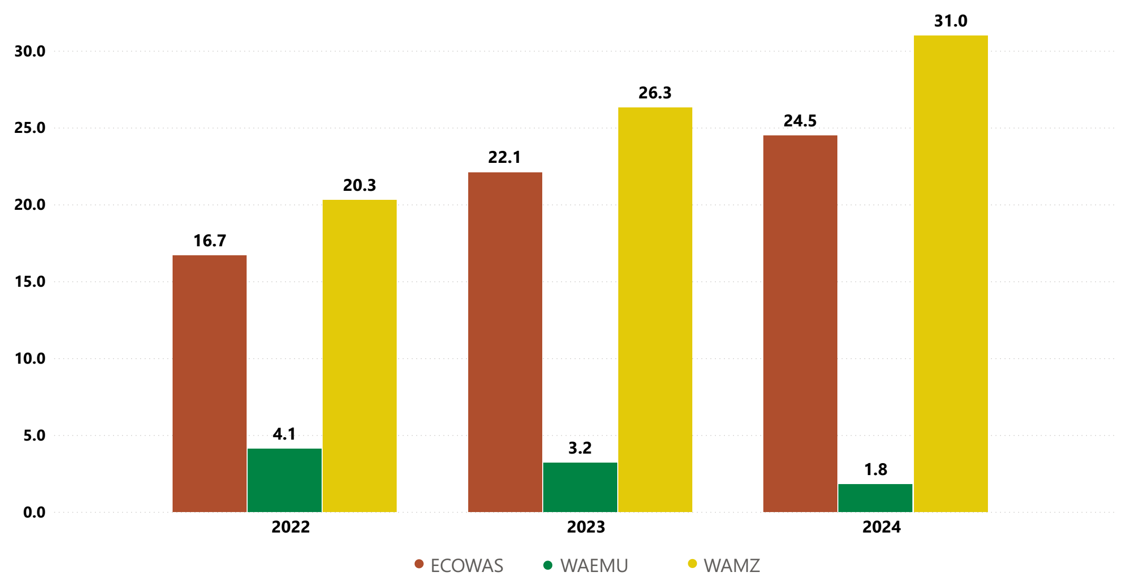
The ECOWAS region showed a lower performance compared to the Southern African Development Community (SADC), which recorded GDP per capita of US$3,434.7 in 2022, US$3,519.0 in 2023 and US$3,567.7 in 2024. Arab Maghreb Union's (UMA) GDP per capita increased from US$4,089.1 in 2022 to US$4,262.9 in 2023 and US$4,334.6 in 2024 as a result of energy exports, closer integration with European markets, and higher productivity levels. Common Market for Eastern and Southern Africa (COMESA) had GDP per capita levels of US$2,886.6 in 2022, US$2,979.0 in 2023 and US$3,048.0 in 2024 (Figure 7). The region's performance was supported by diversified export bases and stronger intra-regional trade in some Member States.

Regarding regional inflation rates, there was an increase from 16.7 percent in 2022 to 22.1 percent in 2023 and 24.5 percent in 2024. The average inflation rate stood at 21.1 percent within the same period. This was driven by high food prices, and rising transportation costs linked to higher energy prices. This was also driven by the high inflationary rate reported by the WAMZ Member States from 20.3 percent in 2022, 26.3 percent in 2023 and 25.4 percent in 2024 with an average inflation rate of 24 percent. Sierra Leone, Ghana, The Gambia and Guinea with high inflation rate in 2023 had a remarkable decline in 2024. Sierra Leone from 46.6 percent in 2023 to 29.8 percent in 2024, Ghana from 38.1 percent in 2023 to 22.9 percent in 2024 and The Gambia from 16.9 percent in 2023 to 9.6 percent in 2024. Guinea recorded a sharp decline in inflation, falling from 10.5 percent in 2022 to 4.8 percent in 2023, before rising slightly to 5.1 percent in 2024. This is attributed to tight monetary policies and the absence of major economic shocks.

The trend reflects progress in policy decisions by Member States to combat inflationary pressures. For example, Sierra Leone made impressive progress as the inflation rate decelerated considerably in 2024, driven by the Central Bank's tight monetary policy, exchange rate stability, a fiscal consolidation drive, and improved domestic food supply. Liberia embarked on rural infrastructure development that reduced food inflation and led to an improvement in the economy.

On the other hand, WAEMU reported a steady decline in the average inflation rate from 4.1 percent in 2022 to 3.2 percent in 2023 and 1.8 percent in 2024. This trend can be attributed to favourable agricultural seasons, which have led to lower food prices. To contain inflationary pressures, the Banque Centrale des États de l'Afrique de l'Ouest (BCEAO) maintained its interest rate at 3.5 percent on average, while continuing its upward momentum in credit to the public and private sectors. For example, in Côte d'Ivoire, the inflation rate fell from 4.4 percent in 2023 to 3.5 percent in 2024, indicating prudent monetary policy. This downward trend in the inflation rate ensured a relatively high propensity to consume, between 76.0 percent and 77.0 percent of GDP, between 2022 to 2024. The investment rate stood at 23.1 percent in 2023, the same level as in 2024.

Figure 8: Average Inflation Rate of ECOWAS, WAEMU and WAMZ from 2022 to 2024 (Percent)



Source: ECOWAS Member States Note, 2025

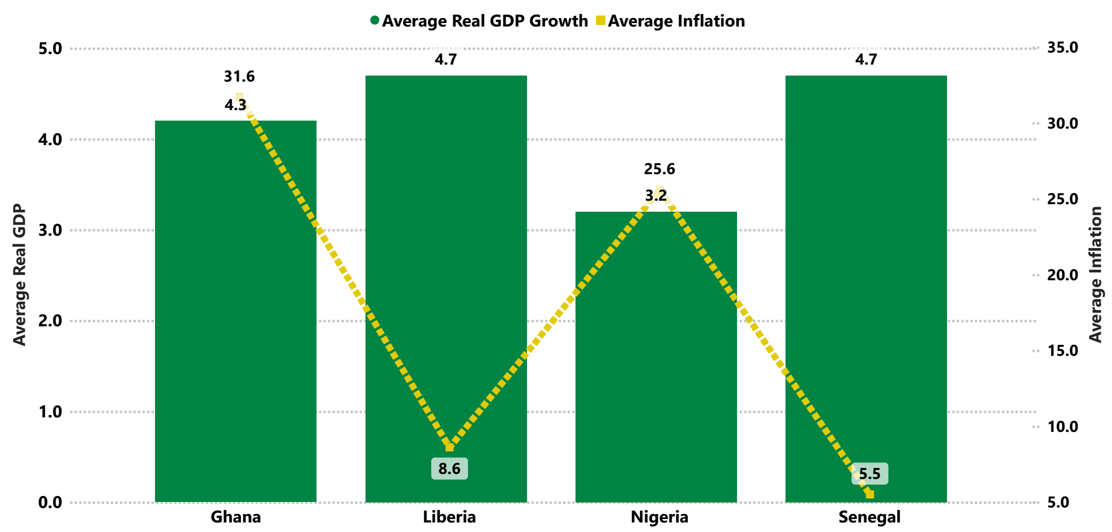
Sierra Leone, Ghana, The Gambia and Guinea with high inflation rate in 2023 had a remarkable decline in 2024. Sierra Leone from 46.6 percent in 2023 to 29.8 percent in 2024, Ghana from 38.1 percent in 2023 to 22.9 percent in 2024 and The Gambia from 16.9 percent in 2023 to 9.6 percent in 2024.

Two Member States reported inflation rates above the ECOWAS average of 20.9 percent. These are Sierra Leone, with an average rate of 36.8 percent, and Nigeria, with 25.6 percent. Nigeria's inflation rate increased from 24.7 percent in 2023 to 33.2 percent in 2024, driven by rising food and transportation costs as well as the depreciation of the national currency (Naira). However, Sierra Leone inflation rate decreased from 46.6 percent in 2023 to 29.8 percent in 2024, while in Ghana the rate declined from 40.3 percent in 2023 to 22.9 percent in 2024. These developments were a result of a tight monetary policy stance, declining global food and commodity prices, and stable exchange rates.

To enhance the analysis of the region's economic performance, ECOWAS Member States were classified by their average real GDP growth rate from 2022 to 2024.

The first category consists of four Member States with an average real GDP growth rate of less than 5.0 percent: Nigeria (3.2 percent), Ghana (4.3 percent), Liberia (4.7 percent) and Senegal (4.7 percent). In this category, Ghana (31.6 percent) and Nigeria (25.6 percent) reported double-digit average inflation rate. The lower economic growth rate could largely be attributed to a tight monetary policy and a decline in global commodity prices.

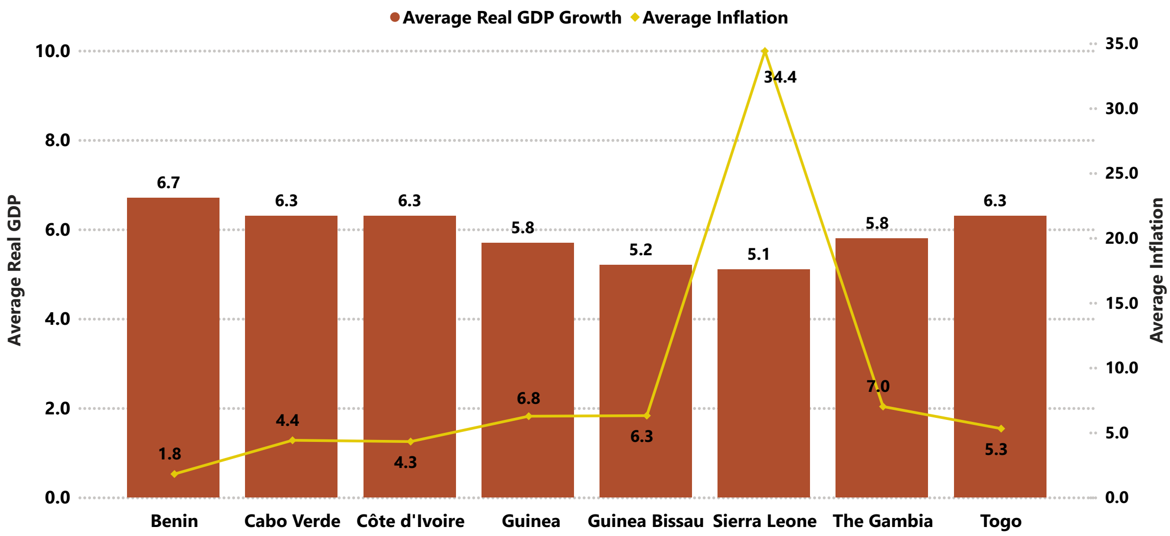
Figure 9: Average Real GDP Growth Rate of Less than 5 Percent and Average Inflation Rate of Selected ECOWAS Member States from 2022 to 2024



Source: ECOWAS Member States Note, 2025

The second category consists of eight Member States with average GDP growth rate of greater than 5.0 percent: Sierra Leone (5.1 percent), Guinea Bissau (5.2 percent), Guinea (5.8 percent), The Gambia (5.8 percent), Togo (6.3 percent), Cabo Verde (6.3 percent), Benin (6.7 percent) and Côte d'Ivoire (6.3 percent). Among these Member States, Sierra Leone (34.4 percent) reported double-digit average inflation during the period. The steady growth of Togo was driven by the implementation of Government Roadmap (FDR) over the past 4 years which had positive effects on the macroeconomic environment and the performance of all sectors. Ghana's impressive GDP growth rate from 3.1 percent in 2023 to 5.7 percent in 2024 was driven primarily by a 6.0 percent average expansion of the services sector. In Côte d'Ivoire, the 6.0 percent real GDP growth rate was driven by the performance of both tertiary and primary sectors, with respective contributions of 2.9 percent (against 1.6 percent in 2023) and 0.4 percent (against -0.4 percent in 2023).

Figure 10: Average Real GDP Growth Rate of Greater than 5 Percent and Average Inflation Rate of Selected ECOWAS Member States from 2022 to 2024



Source: ECOWAS Member States Note, 2025

2.3. DYNAMICS OF REGIONAL ECONOMIC GROWTH DRIVERS

The regional economic growth was determined by the performance of ECOWAS Member States economies. In terms of contribution measured by share to norminal GDP, Nigeria with 64.3 percent was the leading member state, followed by Ghana at 14.3 percent, Côte d'Ivoire at 10.6 percent and Senegal at 4.1 percent. These four Member States were the major drivers of economic performance of ECOWAS region. In 2024, Nigeria's performance was driven by consistent growth in the services sector, particularly financial services and telecommunications, modest recovery of agricultural output and increased production of crude oil. The implementation of Ghana's policy for Planting for Food and Jobs (PFJ) 2.0, enhanced its economic performance. Côte d'Ivoire's performance was driven by public investment in basic economic infrastructure, strong private and public investment in the agribusiness (Box 1), oil and gas sectors, a dynamic service sector and private consumption. In Senegal, economic performance was driven by the expanded secondary sector linked to prospective oil production, and expanded tertiary sector.

MAJOR DRIVERS OF REGIONAL ECONOMIC PERFORMANCE

Nigeria	64.3%
Ghana	14.3%
Côte d'Ivoire	10.6%
Senegal	4.1%

Box 1: Côte d'Ivoire opens an Agricultural Commodity Exchange, a first in West Africa

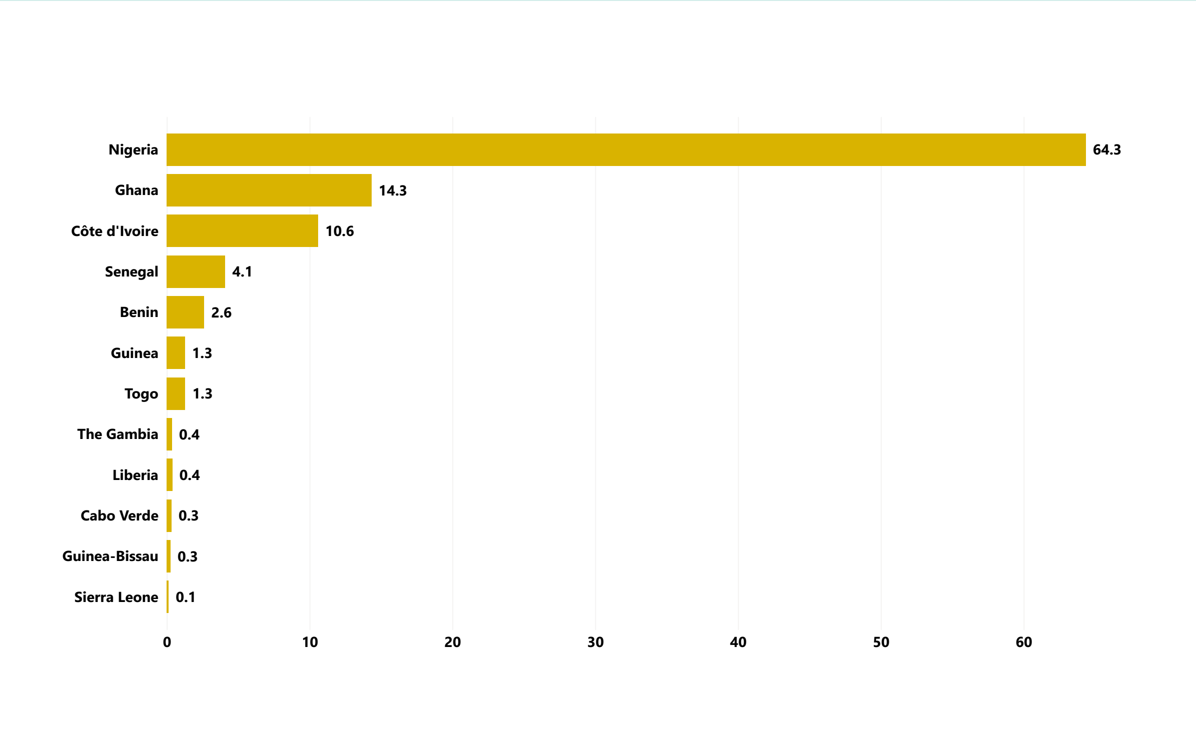
Announced since 2016 and postponed many times, Côte d'Ivoire officially launched its Agricultural Commodities Exchange (BMPA CI) on May 28. A first in West Africa. To set up this mechanism, Abidjan was supported by the Regional Stock Exchange (BRVM), which serves as a common stock market for the eight member countries of the West African Economic and Monetary Union (WAEMU). Three flagship products are now listed on this new market: cashew nuts, kola nuts and corn. The system is set to expand gradually. Eventually, nearly twenty agricultural products, including cocoa, should be able to be traded there.

"Several African countries, including Côte d'Ivoire, are among the world leaders in various agricultural commodities: cocoa, cashew nuts, cola, coffee, maize, tea, cotton, palm nuts, etc.," says Edoh Kossi Amenouve, Director General of the BRVM. " This wealth does not yet benefit the populations enough, and many African economies are struggling to convert it into sustainable development. Hence the need to rely on this type of mechanism. »

Commodity exchanges are set to play a key role in strengthening regional value chains, improving food security, diversifying exports and stabilizing prices, according to the United Nations Economic Commission for Africa (ECA). By providing more transparency and predictability, the creation of the BMPA CI aims to reduce uncertainty by providing a more secure framework for industry players.

Source: https://www.lemonde.fr/afrique/article/2025/06/03/la-cote-d-ivoire-ouvre-une-bourse-des-matieres-premieres-agricoles-une-premiere-en-afrique-de-l-ouest_6610381_3212.html/

Figure 11: **Average Contribution of ECOWAS Member States to Regional GDP from 2022 to 2024 (Percent)**



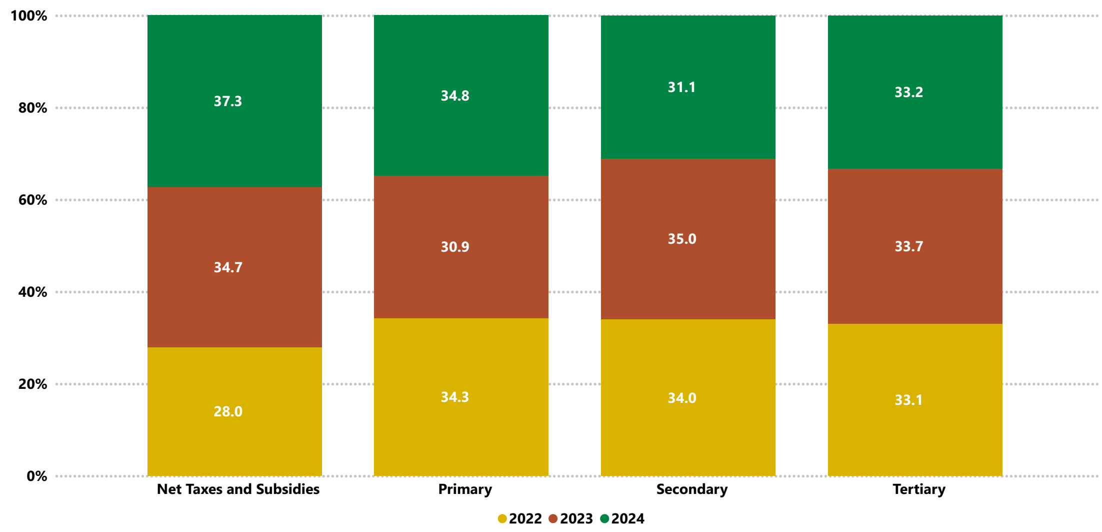
Source: ECOWAS Member States Note, 2025

In 2024, ECOWAS Member States implemented various policy reforms. These reforms were introduced to address long-standing fiscal imbalances, attract investment and improve economic efficiency. Examples in Nigeria were the removal of fuel subsidy, the unification of the multiple exchange rate policy, and the energy sector reforms. In Ghana, the alignment of its agricultural and food security policies with the Maputo and Malabo Declarations. In Sierra Leone, the Feed Salone Strategy, aimed at achieving food self-sufficiency and enhanced agricultural productivity. In Liberia, the ARREST Agenda for Inclusive Development (AAID) focuses on building and rehabilitating infrastructure, boosting domestic production (especially in agriculture), fostering job creation, and improving public sector efficiency and governance. Cabo Verde implemented the "National Strategy for the Sea 2023-2033" and its corresponding action plan, which aims to chart the course of the country's sustainable development from the sea.

In terms of sectoral contribution, the regional real sector was dominated by the tertiary sector. This portrays the importance of the services sector (telecommunications, transport, and financial services) as the main driver of economic activity. The contribution of the tertiary sector increased from 51.3 percent in 2022 to 52.3 percent in 2023, and 51.6 percent in 2024. The primary sector contribution declined from 24.4 percent in 2022 to 22.0 percent in 2023, and increased to 24.8 percent in 2024. This was supported by improved agricultural output and recovery in extractive activities in some Member States. However, the secondary sector contribution increased from 21.0

percent in 2022 to 21.6 percent in 2023, but declined to 19.2 percent in 2024. The trend highlights structural constraints in the secondary sector due to high input costs, energy shortages, and weak industrial capacity. Within the context of regional tertiary sector, Nigeria with a contribution of 48.0 percent was the leading member state, followed by Ghana (12.0 percent) and Côte d'Ivoire (10.0 percent). These three Member States accounted for 70.0 percent of regional tertiary sector growth.

Figure 12: Sectoral Composition of Nominal GDP in the ECOWAS Region from 2022 to 2024 (Percent)

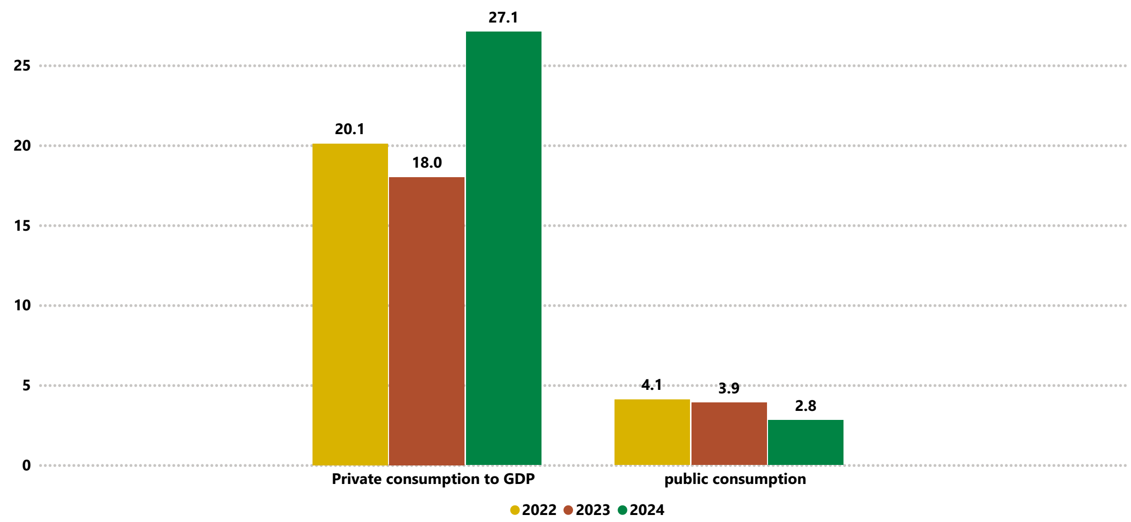


Source: ECOWAS Member States Note, 2025

On the demand side, private consumption and investment were the main drivers of economic activity. Private consumption to GDP decreased from 20.1 percent in 2022 to 18 percent in 2023 but increased to 27.1 percent in 2024. The 2024 performance is an indication of increased household spending and rising living costs. The region is heavily consumption-driven, with relatively low savings and limited transition toward productive, growth-enhancing investment. On the other hand, the public consumption to GDP ratio declined from 4.1 percent in 2022 to 3.9 percent and 2.8 percent in 2023 and 2024, respectively.

The trends in consumption and investment differ across Member States. In Nigeria, the share of private consumption in Gross Fixed Capital Formation (GFCF) as a percentage of GDP decreased from 55.3 percent in 2022 to 52.6 percent in 2023 and rebounded to 56.1 percent in 2024. However, it has also increased the domestic cost of imported goods, exacerbated inflationary pressures and reduced households' purchasing power.

Figure 13: **Private and Public Consumption to GDP Ratio in the ECOWAS Region from 2022 to 2024 (Percent)**

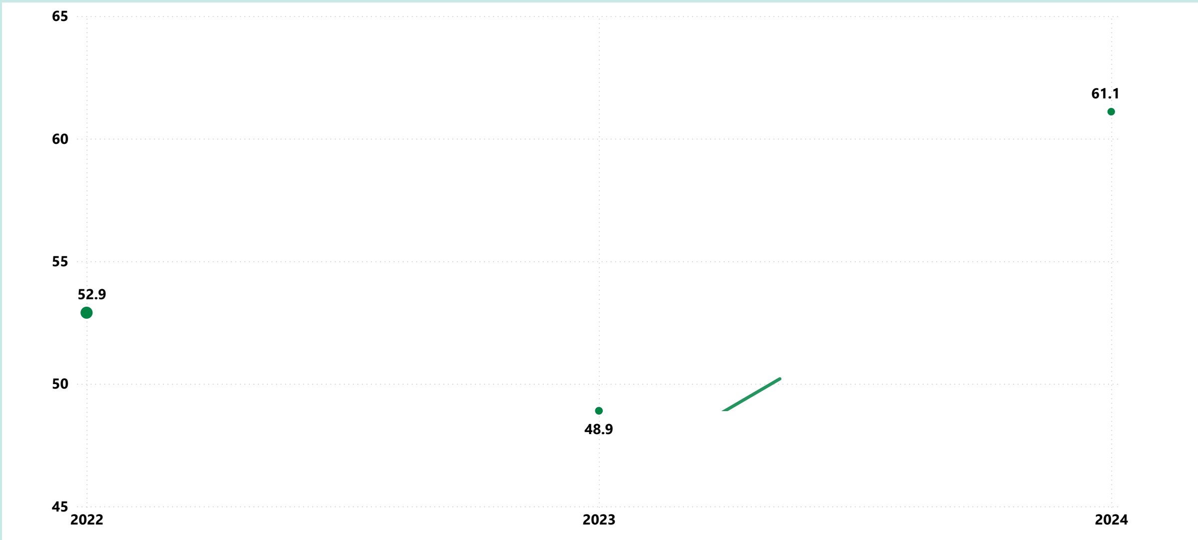


Source: ECOWAS Member States Note, 2025

In Senegal, Gross Fixed Capital Formation (GFCF) as a percentage of GDP, declined from 9.3 percent in 2023 to 2.6 percent in 2024.The private sector component also grew by 6.0 percent in 2024. This was caused by political stability, the ambitious Senegal Emerging Plan (SEP), targeting infrastructural development and major foreign investment in the oil and gas sector. In Côte d'Ivoire, investments benefited from the strengthening of the road network and production tools in the industrial and construction sectors, with a growth rate of 8.3 percent in 2023 and 5.8 percent in 2024. It was dominated by private investment, which accounted for 66.0 percent of total investment. In Sierra Leone, capital formation in 2024 was a reflection of large-scale infrastructure developments, accelerated mining and energy investments, supportive investment policy reforms, and macro-financial backing from global institutions.

The overall regional economic performance will be influenced by various developments with respect to implementation of macroeconomic policies by all ECOWAS Member States. In the subsequent section, each of these policies is analysed.

Figure 14: Gross Fixed Capital Formation to GDP Ratio in the ECOWAS Region from 2022 to 2024 (Percent)



Source: ECOWAS Member States Note, 2025

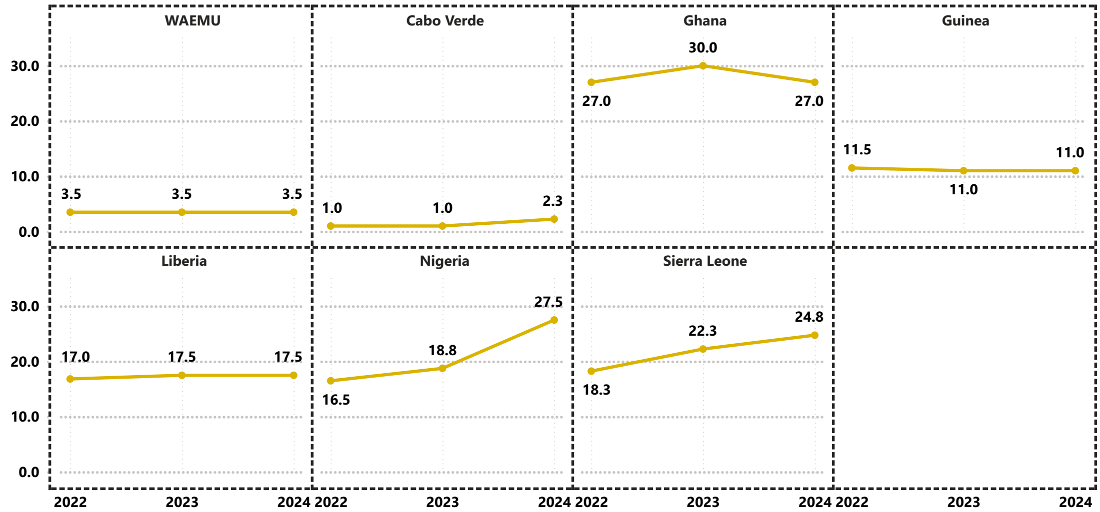
2.4. FROM DILEMMA TO TRILEMMA OF REGIONAL MONETARY PERFORMANCE

In terms of monetary performance in the ECOWAS region, there is a trade-off made by monetary authorities when faced with different objectives of controlling inflation, adjusting liquidity conditions, supporting the financing of the real economy and management of the exchange rate. In 2022 to 2024, ECOWAS region's monetary policy was driven by the need to manage inflationary pressures, external shocks, domestic macroeconomic imbalances, and exchange rate fluctuations. In this context, the region's central banks generally adopted a restrictive or cautious stance to preserve price stability and anchor inflation expectations.

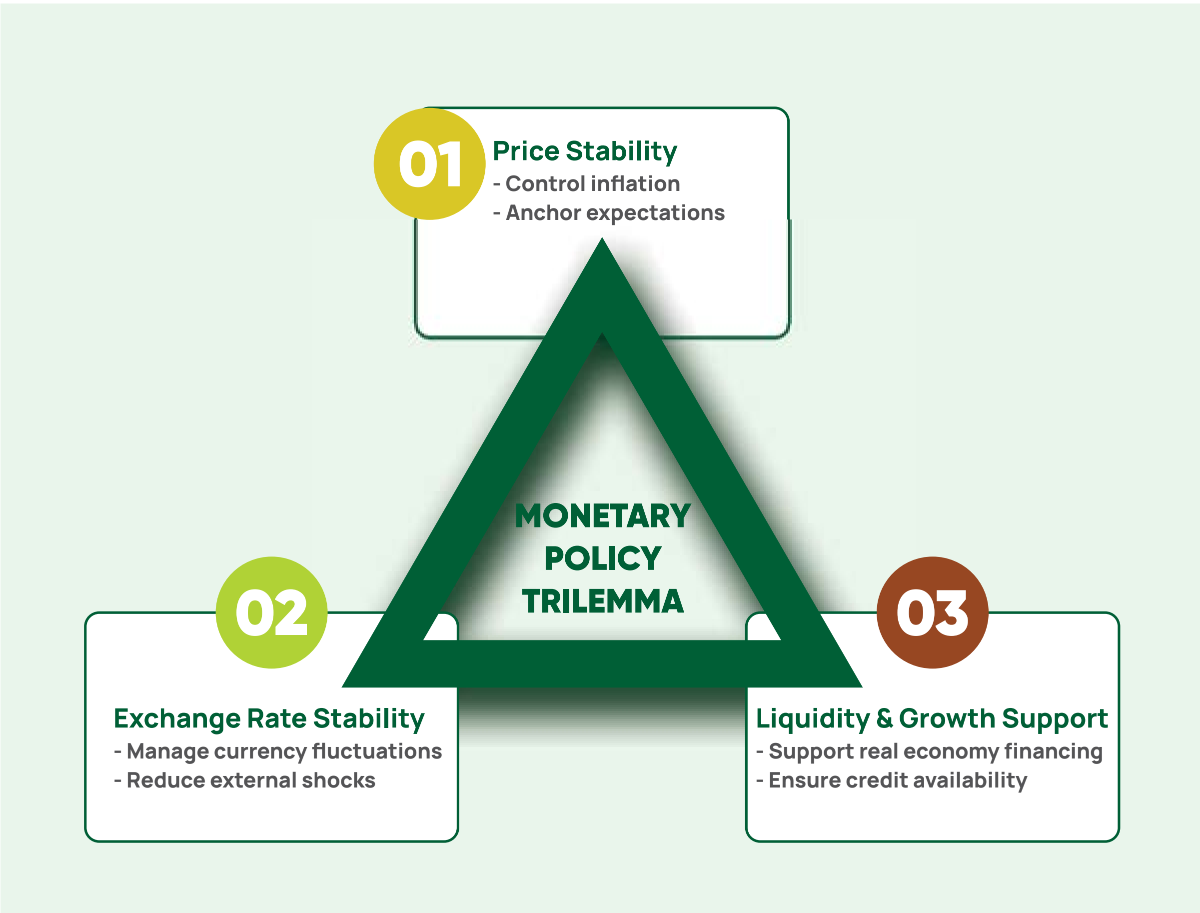
The monetary policy rate (MPR) was heterogeneous as it varied among WAMZ Member States but was constant in WAEMU zone. The regional average MPR increased from 10.0 percent in 2022 to 11.3 percent in 2023 and 12.0 percent in 2024. The rate was stable at 3.5 percent in WAEMU zone while WAMZ had an average rate of 20 percent (Figure 15) The stable trend in WAEMU zone was the result of the implementation of regional monetary policy by their Member States. However, in WAMZ, Ghana reduced MPR from 30.0 percent in December 2023 to 27.0 percent in December 2024. Sierra Leone raised the rate from 22.3 percent to 24.8 percent between the end of 2023 and the end of 2024. Nigeria maintained 18.5 percent rate in some months in 2024 but ended at 27.5 percent in 2024. Liberia reduced the rate from 20.0 percent in August 2023 to 18.8 percent and to 17.5 percent at the end of 2024. In The Gambia, the policy rate was maintained at 17.0 percent in 2024.

There is a trade-off made by monetary authorities when faced with different objectives of controlling inflation, adjusting liquidity conditions, supporting the financing of the real economy and management of the exchange rate.

Figure 15: Monetary Policy Rate in ECOWAS Region from 2022 to 2024



Source: ECOWAS Member States Note, 2025



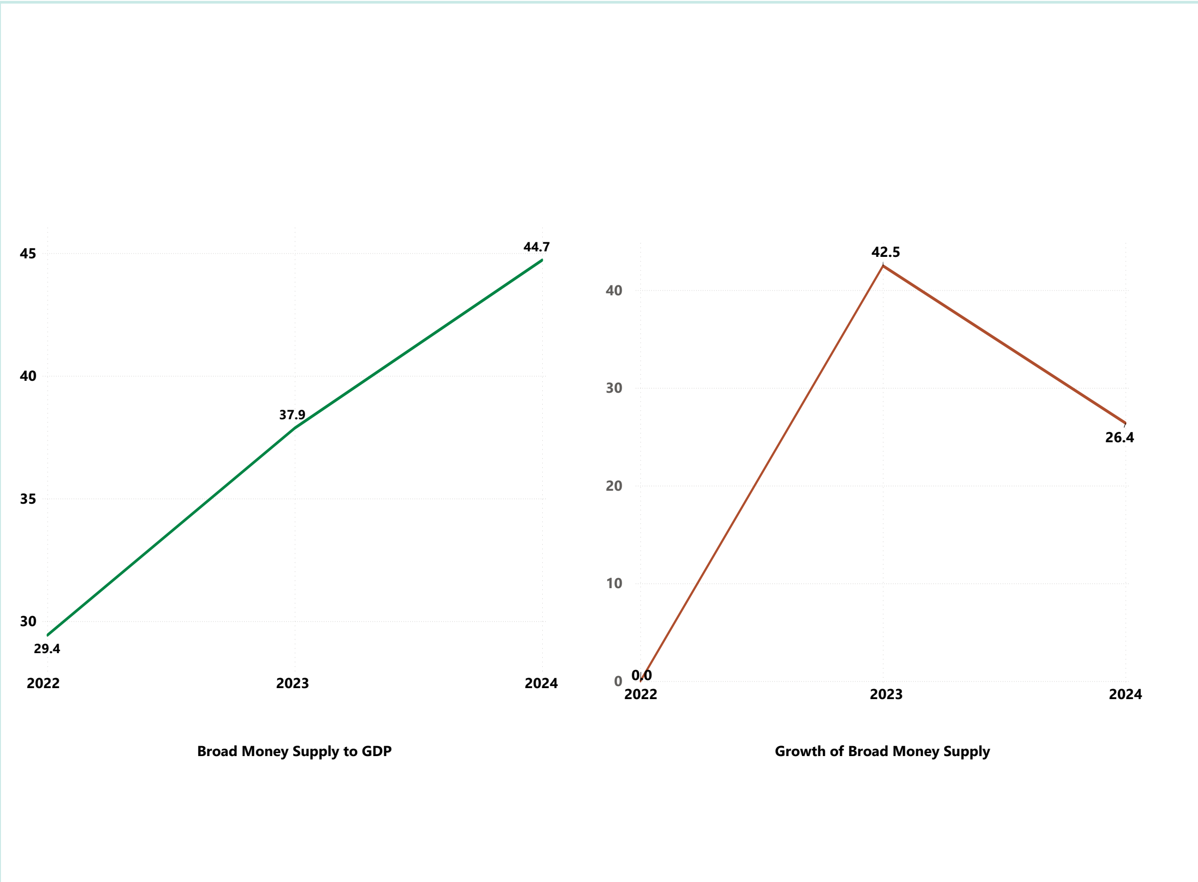
In the period of 2022 to 2024, the regional broad money supply increased both as a proportion of nominal GDP and in absolute terms. Broad money supply as a proportion of nominal GDP (M2/GDP ratio) increased from 29.4 percent in 2022 to 37.9 percent in 2023 and 44.7 percent in 2024. However, in absolute term, it reduced from 42.5 percent in 2023 to 26.4 percent in 2024. This was a reflection of gradual adjustment of liquidity conditions and partial normalisation of the regional macroeconomic environment. The reduction was the result of money supply of Nigeria and Ghana which reduced from 51.9 percent to 29.7 percent and 38.7 percent to 31.9 percent in 2024 respectively. In addition, Senegal, Sierra Leone and Liberia also recorded a reduction in money supply from 9.6 percent, 32.8 percent and 44.4 percent in 2023 to 3.9 percent, 18.2 percent and 11.3 percent in 2024 respectively. Côte d'Ivoire increased from 3.3 percent in 2023 to 13.6 percent in 2024. Togo recorded an increase from 6.7 percent to 8.7 percent.

REGIONAL M2/GDP RATIO

2022 **29.4%**

2024 **44.7%**

Figure 16: Ratio of Broad Money Supply to GDP and Growth of Broad Money Supply in the ECOWAS Region from 2022 to 2024 (Percent)



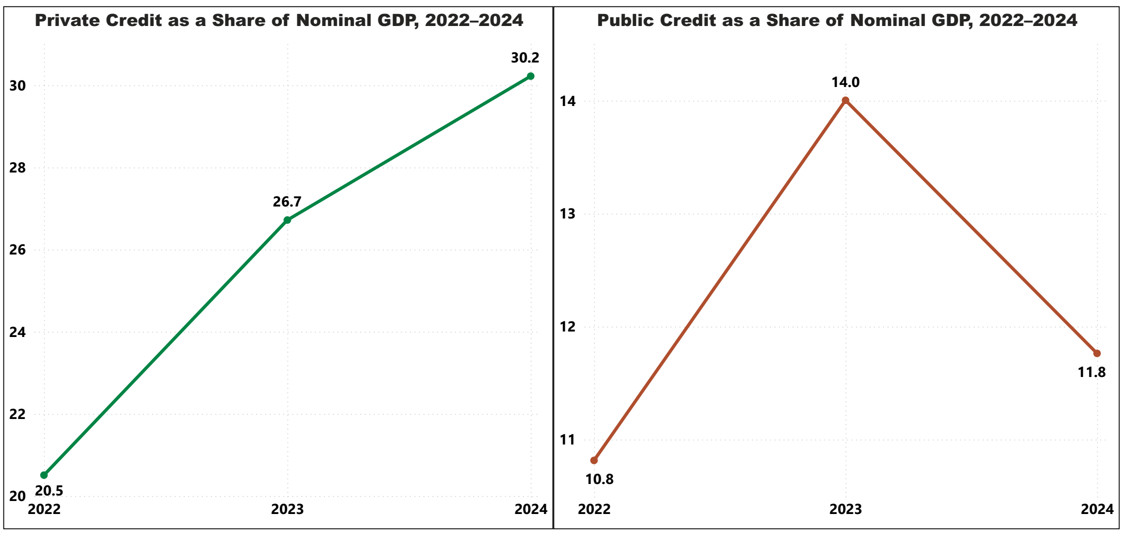
Source: ECOWAS Member States Note, 2025

The analysis of credit to the private sector in the ECOWAS region in 2022 to 2024 highlights the direction of credit allocation and position of regional financing of the real economy. The ratio of credit to the private sector to nominal GDP increased from 20.5 percent in 2022 to 26.7 percent in 2023, and 30.2 percent in 2024. The trend reflects the state of regional financing of productive activities in the face of restrictive monetary conditions in some Member States. However, credit to the public sector as a percentage of nominal GDP showed a more mixed trend, rising from 10.8 percent in 2022 to 14.0 percent in 2023 before declining to 11.8 percent in 2024. Overall, the ratio of total credit to nominal GDP increased from 31.4 percent in 2022 to 42.0 percent in 2024, confirming the region's progressive financial deepening. In WAEMU Member States, the banking system actively supported the financing of the real economy. In Benin, loans increased from 18.6 percent of GDP in 2023 to 21.3 percent in 2024. In Côte d'Ivoire, it maintained an average annual rate of 12.0 percent.

In terms of lending and savings rates, the average lending rate increased from 12.6 percent in 2022, to 13.6 percent in 2023 and declined to 13.1 percent in 2024, while average savings rate increased from 2.5 percent in 2022 to 5.2 percent in 2024.

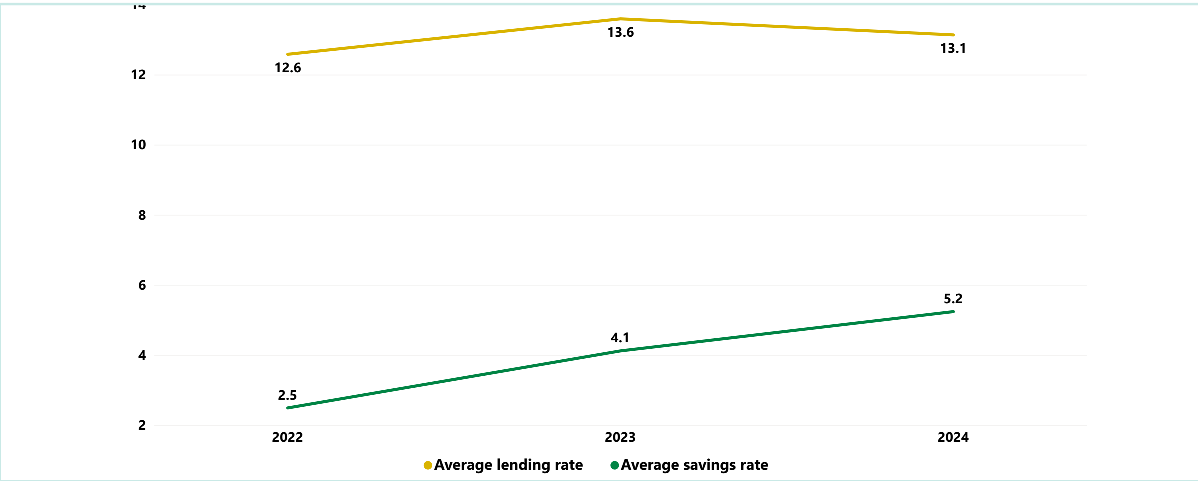
The ratio of credit to the private sector to nominal GDP increased from 20.5 percent in 2022 to 26.7 percent in 2023, and 30.2 percent in 2024.

Figure 17: Total Credits, Credit to the Private Sector and Credit to the Public Sector, as a Percentage of Nominal GDP in ECOWAS from 2022 to 2024 (Percent)



Source: ECOWAS Member States Note, 2025

Figure 18: Average Lending and Savings Rates in the ECOWAS Region from 2022 to 2024

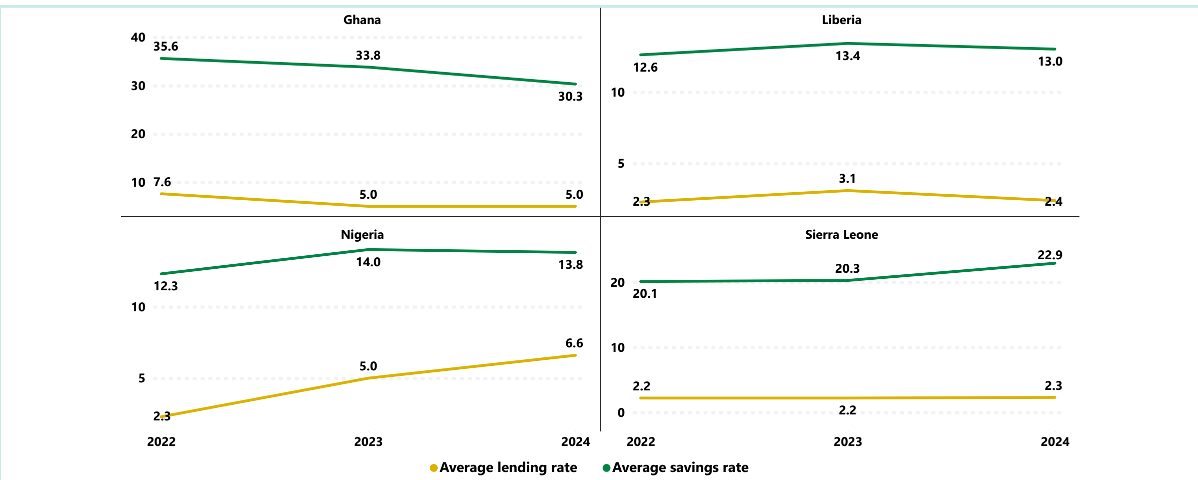


Source: ECOWAS Member States Note, 2025

In Nigeria, the preferential lending rate increased from 14.0 percent in 2023 to 16.3 percent in 2024. This was accompanied by higher Treasury yields and increased savings rate from 5.3 percent to 7.5 percent. The average lending rate increased from 14.0 percent in 2023 to 18.6 percent in 2024. The average savings rate increased from 5.2 percent in 2023 to 5.6 percent in 2024. In Sierra Leone, the average lending rate increased from 20.3 percent to 22.9 percent. At the same time, the average savings rate declined from 2.5 percent in 2023 to 2.3 percent in 2024.

Overall, in ECOWAS region, there is a considerable gap between average lending and average savings rates. In essence, a lower savings rate may hinder the efforts towards domestic resource mobilisation and diversification of domestic surplus to high-yield external investments opportunities. On the other hand, higher lending rates discourage borrowing for domestic production and encourage borrowing for short-term business activities and trading.

Figure 19: Average Lending and Saving Rate in Selected Member States from 2022 to 2024



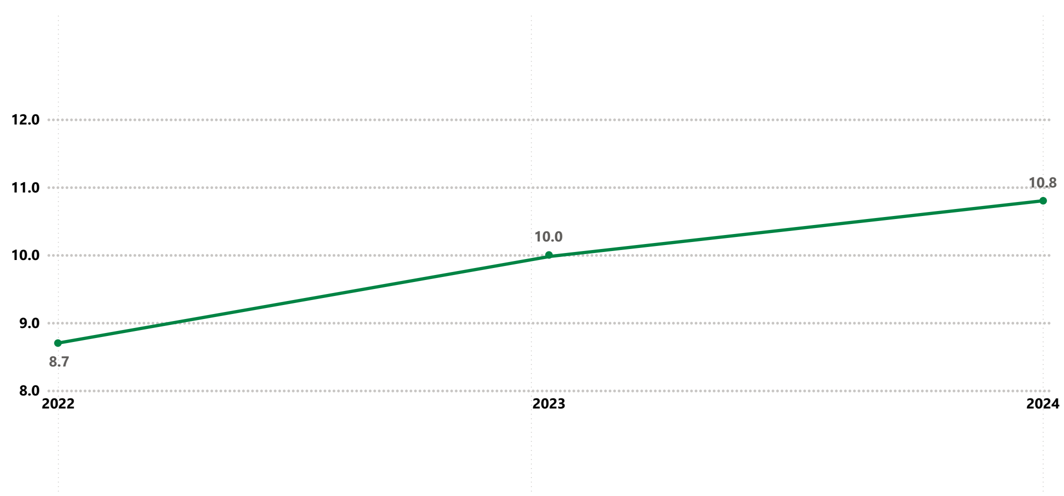
Source: ECOWAS Member States Note, 2025

2.5. REGIONAL FISCAL PERFORMANCE

Fiscal performance measures government's financial position by analysing the balance among revenue, expenditure, and debt management. Key indicators include domestic resource mobilisation, debt sustainability, and fiscal management. Total regional revenue increased from US$72.6 billion in 2022 to US$81.2 billion in 2023 and US$99.4 billion in 2024. The major contributors to regional total revenue in 2024 were Nigeria (42.7 percent), Ghana (24.2 percent) and Côte d'Ivoire (16.3 percent). ECOWAS Member States' determination at increasing resource mobilisation are laudable, as there were improvements in terms of domestic revenue as a percentage of GDP. Total revenue including grants as a percentage of GDP in the ECOWAS region increased from 8.7 percent in 2022 to 10.0 percent in 2023 and to 10.8 percent in 2024.

At Member States level, Benin improved its total revenue including grants as a percentage of GDP from 14.3 percent in 2022 to 15.0 percent in 2023 and 2024; Cabo Verde from 22.4 percent in 2022 to 25.1 percent in 2023 and 24.6 percent in 2024; Côte d'Ivoire from 15.1 percent in 2022 to 16.1 percent in 2023 and 16.4 percent in 2024. The Gambia from 19.3 percent in 2022 to 21.1 percent in 2023 and 22.0 percent in 2024; Ghana total revenue including grants as a percentage of GDP from 15.7 percent in 2022 to 15.3 percent in 2023 and to 15.8 percent in 2024; Nigeria from 6.6 percent in 2022 to 7.0 percent in 2023 and 7.7 percent in 2024; Sierra Leone from 10.9 percent in 2022 to 10.5 percent in 2023 and to 12.4 percent in 2024; and Togo from 16.6 percent in 2022 to 18.4 in 2023 and 17.4 percent in 2024.

Figure 20: **Total Revenue (Including Grants) to GDP Ratio of the ECOWAS Region from 2022 to 2024 (Percent)**



Source: ECOWAS Member States Note, 2025

Nigeria continued with the implementation of the Strategic Revenue Growth Initiative (SRGI) launched in 2019 to increase tax revenue, vigorously pursuing comprehensive fiscal and tax reforms to boost government revenue, prioritising non-oil sources. Key measures include restructuring the tax system, digitising revenue collection, and enforcing stricter direct remittances of oil and gas revenues to the federation account.

In The Gambia, Revenue reforms will be anchored on the Domestic Resource Mobilization Strategy (DRMS). The strategy aims to enhance the Government's fiscal capacity by prioritizing the mobilization of domestic resources. The measures are designed to strengthen domestic revenue mobilization, improve transparency in tax policy, and enhance administrative efficiency in the short to medium term.

Benin, Côte d'Ivoire, Guinea, Senegal and Togo committed to boosting tax revenue by implementing the Medium-Term Revenue Mobilisation Strategy (MTRMS). They adopted improved VAT management through electronic invoicing which allows the management in charge of deposits to transmit information on goods and services transactions in real time. Also, Ghana implemented wide ranging tax policy and administration reforms under the Medium-Term Revenue Strategy (MTRS), focusing on broadening the tax base, enhancing compliance, and leveraging digitalisation. In 2023, the government introduced revenue-enhancing measures like increasing the top marginal income tax rate from 30.0 percent to 35.0 percent, raising the Value Added Tax (VAT) rate from 12.5 percent to 15.0 percent, and implementing higher excise duties.

Liberia domestic resource mobilisation focuses on reforming tax policies and laws, broadening the tax base (including PIT and VAT reforms), strengthening enforcement, and building institutional and technological capacity within the Liberia Revenue Authority. Sierra Leone strengthened domestic revenue mobilisation through reforms such as harmonising withholding tax rates at 15.0 percent, introducing a 2.0 percent Minimum Alternate Tax on turnover, eliminating tax holidays, regulating concessions, and expanding non-tax revenue sources under the Finance Act 2024. Cabo Verde is improving tax administration effectiveness through coordinated reforms, institutional strengthening, enhanced ICT systems, and human resource development.

Box 2: Liberia Revenue Authority Exceeds 2025 Revenue Target

Liberia recorded a historic milestone in domestic revenue mobilisation, with the Liberia Revenue Authority reporting total collections of approximately US$818 million as of 29 December 2025, surpassing the national target of US$804.6 million by US$13.4 million and marking the highest domestic revenue collection ever recorded in the country's history. The achievement underscores Liberia's progress in domestic resource mobilisation and provides a strong foundation for its ambitious US$1.176 billion revenue target for 2026.

Source: https://revenue.lra.gov.lr/lra-exceeds-2025-revenue-target-with-us818-million-collection/

The Government of Côte d'Ivoire intends to increase the mobilization of total tax revenue in order to progressively reduce the budget deficit to -3.0 percent in 2025 and over the period 2026-2030. To achieve this, a series of measures are being implemented, including: (i) broadening the tax base; (ii) continuing the implementation of the plan to streamline exemptions; (iii) implementing electronic invoicing and strengthening the control of intra-group international transactions; (iv) strengthening the handling of general merchandise, controls, and surveillance; and (v) automating customs clearance procedures.

Total regional expenditure increased from US$77.8 billion in 2022 to US$85.5 billion in 2023 and US$99.5 billion in 2024. In terms of composition, the capital expenditure increased from US$19.7 billion in 2022 to US$21.4 billion in 2023 and US$23.9 billion in 2024. The recurrent expenditure followed the same trend by increasing from US$62.2 billion in 2022 to US$66.8 billion in 2023 and US$74.9 billion in 2024.

The major contributors to regional expenditure are Nigeria (58.6 percent), Côte d'Ivoire (15.6 percent), Senegal (10.0 percent) and Ghana (6.6 percent). The regional public expenditure as a percentage of GDP increased from 11.0 percent in 2022 to 12.3 percent in 2023 and 12.4 percent in 2024. The increase was the result of observable increase in personnel cost (increase in minimum wage) as well as increase in capital expenditure in the provision of infrastructure across Member States. However, some Member States like Benin reduced expenditure as a percentage of GDP from 19.8 percent in 2022 to 19.2 percent in 2023 and 18.0 percent in 2024. Cabo Verde reduced from 26.6 percent in 2022 to 25.4 in 2023 and 25.7 percent in 2024. Côte d'Ivoire declined from 21.9 percent in 2022 to 21.3 percent in 2023, and to 20.4 percent in 2024. Liberia from 20.3 percent in 2022 to 17.3 percent in 2023 and 15.4 in 2024. Senegal reduced from 37.5 percent in 2022 to 35.5 percent in 2023 and 33.5 percent in 2024, and Togo increased from 24.4 percent in 2022 to 24.6 percent in 2023 before declining to 22.3 percent in 2024. Though, Nigeria's expenditure net borrowing increased from 6.6 percent in 2022 to 7.7 percent in 2023 and declined to 6.7 percent in 2024, and Sierra Leone decreased its ratio from 16.2 percent in 2022 to 15.3 percent in 2023, however, it increased to 17.5 percent in 2024.

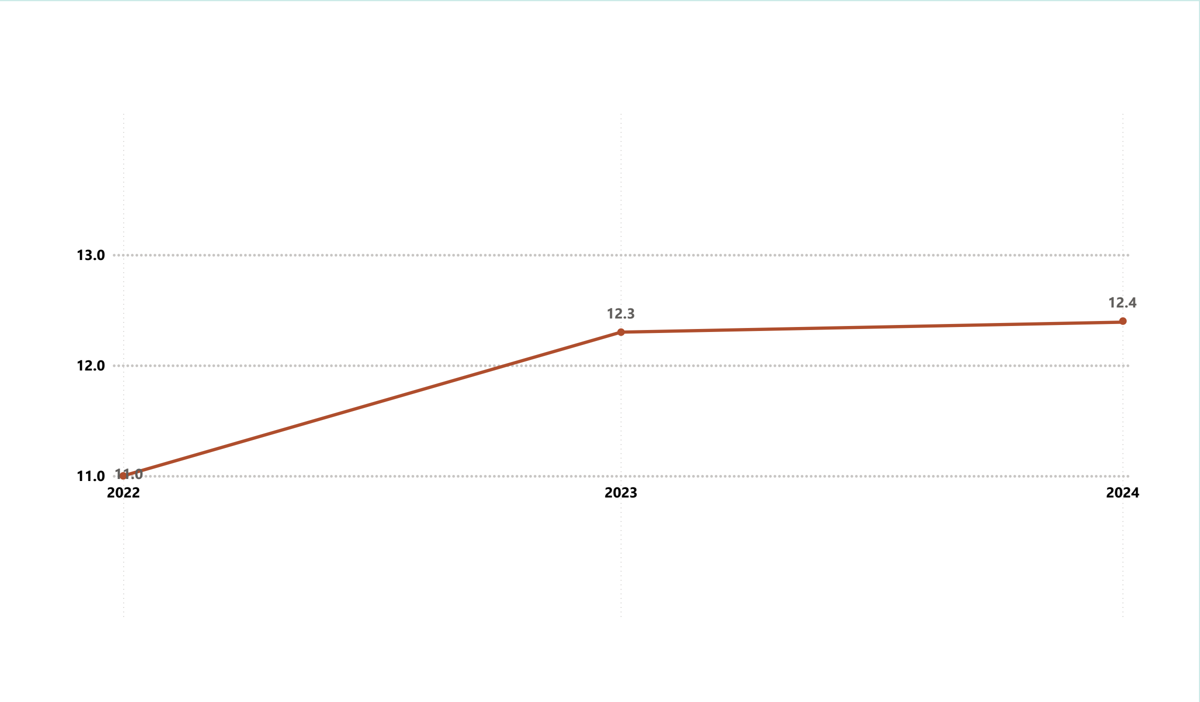
ECOWAS Member States are implementing several measures to reduce expenditure and manage fiscal deficit. In Benin expenditure reduction is driven by expenditure rationalisation and improved control of recurrent spending, even as capital spending remained supportive of growth. Cabo Verde is cutting current spending and higher expenditure on non-financial assets, while Côte d'Ivoire is embarking on expenditure rationalisation and tighter control of current spending.

The Gambia efforts at reducing expenditure is driven largely by higher recurrent spending, including wages and interest payments, alongside continued spending pressures linked to social and infrastructure needs. The Gambia is pursuing fiscal consolidation efforts. This consolidation is intended to reduce the borrowing needs of the Government to ensure debt sustainability and ease access to private sector credit.

Guinea-Bissau is actively pursuing fiscal reforms to cut expenditures and address its elevated public debt. Supported by the IMF and World Bank, these measures target wage bill controls, subsidy elimination, and strengthened public financial management. Liberia is enacting fiscal discipline measures to curb government spending, stabilise public finances, and boost efficiency through enhanced financial management, wage bill reductions, and tighter control of administrative costs. To address its fiscal crisis, the Nigerian government is slashing expenditure through subsidy removal, revenue-led fiscal consolidation, and rigorous oversight of spending by government agencies. Senegal is rationalising public expenditure, curbing reliance on external borrowing, and enhancing domestic revenue mobilisation. Togo is pursuing fiscal consolidation to curb expenditures and manage its debt burden, anchored by a 42-month, $400 million Extended Credit Facility (ECF) from the IMF, approved in March 2024. This programme supports revenue mobilisation, spending controls, and structural reforms amid robust growth and moderating inflation.

Despite efforts in some Member States in curbing expenditure, Ghana's expenditure is increasing due to higher interest costs, energy-sector obligations, and election-year spending pressures, while Guinea's increase is largely due to increased public investment spending on infrastructure, energy, and mining-related projects, alongside higher security and social expenditures. Sierra Leone's increase in expenditure is largely driven by higher capital spending on infrastructure and the Feed Salone programme and increased interest payments.

Figure 21: **Total Expenditure Net Borrowing to GDP Ratio in the ECOWAS Region from 2022 to 2024 (Percent)**

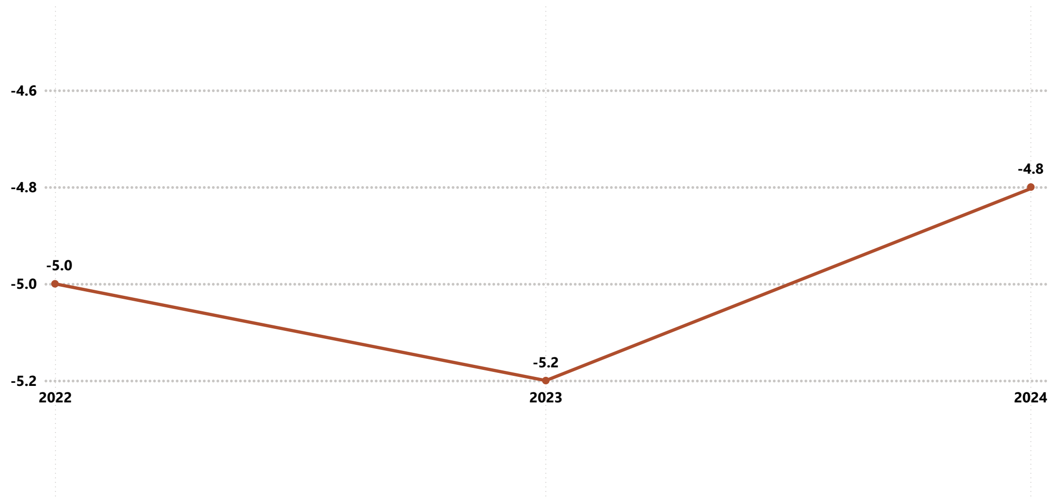


Source: ECOWAS Member States Note, 2025

ECOWAS Member States made commendable fiscal progress by cutting expenditures, shrinking deficits, while at the same time boosting revenue efforts. There were ongoing reforms to widen the tax net and eliminate tax evasion. ECOWAS's fiscal balance as a percentage of GDP worsened from -5.0 percent in 2022 to -5.2 percent in 2023, before improving to -4.4 percent in 2024. Guinea's fiscal balance declined from 0.2 percent in 2022 to -2.9 percent in 2023 and further to -3.4 percent in 2024. As for Guinea-Bissau, its deficit widened from -6.3 percent in 2022 to -8.4 percent in 2023, before narrowing slightly to -8.1 percent in 2024.

ECOWAS Member States made commendable fiscal progress by cutting expenditures, shrinking deficits, while at the same time boosting revenue efforts.

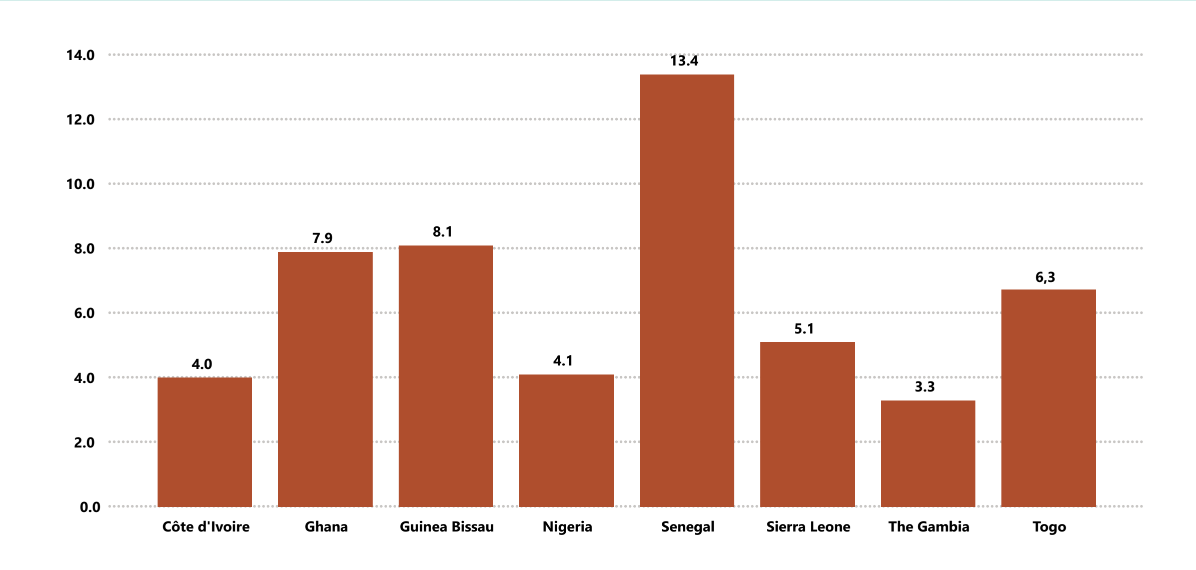
Figure 22: **Fiscal Balance (Including Grants) to GDP Ratio of the ECOWAS Region from 2020 to 2024 (Percent)**



Source: ECOWAS Member States Note, 2025

The aggregate fiscal deficit including grants as a percentage of GDP of the WAMZ Member States improved from 3.9 percent in 2022, to 3.1 percent in 2023 and 3.6 percent in 2024. The deficit position of the WAEMU Member States improved from 8.8 percent in 2022 to 7.7 percent in 2023 and 6.7 percent in 2024. The persistent fiscal deficit among ECOWAS Member States was due to a 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 Benin, Cabo Verde, Guinea and Liberia met the target of fiscal deficit (Including Grants) / GDP ≤ 3 percent. Liberia did not experience deficit between 2022 and 2024. Figure 23 shows the situation of all the Member States.

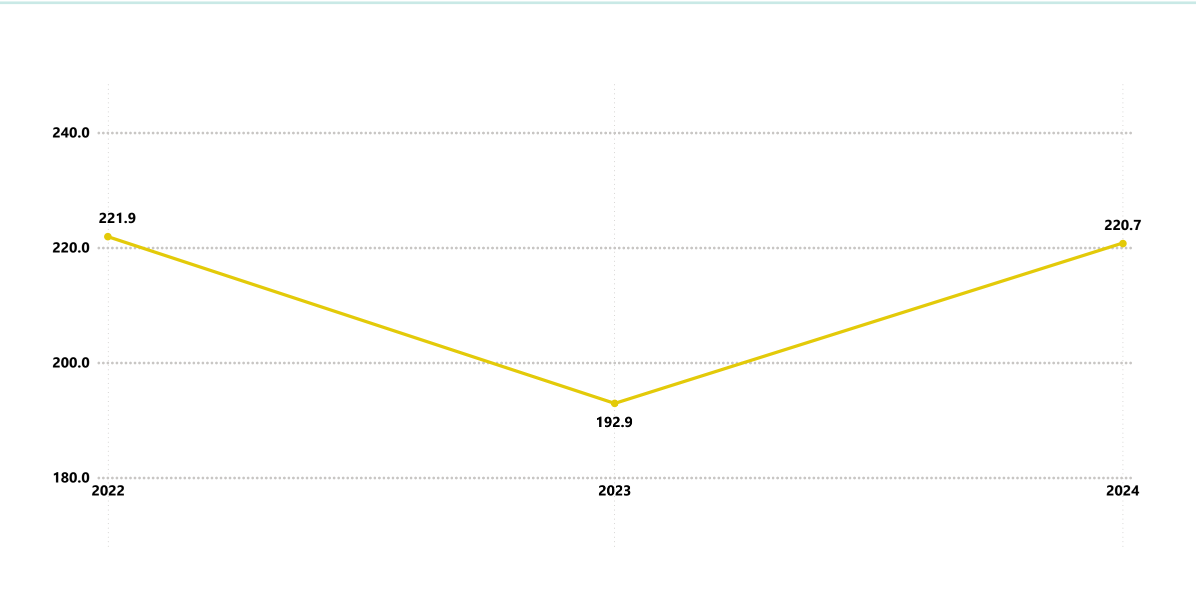
Figure 23: Average Fiscal Deficit (Including Grants) to GDP Ratio of ECOWAS Member States with a Budget Deficit Greater than 3 percent from 2022 to 2024



Source: ECOWAS Member States Note, 2025

Figure 24 shows that the regional public debt to GDP ratio increased from 33.6 percent in 2022 to 49.2 percent in 2023 and decreased to 48.1 percent in 2024. The increase in the public debt reflects a deteriorating primary fiscal deficit, considerable weakening of domestic currencies, and rising debt service costs. Total actual public debt decreased from US$221 billion in 2022 to $192.9 billion in 2023 but increased to US$220.7 billion in 2024 due to increase in external debt in form of Eurobonds for infrastructural development. The external debt accounted for the largest proportion of the total public debt portfolio in the ECOWAS region.

Figure 24: Total Debt of the ECOWAS Region (US$ Billion) from 2022 to 2024

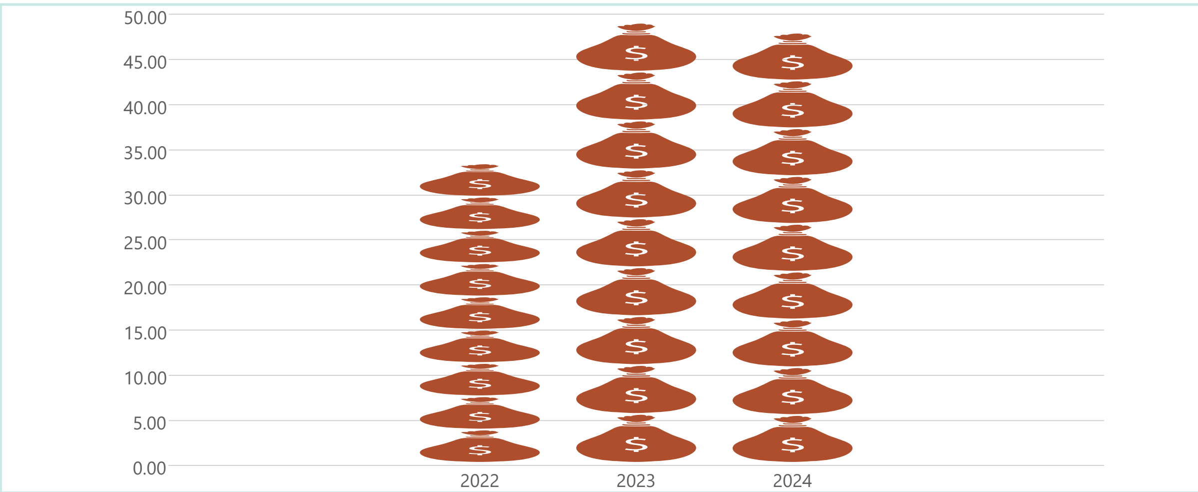


Source: ECOWAS Member States Note, 2025

External debt accumulation was facilitated by a rise in the issuance of Eurobonds. Eurobonds were issued by Côte d'Ivoire, Ghana, Nigeria, and Senegal since 2011, and by Benin since 2019. This suggests that exchange rate depreciation as well as the current normalisation of monetary policy across the world, reversing the ultra-low interest rate environment, are important risks for all Member States. Cabo Verde had a debt to GDP ratio of 110.9 percent, followed by Guinea-Bissau with a ratio of 86.6 percent, The Gambia (79.5 percent), Togo (65.3 percent), Ghana (61.4 percent), Côte d'Ivoire (59.5 percent), Liberia (54.9 percent), and Nigeria (52.1 percent). Guinea, Sierra Leone and Benin had the lowest ratio of 28.8 percent, 39.5 percent, and 39.2 percent respectively.

The main factor driving the evolution of external debt in the ECOWAS region was the rapid depreciation of the exchange rate, particularly in commodity-exporting Member States. Other drivers of note were below potential performance of domestic revenue mobilisation, infrastructural developments financing, and external shocks that affect macroeconomic stability. The debt dynamics reflect the continuous debt weight due to a large increase in nominal dollar-denominated public debt and higher debt service obligations. Figure 25 shows the ECOWAS Public Debt to GDP Ratio from 2022 to 2024.

Figure 25: **ECOWAS Public Debt to GDP Ratio from 2022 to 2024 (Percent)**



Source: ECOWAS Member States Note, 2025

Debt service obligations weigh heavily on most ECOWAS Member States, posing a major challenge to the implementation and execution of development projects. These substantial burdens strain economies and slow growth by diverting funds from critical sectors like education and healthcare. It exerts considerable impacts on economic stability and capital flight. Total debt service of seven ECOWAS Member States increased from US$18.4billion in 2022 to US$20.2billion in 2023 and dropped to US$18.4billion in 2024. The main contributors were Côte d'Ivoire (47.1 percent), Nigeria (25.3 percent), and Ghana (21.9 percent). Others were The

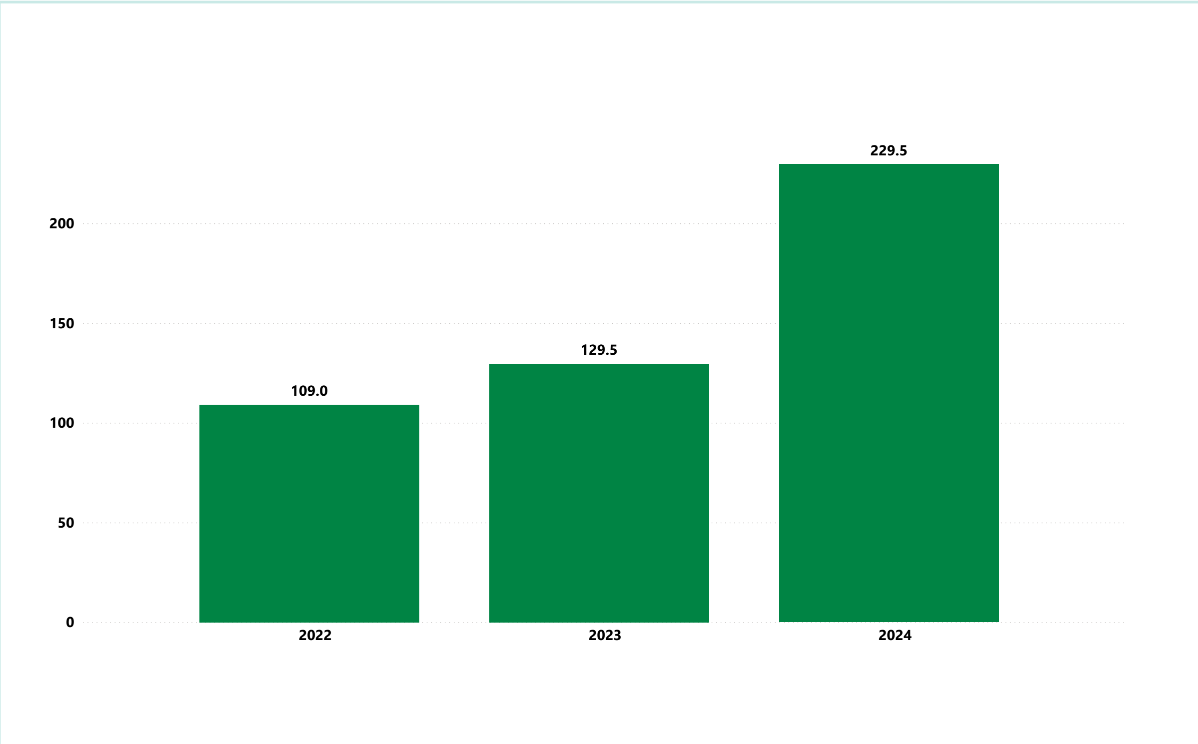
Gambia (3.5 percent), Cabo Verde (1.6 percent), Liberia (0.6 percent), and Sierra Leone (0.1 percent).

In the period 2022 to 2024, the debt service to GDP ratio in the ECOWAS region was low, scaling down from 7.0 percent in 2022 to 6.3 percent in 2023 and 6.6 percent in 2024. Figure 25 shows that ECOWAS Member States' efforts to ease their debt burden are paying off; but the debt service-to-revenue ratio was high at 52.3 percent in 2023 and 47.6 percent in 2024.

2.6. EXTERNAL POSITIONS AND FINANCIAL FLOWS

The regional positions with respect to external sector developments deal with key indicators spanning trade flows, intraregional trade, balances, price dynamics, and external buffers of ECOWAS Member States. In 2022 and 2024, the external sector performance of ECOWAS region was influenced by rising global commodity prices, shifting trade patterns, and uneven country-level dynamics. The total regional exports was US$109.0 billion, which increased to US$129.5 billion in 2023, and to US$229.5 billion in 2024 representing a 77.2 percent increase. This was largely due to a surge in Nigeria's total oil and non-oil exports which were more than doubled within the same period. Nigeria accounted for 79.3 percent of the total regional exports, followed by Ghana (8.9 percent), and Côte d'Ivoire (8.6 percent). Nigeria's oil exports dominated its total exports, while agricultural and industrial exports were also important drivers. Ghana's exports was dominated by gold and cocoa. Côte d'Ivoire exports basket comprised of Mineral products, food and agricultural products.

Figure 26: Trend in Total Exports from 2022 to 2024 (US $ Billion)



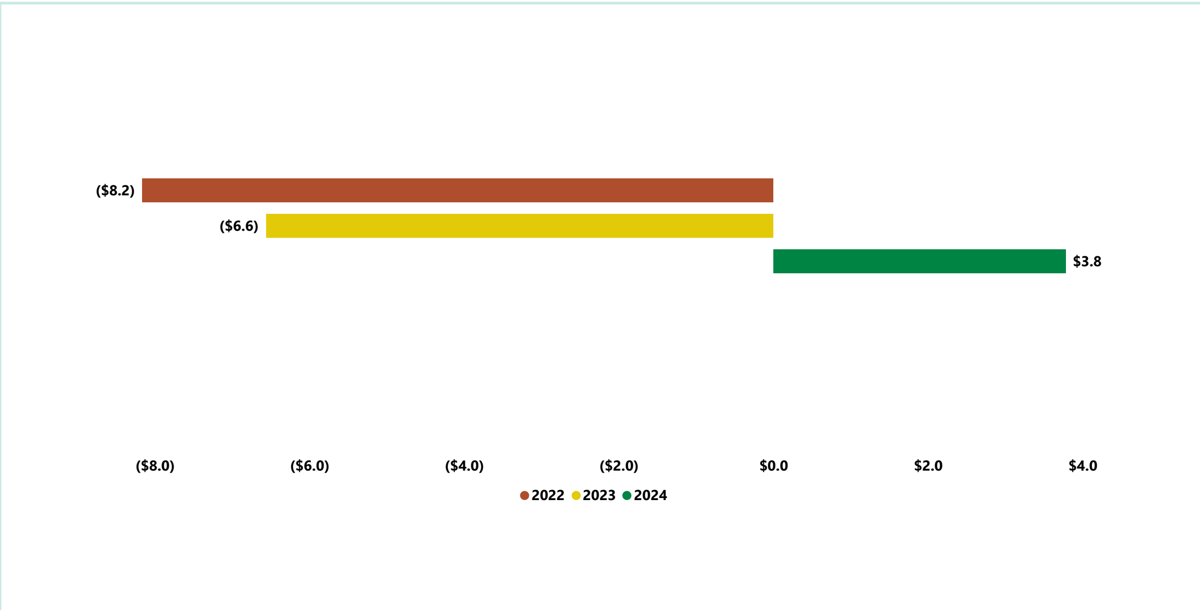
Source: ECOWAS Member States Note, 2025

Total imports of ECOWAS Member States also exhibited a similar pattern in 2022 to 2024. The total import was US$120.7 billion in 2022 and increased to US$124.6 in 2023 and US$176.8 billion in 2024. Nigeria, Ghana and Liberia contributed the most to the region's total imports, accounting for 80.6 percent, 8.7 percent and 5.5 percent respectively. For Nigeria, a major component of imports was food, notably rice which remained substantial due to severe flooding and insecurity. Similarly, Ghana's continued reliance on cereals, vegetables and poultry imports contributes considerably to its total imports. Liberia's imports were concentrated on refined petroleum, machinery, ships/ boats, rice(cereals) and vehicles. In terms of trade balance, Nigeria and Ghana were responsible for the major contribution within the region.

Within the same period, intra-ECOWAS trade deepened, picking from US$4.8 billion in 2022 to US$5.9 billion in 2023 and to US$13.9 billion in 2024. In 2024, Côte d'Ivoire contributed 62.2 percent of intra-ECOWAS imports, while Nigeria contributed 32.9 percent. Nigeria's exports were driven primarily by the export of petroleum products and electrical energy. The major exports of Côte d'Ivoire were refined petroleum products, electricity, agricultural and processed goods, while imports were dominated by crude oil from Nigeria and raw materials and agricultural products from Ghana. For Nigeria, her key trading partners within ECOWAS were Côte d'Ivoire, Senegal, Ghana, Togo, and Benin.

The trade surplus led to the improvement in current account balance position. The current account balance improved from US$-1.5 billion in 2022 to US$-0.5 billion in 2023 and US$3.8 billion in 2024. In this respect, Nigeria was the key player, but its current account surplus was offset by the deficits of other ECOWAS Member States. In terms of the capital account balance, the regional values increased from US$6.1 billion in 2022 to, US$10.8 billion in 2023 and $15.6 billion in 2024.

Figure 27: **ECOWAS Current Account Balance from 2022 to 2024 (US$ billions)**

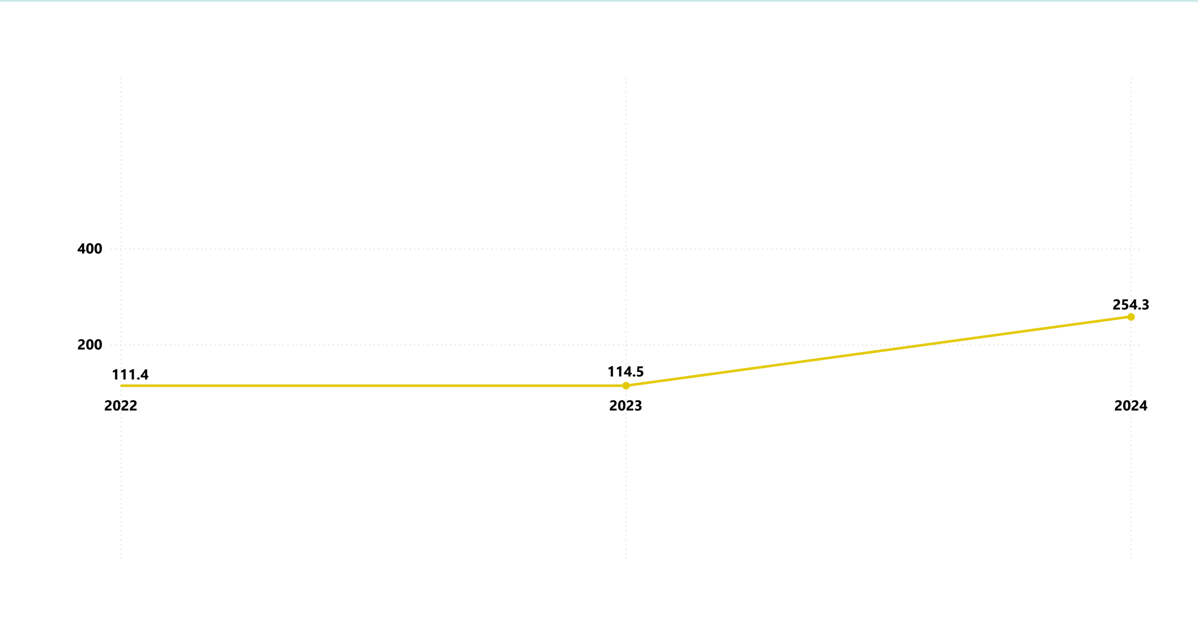


Source: ECOWAS Member States Note, 2025

The ECOWAS average commodity export price (an index) increased from 111.4 in 2022 to 114.5 in 2023 and 254.3 in 2024. The rise in the export price index has led to an increase in export revenues, positively impacting the region's trade balance. The key drivers of commodity export price in the region are mineral products, petroleum, cocoa beans, cashew nuts, sesame seeds, gold, and seafood.

The rise in the export price index has led to an increase in export revenues, positively impacting the region's trade balance.

Figure 28: **ECOWAS Commodity Export Price Index from 2022 to 2024**



Source: ECOWAS Member States Note, 2025

Considering external reserves, ECOWAS witnessed a fluctuating trend. In 2022, the region achieved a total external reserve of US$97.4 billion, but declined to US$75.2 billion in 2023 and increased to US$103 billion in 2024. Nigeria, the highest contributor, recorded an external reserves value of US$36.6 billion in 2022, US$33.2 billion in 2023, and US$40.2 billion in 2024. Ghana also recorded an increase from US$6.3 billion to US$5.9 billion and US$9.0 billion during the same period.

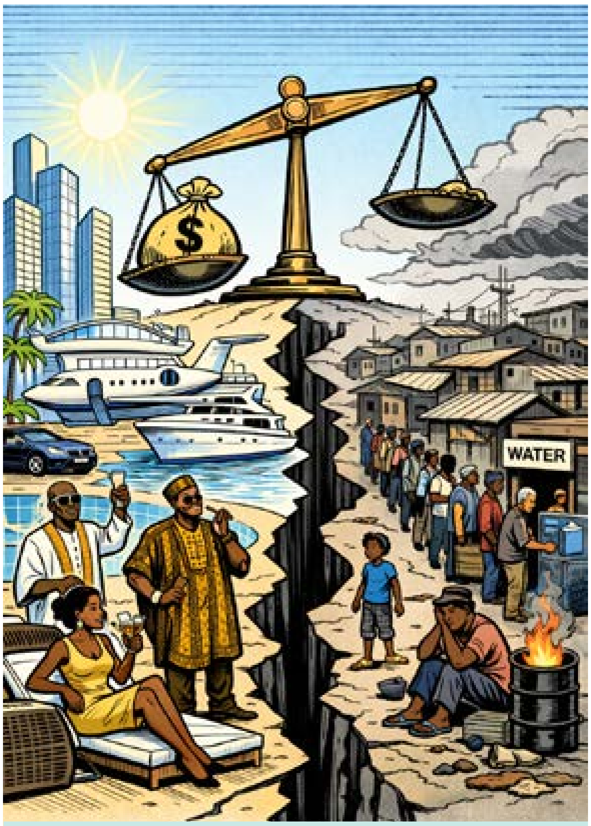
2.7. SOCIO-ECONOMIC DEVELOPMENT CONTEXT

Over the recent period, the evolution of poverty in the ECOWAS region remains marked by strong heterogeneity among Member States, reflecting differentiated socio-economic trajectories as well as varied capacities to protect households against macroeconomic shocks. In 2022 to 2024, some Member States recorded gradual improvements in living conditions, while others experienced stagnation or even worsening poverty, against a backdrop of persistent inflationary pressures, fiscal adjustments, and an uneven economic recovery across the region. In several Member States, the decline in poverty in 2024 was the result of the combined effects of macroeconomic stabilisation, slowing inflation, and targeted strengthening of social safety nets. In Benin, the poverty rate continued its downward trend, from 36.2 percent in 2022 to 33.2 percent in 2023 and 31.0 percent in 2024. This reflects the positive effects of social expenditure-targeting policies and programmes to improve household incomes, although disparities between urban and rural areas remain marked.

Similarly, in Ghana, the incidence of poverty declined slightly in 2024, compared to 2023. This improvement was due in particular to the economic growth and the expansion of social protection programmes. The cash transfers and mechanisms to facilitate access to basic social services helped to mitigate the impact of fiscal consolidation measures on the most vulnerable households. In The Gambia, poverty rate was 53.4 percent in 2022 and 2023 but declined to 52.3 percent in 2024. The trend reflected a gradual improvement in household incomes, supported by remittances from migrants and the easing of inflationary pressures. Similarly, in Nigeria, poverty declined from 40.5 percent in 2022 to 39.8 percent in 2024 reflecting weak transmission of economic growth and macroeconomic adjustments to improved household welfare, and increased food and energy prices.

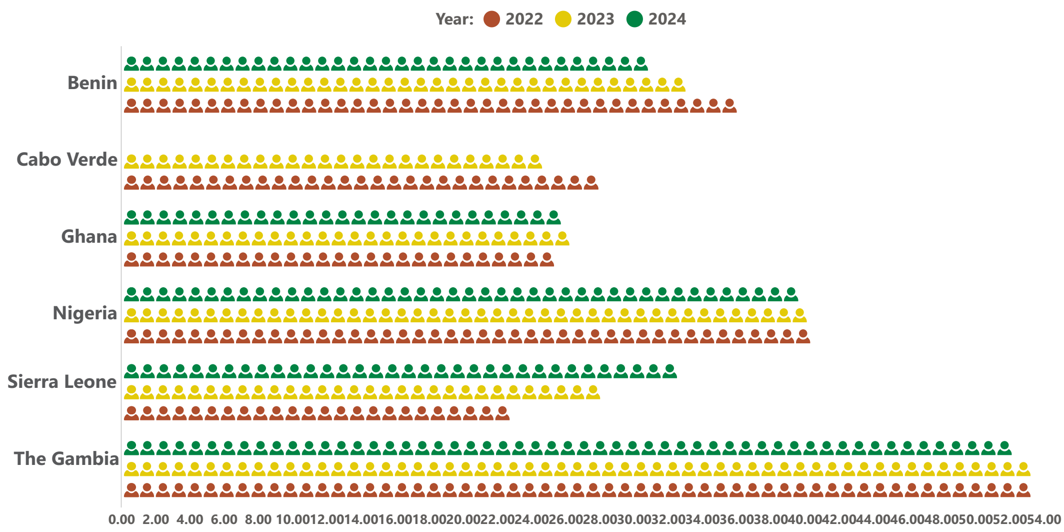
Conversely, the poverty rate in Sierra Leone increased from 22.9 percent in 2022 to 28.2 percent in 2023 and 32.7 percent in 2024. The situation was due to high inflation, low household incomes, food insecurity and high rate of youth unemployment and underemployment. The implementation of assistance programmes remained insufficient to compensate for the magnitude of the shocks suffered by households, both in rural and urban areas.

Overall, these developments confirm that, despite some progress in some Member States, sustainable poverty reduction in ECOWAS remains closely dependent on the ability of economies to generate more inclusive growth, strengthen social safety nets, and improve access to essential services, especially for rural populations and vulnerable groups. These issues constitute a major challenge for the achievement of the Sustainable Development Goal relating to the eradication of poverty by 2030.



Income inequality in the ECOWAS Region

Figure 29: Poverty Rate in Selected ECOWAS Member States from 2022 to 2024



Source: ECOWAS Member States Note, 2025

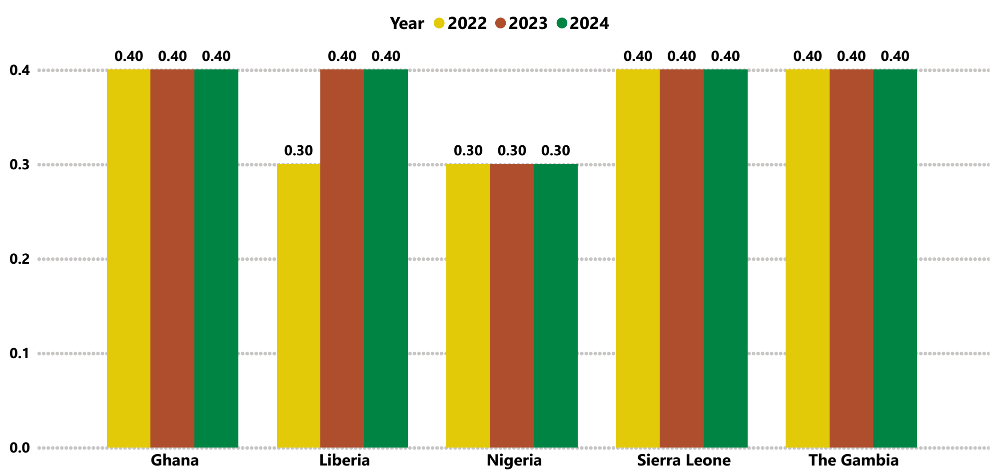
Poverty in the ECOWAS Region

The analysis of income inequality, measured through the Gini coefficient index, highlights a relative persistence of disparities in the ECOWAS region over the period 2022 to 2024. The Gini coefficient index for the region were between 0.6 and 0.7, reflecting moderate but structural levels of inequality. At the regional level, the high Gini coefficient suggests that the growth dynamics was not accompanied with noticeable redistribution of income. Therefore, there was limited inclusiveness in economic development within the ECOWAS region.

In The Gambia, Ghana and Sierra Leone, income inequality is particularly pronounced in urban areas, reflecting a concentration of income and economic opportunities in urban centres. The level of inequality was below the median of low-income countries in sub-Saharan Africa. In Nigeria, the Gini coefficient index remained around 0.3, indicating a lower level of inequality than in other Member States. However, some national estimates suggest a trend towards widening income disparities, reflecting households' vulnerability to macroeconomic shocks, including inflation. In Liberia, the Gini index increased from 0.3 in 2022 to 0.4 in 2023 and 2024.

Overall, the persistence of inequality in several Member States is a major challenge for poverty reduction and the achievement of the Sustainable Development Goals (SDGs). It underlines the importance of better articulated economic and social policies, aimed at strengthening economic inclusion, improving access to basic social services and promoting more equitable growth in the ECOWAS region.

Figure 30: Gini Coefficient Index in Selected ECOWAS Member States from 2022 to 2024



Source: ECOWAS Member States Note, 2025

Access to drinking water is a central determinant of the well-being of the population and the improvement of living conditions in the ECOWAS region. Between 2022 and 2024, the observed developments reveal considerable heterogeneity between Member States, reflecting differential levels of investment in water infrastructure, sector governance and demographic pressure. In several Member States, the progress made in 2024 reflects the positive effects of public investment, projects' structuring and sectoral reforms. In Benin, the rate of access to drinking water improved from 72.9 percent in 2023 to 77.1 percent in 2024. This improvement is the result of the mobilisation of funding from technical and financial partners, the use of public-private partnerships and the deployment of targeted projects, particularly in rural areas, while gradually reducing territorial disparities.

In The Gambia access to safe drinking water improved from 47.7 percent in 2022 to 69.5 percent in 2024. Similarly, in Sierra Leone, it improved from 60.0 percent in 2022 to 62.0 percent 2024. These developments reflect a gradual expansion of basic services, although the level of access remains insufficient in the face of the growing needs linked to urbanisation and the vulnerability of rural areas. In Cabo Verde, a relatively high rate of access reflected continued investment in the quality and coverage of water services. In Côte d'Ivoire, the access rate increased from 68.0 percent in 2023 to 80.0 percent in 2024. The strengthening of governance structure, public service decentralisation and an integrated national strategy have the potentials to accelerate the achievement of the SDG of water and sanitation.

Overall, these developments confirm that, despite considerable progress in some Member States, universal access to drinking water remains a major challenge in the ECOWAS region. Achieving this goal requires sustained investment, strengthened governance, and a focus on rural and peri-urban areas, in order to reduce inequalities in access to essential services.

Table 1: Rate of Access to Drinking Water in Selected ECOWAS Member States from 2022 to 2024

Country	2022	2023	2024
Benin	72.9	72.9	77.1
Cape Verde	87.6	87.4	85.9
Côte d'Ivoire	64.0	68.0	80.0
The Gambia	47.7	49.8	69.5
Nigeria	30.9	29.9	29.5

Source: ECOWAS Member States Note, 2025

Access to electricity is an essential lever of socio-economic development, improved living conditions, productivity and structural transformation of economies. At the regional level, Côte d'Ivoire, Cabo Verde and Ghana performed relatively well in this regard. In Côte d'Ivoire, the implementation of the National Programme for Rural Electricity (NPRE) provided electricity to more than 1,000 additional localities and increased coverage rate. In Cabo Verde, access to electricity was 93.0 percent of the population, reflecting the relative efficiency of the electricity system and investments. In Ghana, access rate of 89.0 percent in 2024 reflected investment in rural electrification.

In Nigeria, access to electricity increased from 60.5 percent in 2022 to 63.3 percent in 2024, reflecting efforts to strengthen energy supply. However, challenges remain in terms of coverage and reliability of service. In Sierra Leone, access improved from 29.4 percent in 2022 to 36.0 percent in 2024, due to the expansion of the grid and increased use of alternative energy solutions. In Liberia and Guinea, access remains limited, reflecting structural and institutional constraints. In Benin and The Gambia, access rates were relatively stable in 2022 and 2023 at 45.5 percent and 65.4 percent, respectively. In Benin, despite investments in the grid and renewable energy, rural electrification and continuity of service remained limited. Overall, these trends confirm that access to electricity in the ECOWAS region remains characterised by disparities in access, uneven levels of investment, governance and institutional capacity.

Rural electrification in Ghana

Table 2: Electricity Access Rates in Selected ECOWAS Member States from 2022 to 2024

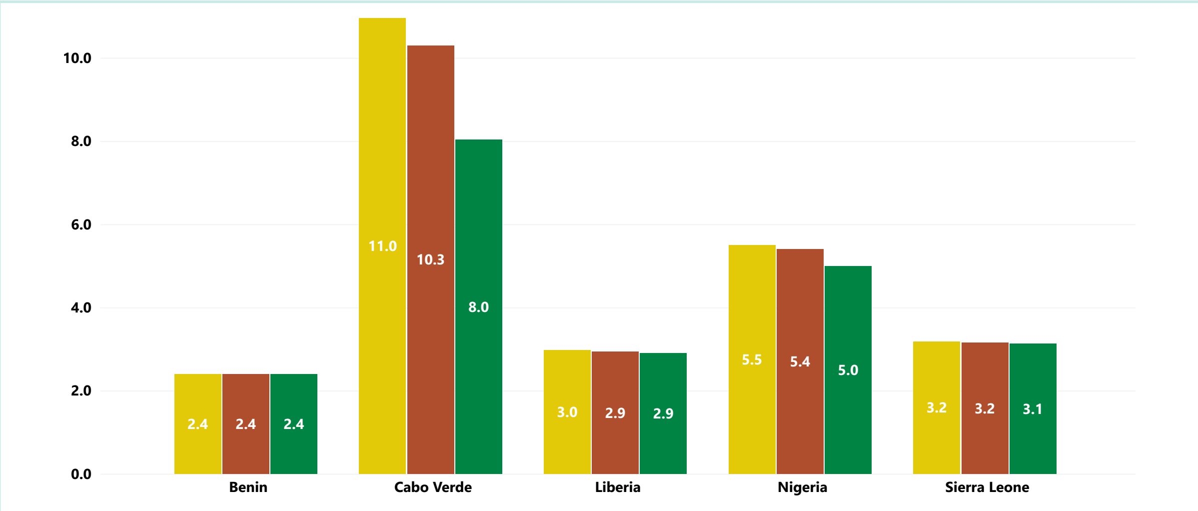
Country	2022	2023	2024
Benin	45.5	45.5	45,5
Cape Verde	92.3	94.3	93,7
Côte d'Ivoire	95.0	97.0	98,6
The Gambia	65.4	65.4	66.3
Ghana	88.8	88.9	89.0
Guinea	47.7	51.1	
Liberia	31.8	32.5	
Nigeria	60.5	61.3	63.3
Sierra Leone	29.4	30.5	36.0

Source: ECOWAS Member States Note, 2025

The analysis of the evolution of the unemployment rate in the ECOWAS region over the period of 2022 to 2024, reveals generally moderate levels, with contrasting dynamics depending on the Member States. Official unemployment rates remain relatively low in several Member States, partly due to the high prevalence of informal employment and self-employment. At the regional level, decrease in unemployment rate can be linked to the gradual recovery of economic activity. However, these developments mask persistent structural imbalances, including underemployment, job insecurity and difficulties in integrating young people into the labour market. The official unemployment rates of Benin, Liberia and Sierra Leone in 2024, were 2.4 percent, 2.9 percent and 3.1 percent, respectively. The low rates were explained by underemployment and informal employment among young people and women.

In Ghana, unemployment rate declined from 14.0 percent in 2023 to 13.1percent in 2024. In Cabo Verde, the rate decreased from 11.0 percent in 2022 to 8.0 percent in 2024, reflecting an improvement in employment conditions, particularly in the tourism and services sectors. In Nigeria, the rate declined slightly from 5.5 percent in 2022 to 5.0 percent in 2024, but there was disparity between urban and rural areas, as urban unemployment was higher. The challenges related to underemployment and youth unemployment call for economic policies focusing on structural transformation, development of the productive sector and the promotion of decent and inclusive employment.

Figure 31: Unemployment Rate in Selected ECOWAS Member States from 2022 to 2024



Source: ECOWAS Member States Note, 2025

Life expectancy is another indicator of human development, reflecting the living conditions of population, the performance of health systems and the effectiveness of social policies. Over the period 2022 to 2024, its evolution in ECOWAS region highlights gradual progress, but also strong disparities among Member States. At the regional level, the general trend is towards gradual improvement, driven by advances in health coverage, the fight against communicable diseases and the relative improvement in access to basic social services in several countries.

Cabo Verde recorded the highest life expectancy in the region, with a stable level of 74.3 years. Senegal's life expectancy increased from 68.7 years in 2022 to 68.9 years in 2023 and 69.2 years in 2024. In Benin, it remained at 60.0 years in 2022 and 2023 before increasing to 64.1 years in 2024. Togo experienced an increase from 61.6 years in 2022 to 63.0 years in 2023, a level that remained unchanged in 2024. In Côte d'Ivoire, life expectancy increased from 61.7 years in 2022 to 62.0 years in 2023 and 62.3 years in 2024. In Nigeria, it increased from 56.2 years in 2022 to 56.6 years in 2023 to 61.7 years in 2024. In The Gambia, it increased from 64.9 years to 65.9 years in 2023 to 66.1 years, while in Liberia, it increased from 61.9 years to 62.1 years in 2023 62.4 years in 2024. Sierra Leone witnessed increase from 55.6 years in 2022 to 55.9 years in 2023 and 56.2 years in 2024 reflecting declining poverty, food insecurity and access to quality health care. Overall, the evolution of life expectancy in the ECOWAS region highlights real but fragile progress, highly dependent on public investment in health, social protection and the resilience of health systems to economic and social shocks.

Active elderly man in Kumasi, Ghana

Figure 32: Life Expectancy in Selected ECOWAS Member States from 2022 to 2024

Source: ECOWAS Member States Note, 2025

2.8. ANALYSIS OF ACTUAL AND PROJECTED VALUES OF SELECTED MACROECONOMIC INDICATORS OF 2024

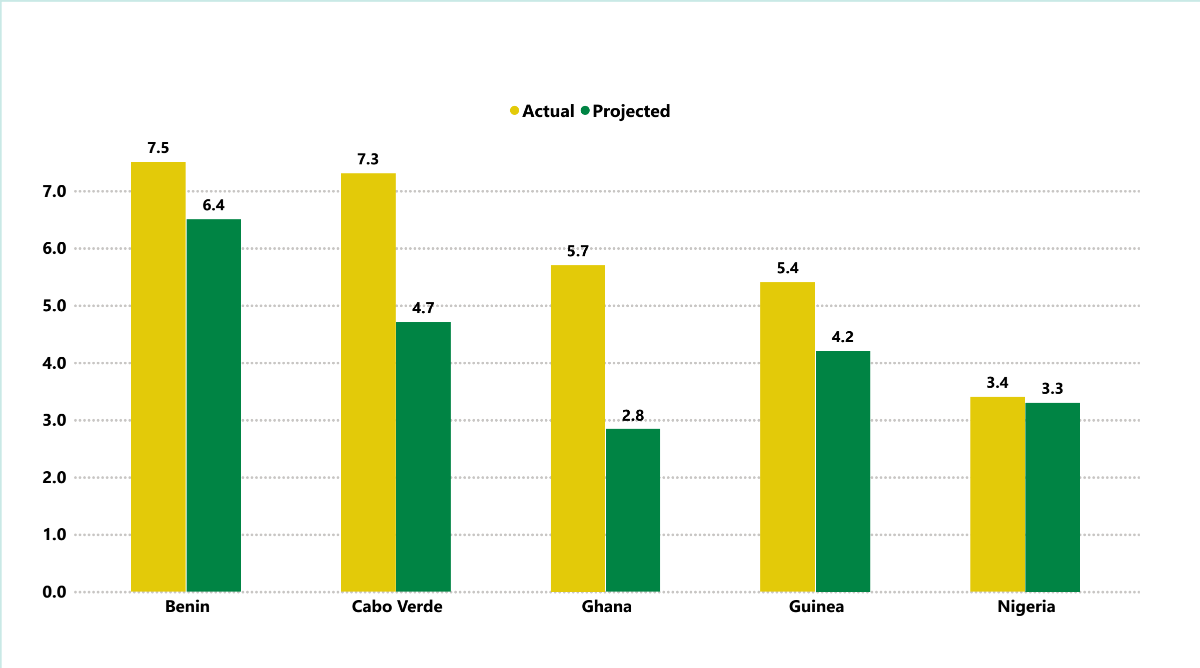
The Outlook is complemented with analysis of comparison of the actual and projected values of selected macroeconomic indicators in 2024 with the aim of determining the accuracy of the methodology and basic assumptions underlining the forecast of all Member States. In terms of regional real GDP growth, the projected value was 4.1 percent while the actual value was 4.3 percent. Also, projected value of regional inflation rate of 19.9 percent was below the actual value of 24.5 percent.

ECOWAS Member States were classified into different categories for a better understanding of the effects of both domestic and external shocks on economic performance. In terms of real GDP growth, the first category comprises five Member States whose actual real GDP growth rates exceeded the projected values. Benin, with a projected value of 6.4 percent, had an actual value of 7.5 percent. The dynamics of economic growth were driven by a good agricultural season, a booming secondary sector driven by industry and construction, and a recovery in commercial activities after the slowdown observed in 2023.

Cabo Verde, with a projected value of 4.7 percent, had an actual value of 7.3 percent, driven mainly by the performance of the tertiary sector, comprising tourism, transportation, digital services, finance, education, and healthcare. Guinea, with a projected value of 4.2 percent, had an actual value of 5.4 percent, driven by non-mining sectors such as services, construction, and public administration, as well as key reforms implemented, especially the Simandou 2040 Programme. Ghana, with a projected value of 2.8 percent, had an actual value of 5.7 percent, driven by real sector performance strengthened by a rebound in the industrial and services sectors, as well as a strong recovery in gross fixed capital formation and increased public consumption.

Nigeria, with a projected value of 3.3 percent, had an actual value of 3.4 percent. Nigeria's economic growth was driven by consistent growth in the services sector, particularly financial services and telecommunications, as well as a modest recovery in agricultural output and increased crude oil production.

Figure 33: **ECOWAS Member States with Actual Values of Real GDP Higher than the Projected Values in 2024 (Percent)**

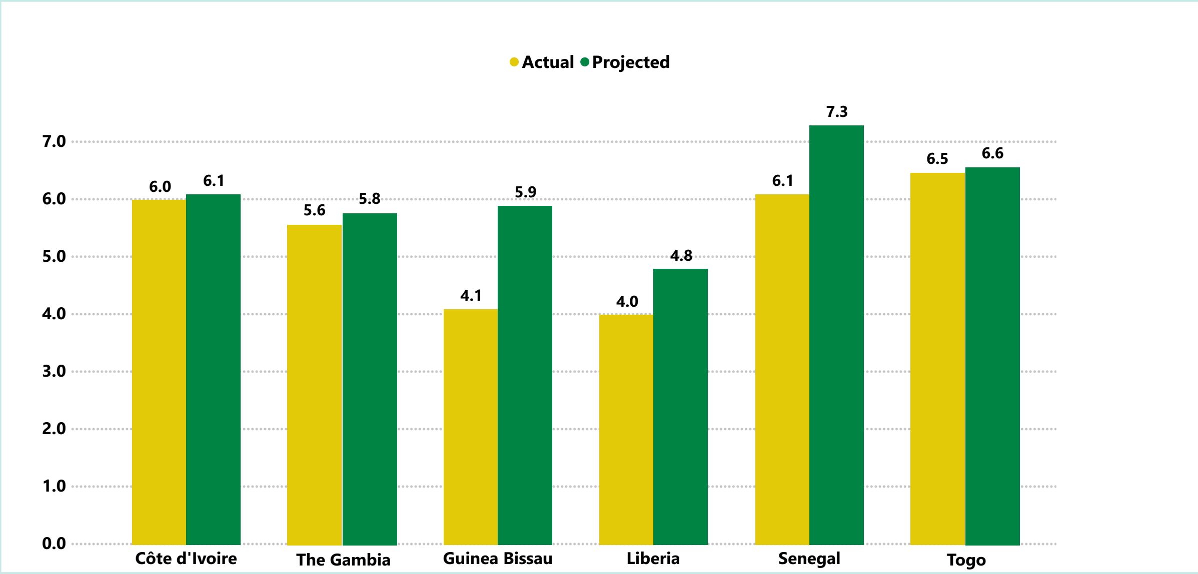


Source: ECOWAS Member States Note, 2025

The Second category comprises six Member States whose projected values were higher than their actual values. The Gambia had a projected value of 5.8 percent but an actual value of 5.6 percent, Guinea Bissau 5.9 percent projected but a lower actual value at 4.2 percent, Liberia with 4.8 percent projected value had actual value of 4.0 percent, Côte d'Ivoire with 6.1 percent projected but 6.0 percent actual, Senegal 7.8 percent projected but 6.1 percent actual and Togo with a projected value of 6.6 percent but an actual value of 6.5 percent. This low performance can be attributed to a number of factors such as adverse weather conditions affecting food production as in the case of Guinea Bissau with a heavy reliance on cashew nut production. In 2024 Guinea Bissau experienced a reduced Cashew Crop production caused by the rains, winds and losses of the Sahara Desert. Togo's growth performance was driven by a mix of sectoral dynamism consisting of improved agricultural outputs, industrial activity, and trade expansion.

A farmland flooded after heavy rains in Lokoja, Kogi State, Nigeria

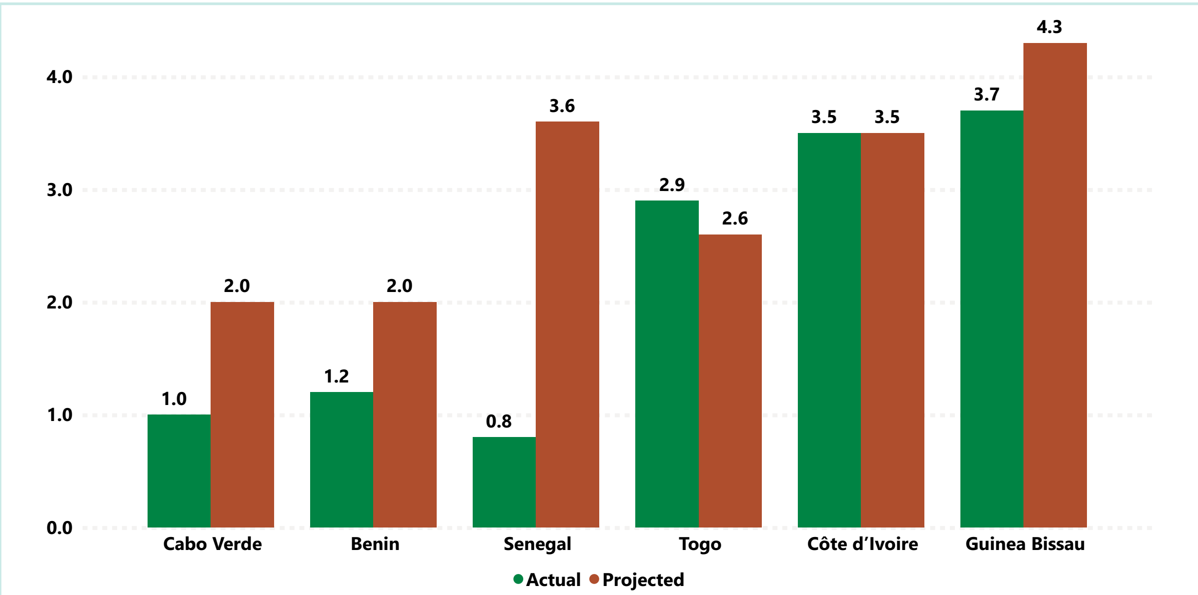
Figure 34: ECOWAS Member States with Actual Values Below the Projected Values in 2024 (Percent)



Source: ECOWAS Member States Note, 2025

In terms of inflation, six Member States reported lower actual inflationary rate against projected. Senegal had an actual value of 0.8 percent compared to a projected value of 3.6 percent, Cabo Verde with a 1.0 percent actual value as against 2.0 percent projected value, Benin with a 1.2 percent actual value as against 2.0 percent projected value, and Togo with a 2.9 percent actual value as against 2.6 percent projected value. Côte d'Ivoire recorded an actual value of 3.5 percent against a projected value of 4.0 percent. Guinea Bissau with a 3.7 percent actual value as against 4.3 percent projected value.

Figure 35: The Projected and Actual Inflation Rates of ECOWAS Member States in 2024 (Percent)



Source: ECOWAS Member States Note, 2025

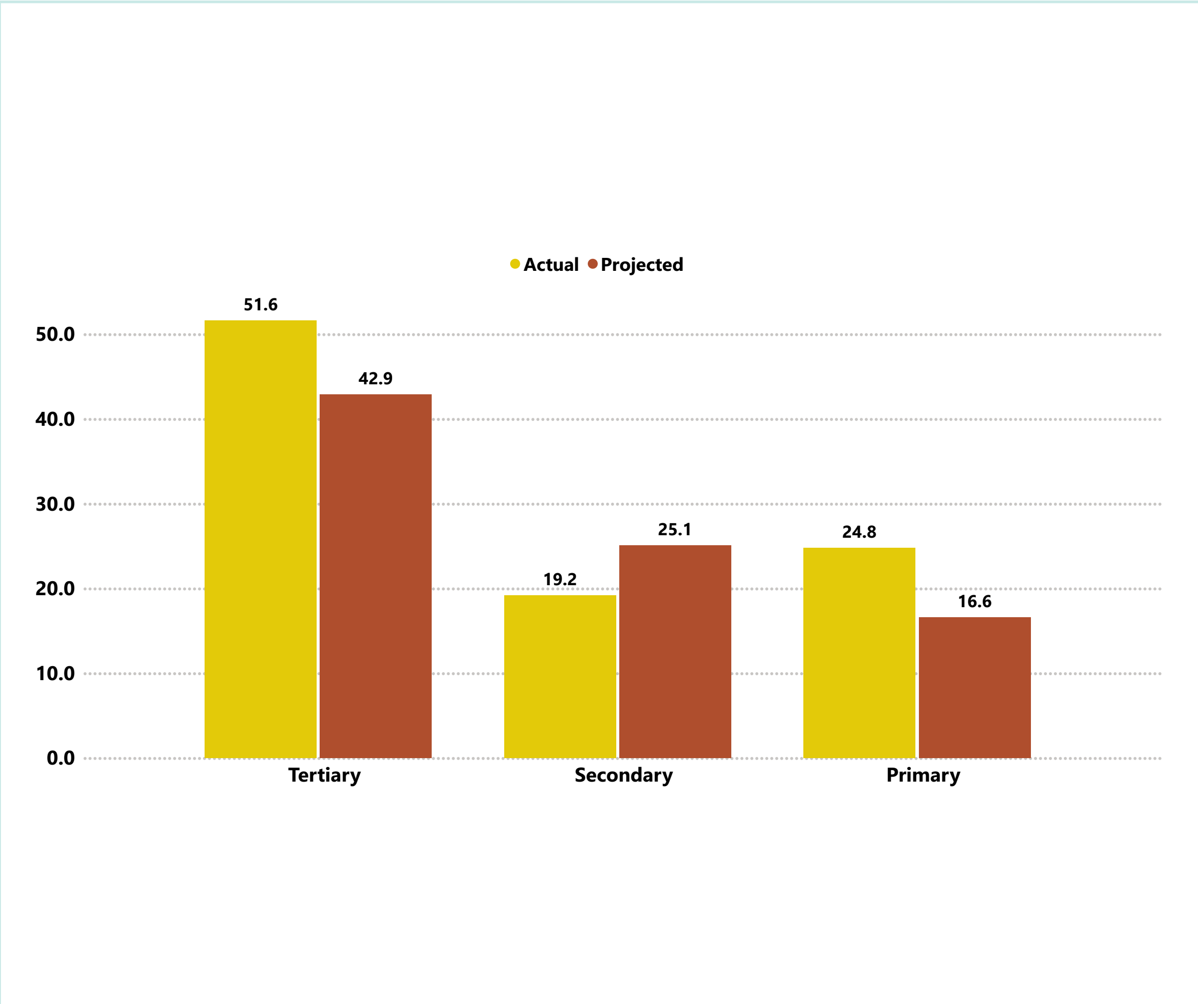
In terms of sectoral contribution to real GDP, the tertiary and primary sectors were above their projected values in 2024. The tertiary sector with an actual value of 51.6 percent was against a projected value of 42.9 percent. This was a reflection of the improved performance of telecommunications, banking and digital services. The primary sector had an actual value of 24.8 percent against a 16.6 percent projected value showing the benefits of recovery in mining and extractive activities, and better agricultural outputs. However, the secondary sector with an actual value of 19.2 percent against a projected value of 25.1 percent. This could be as a result of supply chain constrains that led to slower industrial and manufacturing growth in some Member States.

REGIONAL PERFORMANCE OF THE TERTIARY SECTOR IN 2024

42.9% Projected

51.6% Actual

Figure 36: Comparison of Actual and Projected Sectoral Composition to Real GDP in the ECOWAS Region in 2024 (Percent)



Source: ECOWAS Member States Note, 2025

Private consumption to GDP outperformed its 2024 projection with an actual value of 27.1 percent against a projected value of 26.3 percent. This could be due to the informal economy recovering faster than expected, and increased nominal consumption due to increased spending on essential goods. Public consumption to GDP declined from 4.1 percent in 2022 to 3.9 percent in 2023 and 2.8 percent in 2024. This decline could be attributed to a combination of fiscal consolidation efforts, revenue pressures, and macroeconomic adjustment across Member States.

In terms of total revenue (including grants), the projected value of 10.1 percent was more than the actual value of 3.8 percent of GDP. The reasons that can be adduced for the shortfall are low tax compliance, a narrow tax base, administrative inefficiencies, and delays in the disbursement of grants. These constraints limit the government's capacity to mobilise revenue effectively in practice.

The gap suggests optimism in fiscal planning but also underscores the challenges of translating policy strategies into tangible revenue outcomes. Bridging this gap will require stronger tax enforcement, broadening of the tax base, sustained economic expansion, and more reliable external financing.

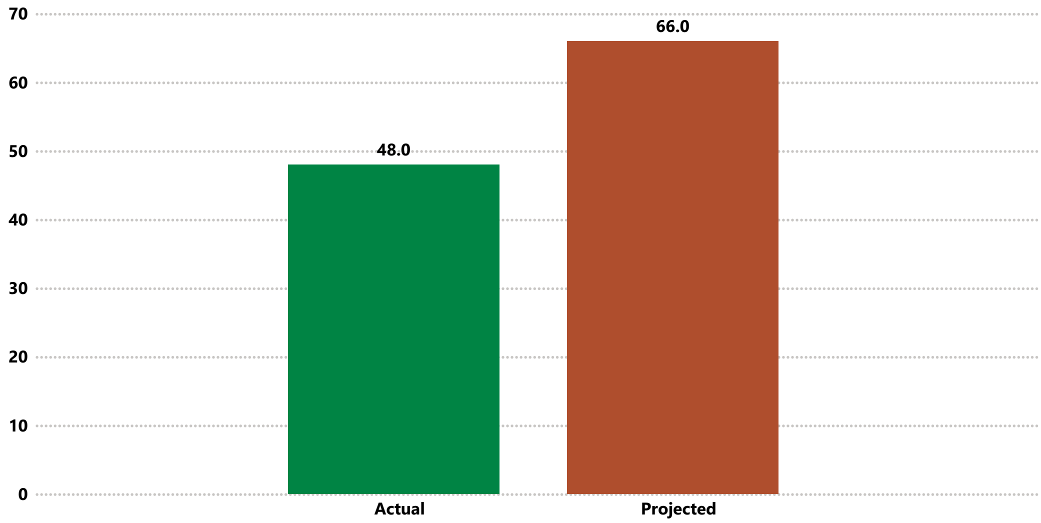
Abundant food in ECOWAS Region

Figure 37: **Comparison of Actual and Projected Total Revenue Including Grants to GDP Ratio in 2024**

Source: ECOWAS Member States Note, 2025

Ghana's total revenue including grant declined because of inability to receive grants of 0.3 percent of GDP in 2024 as budgeted. The shortfall, together with expenditure pressures led to the failure of government to meet its primary fiscal objective of achieving a primary surplus of 0.5 percent of GDP. This benchmark, set under Ghana's IMF-supported economic programme, was missed by 4.4 percent of GDP. On the contrary, Benin presented a stronger revenue performance in 2024. Total revenue and grants reached 15.0 percent of GDP, reflecting resilience despite multiple shocks, including the cost-of-living crisis, and rising security challenges.

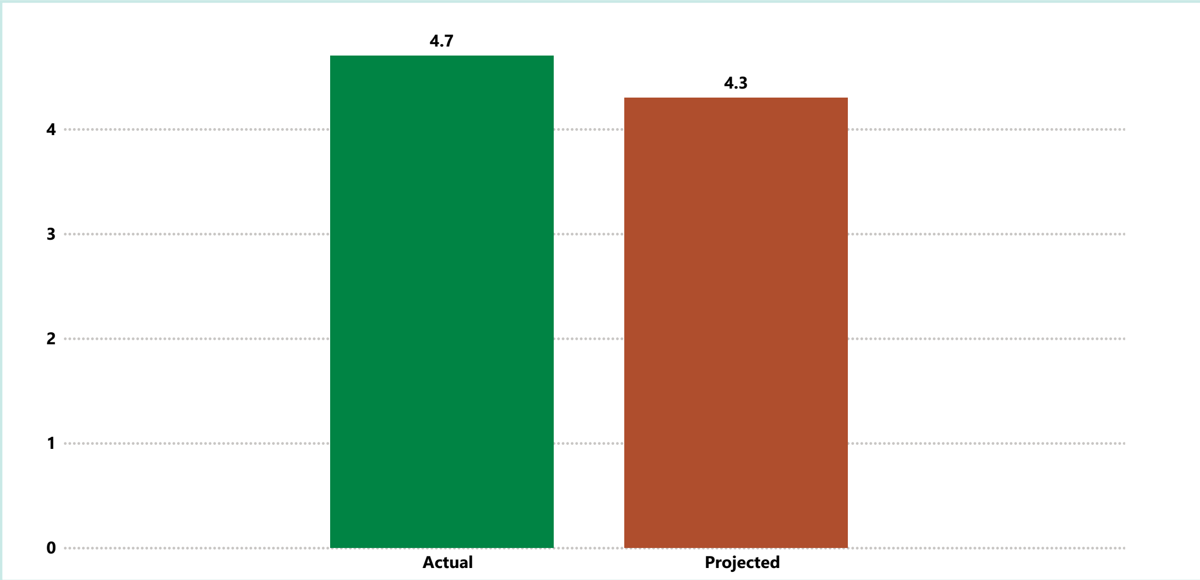
Figure 38: Comparison of Actual and Projected Public Debt to GDP Ratio of ECOWAS Member States in 2024



Source: ECOWAS Member States Note, 2025

Figure 38 shows a comparison between the actual and projected values of public debt to GDP ratio in the ECOWAS region for 2024. values of GDP The actual value was 48.0 percent against a projected value of 66.0 percent. Although, ECOWAS Member States implemented measures such as expenditure controls and tax reforms to reduce debt, several factors explained high levels of debt. The public debt-to-GDP ratio reflects a range of structural and economic dynamics necessary for growth and reforms. To support development goals and close budget gaps, there is need for governments to access foreign financing, and invest in critical infrastructure and social services. However, the reduction in public sector financing and security expenditures contributed to a decrease in the values of debt to GDP ratio in some ECOWAS Member States.

Figure 39: **Fiscal Deficit Including Grants as a percentage to GDP of ECOWAS Member States in 2024**



Source: ECOWAS Member States Note, 2025

The fiscal balance, including grants, shows that the actual fiscal deficit was 4.7 percent of GDP compared to 4.3 percent of GDP. The performance encourages more efforts to strengthen revenue collection and manage public spending. The fiscal position remains in deficit, highlighting continued pressure on public finances and the need for sustained fiscal consolidation to achieve long-term stability.

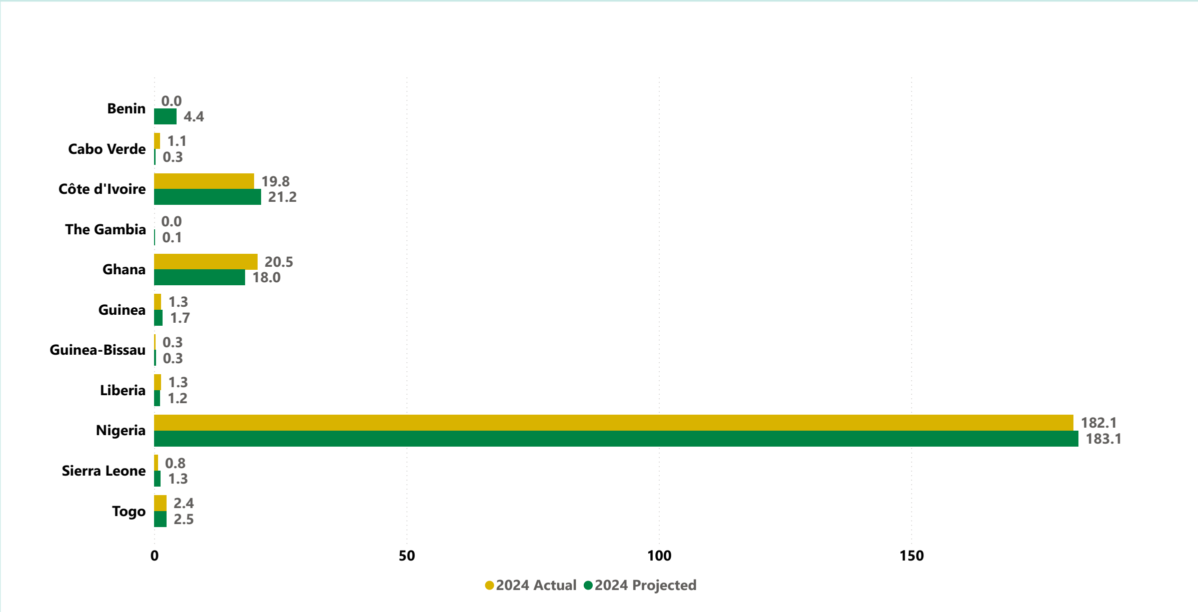
With regard to total exports, ECOWAS exports value was projected at US$233.9 billion in 2024 as against the actual value of US$229.5 billion. There was a shortfall of about US$4.4 billion reflecting modest underperformance of some Member States. Among Member States that exceeded export expectations, Ghana outperformed others as actual value of US$20.5 billion was more than the projected value of US$18.0 billion. This performance was consistent with gold-led export strength, where both prices and effective export mobilisation supported receipts even as other export lines were more mixed. Cabo Verde also exceeded expectations, with actual exports value of US$1.1 billion as against US$0.3 billion, suggesting that services-linked earnings and re-export or port-related trade dynamics were stronger and there was an improved tourism-related foreign exchange receipts. Liberia marginally exceeded expectations, posting actual value of US$1.3 billion against projected value of US$1.2 billion, consistent with a recovery of export capacity and stronger shipments relative to the forecast assumption.

REGIONAL FISCAL DEFICIT TO GDP RATIO IN 2024

4.3% Projected

4.7% Actual

Figure 40: **Projected and Actual Total Exports in 2024 for ECOWAS (US$ billions)**



Source: ECOWAS Member States Note, 2025

Nigeria recorded actual value of US$182.1 billion against a projected value of US$183.1 billion owing to the shortfall in oil export receipts and non-oil export flows. Togo's actual value of US$2.4 billion was close to the projected value of US$2.5 billion due to a stable exports performance anchored by its commodity and regional trade profile. Côte d'Ivoire had actual value of US$19.8 billion compared to projected value of US$21.2 billion. This pattern was consistent with a resilient export base, and improved external position. Guinea projected value of US$1.7 billion was more than actual value of US$1.3 billion, consistent with the sensitivity of mineral export receipts to shipment timing and price movements. Guinea-Bissau projected value of US$0.26 billion compared to US$0.3 billion and Sierra Leone actual value of US$1.3 billion was more the projected value of US$0.8. These outcomes aligned with narrow export bases and higher exposure to commodity price volatility and disruptions in production.

With regard to the region's total imports, it was projected at US$138.0 billion in 2024, but actual imports was US$176.8 billion. The positive difference of US$38.8 billion was the results of increased import demand. The major driver of the difference was Nigeria, which recorded US$142.5 billion in imports against a projection of US$76.3 billion. Nigeria's import share of the regional imports expanded from a projected 55.3 percent to an actual 80.6 percent.

REGIONAL IMPORT VALUE IN 2024

US$138.0b Projected

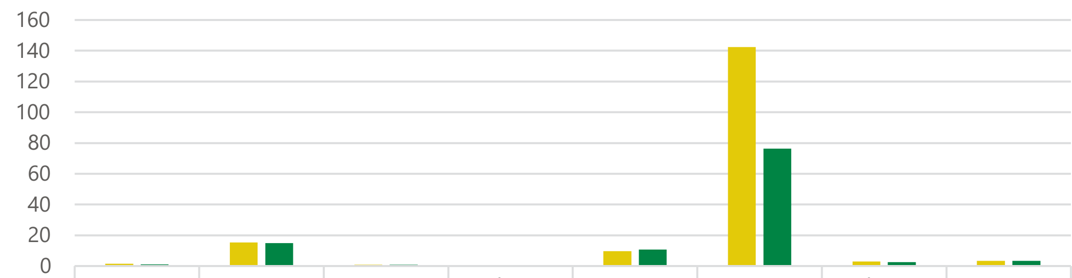
US$176.8b Actual

This pattern is consistent with continued dependence on imported inputs and consumer goods during a period of domestic supply constraints. Ghana slightly exceeded its import projection, reaching US$15.4 billion against US$14.9 billion, as the economy relied on imported inputs and consumer goods. Cabo Verde also exceeded, recording US$1.4 billion against US$1.2 billion, consistent with import dependence in small island economies where food, energy, and capital goods imports was high. Sierra Leone exceeded its projected value, reaching US$2.9 billion against US$2.6 billion, consistent with import needs for energy, food, and investment-related goods during a period of stabilisation and rebuilding. Togo was essentially close to target, with US$3.40 billion against US$3.41 billion, consistent with stable import requirements for energy and intermediate inputs that support production and re-export activity.

Among Members that had actual values below projections, Liberia imported slightly less than projected, recording US$9.8 billion against US$10.7 billion. This pattern was consistent with external adjustment through import restraint as foreign exchange availability shaped import volumes. Guinea also underperformed modestly, reaching US$0.8 billion against US$0.9 billion, which reflect weaker demand or delay in investment-related import deliveries. Guinea-Bissau exceeded projection, however, with US$0.6 billion against US$0.5 billion, consistent with the structural role of imported food, fuel, and equipment even when export receipts fluctuate.

Cross-border trade activity within the ECOWAS region

Figure 41: **Projected and Actual Total Imports for Selected Member States in 2024 (US$ billions)**



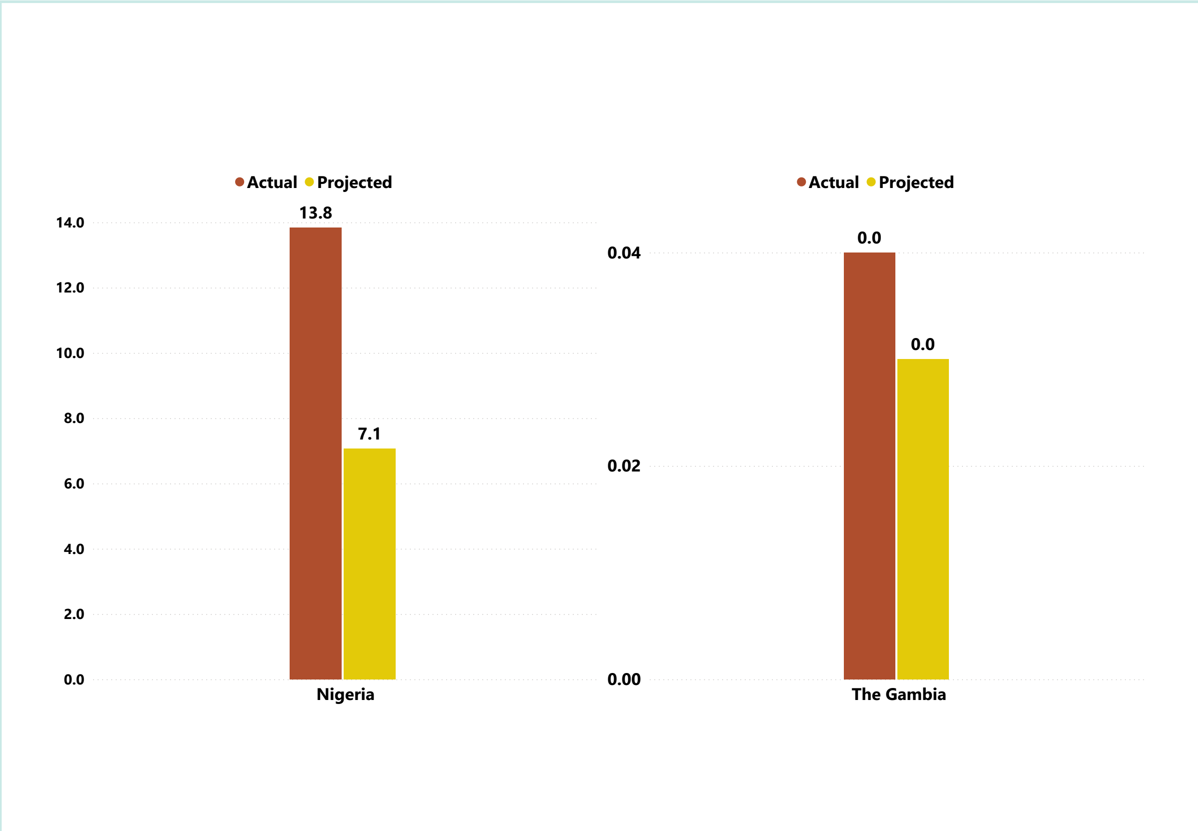
	Cabo Verde	Ghana	Guinea	Guinea-Bissau	Liberia	Nigeria	Sierra Leone	Togo
Actual	1.4	15.39	0.81	0.58	9.76	142.48	2.94	3.4
Projected	1.15	14.92	0.92	0.46	10.7	76.32	2.56	3.41

Source: ECOWAS Member States Note, 2025

The intra-ECOWAS trade was projected at US$7.1 billion, but the actual value was US$14.0 billion. This performance was consistent with positive performance of both the intra-regional exports and imports. Nigeria was the major driver, as her intraregional trade increased from $5.7 billion in 2023 to $13.8 billion in 2024. This was due largely to a strong increase in intra-regional exports from $5.3 billion to $12.5 billion within the same period.

The intra-ECOWAS trade was projected at US$7.1 billion, but the actual value was US$14.0 billion. This performance was consistent with positive performance of both the intra-regional exports and imports.

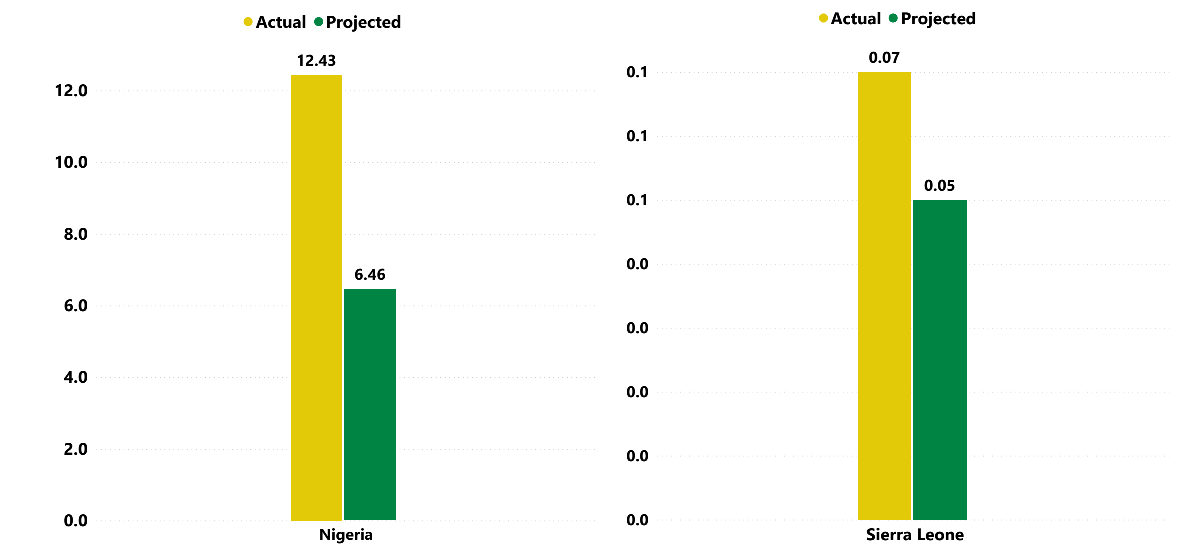
Figure 42: **Projected and Actual Intra-ECOWAS Trade for Selected Member States in 2024 (US$ billions)**



Source: ECOWAS Member States Note, 2025

Considering the exports component of regional trade, intra-ECOWAS exports was projected at US$6.6 billion but the actual value was US$16.1 billion. This is a positive divergence, indicating that regional trade delivery was far stronger than the projected value. The positive deviation came from Nigeria which exceeded its intra-exports projection, recording actual value of US$12.4 billion compared to projected value of US$6.5 billion. Sierra Leone exceeded modestly, recording US$0.07 billion against a projection of US$0.05 billion, showing improved intra-regional flows.

Figure 43: Comparison of Projected and Actual Intra-ECOWAS Exports in 2024 (US$ billions)

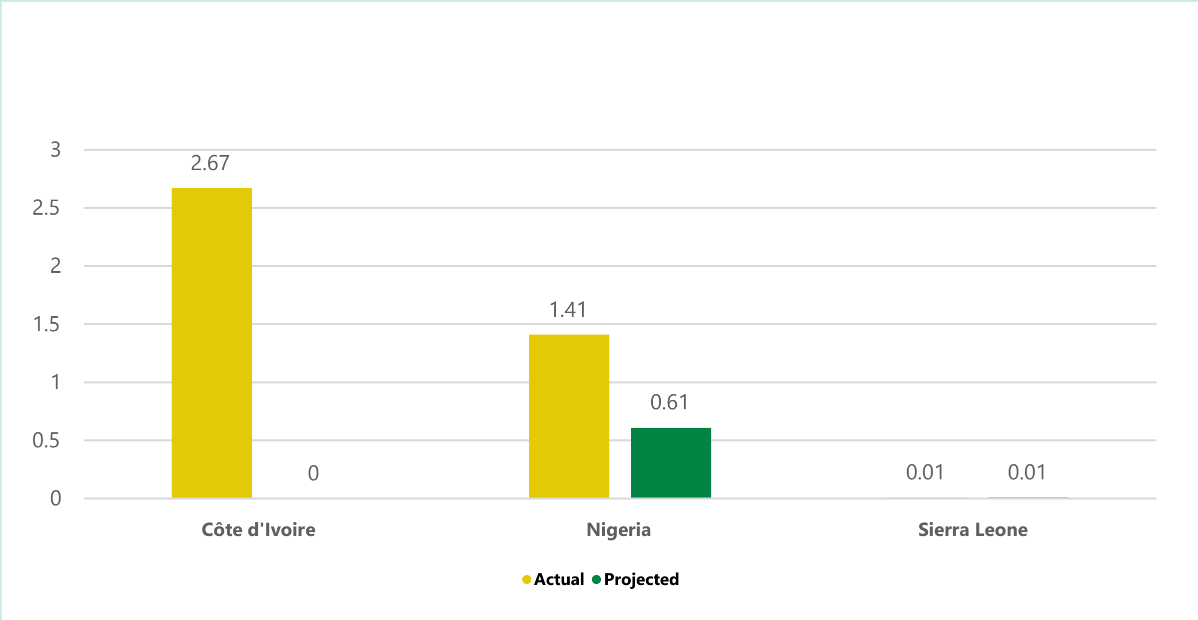


Source: ECOWAS Member States Note, 2025

Intra-ECOWAS imports was projected at US$0.7 billion but realised US$4.2 billion. This indicates that intra-regional sourcing for imports was stronger than assumed. The largest positive deviations were recorded by Côte d'Ivoire, which imported US$2.7 billion from ECOWAS market and Nigeria, which imported US$1.4 billion compared to a projection of US$0.6 billion. This development is an indication of potentials of active regional supply chains and stronger cross-border trade settlement. Côte d'Ivoire's actual contribution to regional imports was 64.0 percent, while Nigeria's contribution was 33.9 percent. Ghana also recorded a positive value, importing US$0.04 billion against a projection of zero, consistent with continued two-way trade within the region even if the volumes were not large. Sierra Leone's projected and actual values matched, standing at $0.01 billion.

The largest positive deviations were recorded by Côte d'Ivoire, which imported US$2.7 billion from ECOWAS market and Nigeria, which imported US$1.4 billion compared to a projection of US$0.6 billion. This development is an indication of potentials of active regional supply chains and stronger cross-border trade settlement.

Figure 44: **Projected and Actual Intra-ECOWAS Imports for Selected Member States in 2024 (US$ billions)**

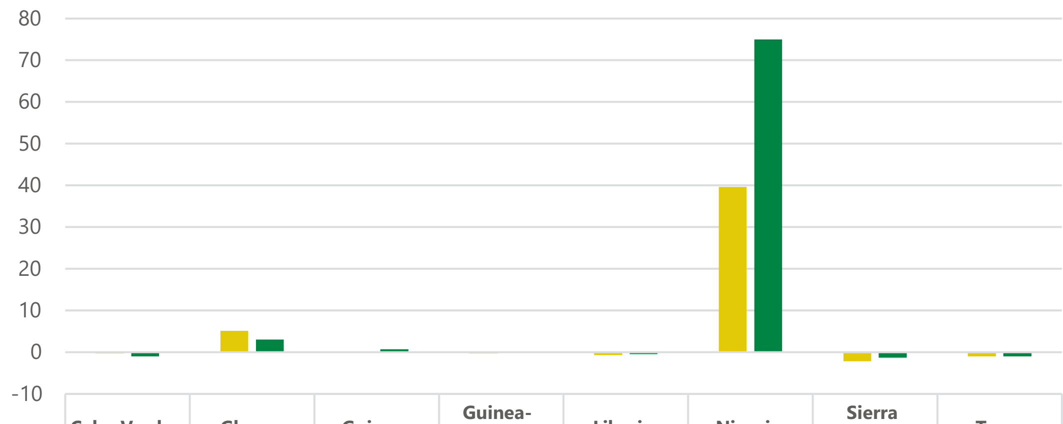


Source: ECOWAS Member States Note, 2025

With regard to the trade balance, the ECOWAS region was projected to record a surplus of US$73.4 billion, but the actual surplus was US$40.4 billion. This is a large negative divergence, implying that the region's net goods balance did not strengthen as much as expected, mainly because imports overshot by far more than exports. Some Member States exceeded trade balance expectations. Ghana recorded a surplus higher than projected, reaching US$5.1 billion against a projection of US$3.0 billion. Ghana's contribution to the regional trade balance projected at 4.1 percent, outperformed with an actual of 12.6 percent, making Ghana the emerging contributor to the regional trade surplus. Togo was close with a deficit of US$0.98 billion compared to a projected deficit of US$0.96 billion, consistent with import requirement for energy and intermediate goods.

Nigeria recorded a surplus of US$39.6 billion against a projection of US$75.0 billion, but the country dominated the regional trade surplus, contributing 98.0 percent of the trade balance. The surplus was smaller than projection because the import bill expanded more than expected. Guinea had a surplus of US$0.2 billion compared to a projected US$0.7 billion, consistent with weaker export realisation and sustained import needs. Sierra Leone's trade deficit of US$2.2 billion was more than the projected value of US$1.3 billion. This was consistent with import dependence and limited export diversification. Guinea-Bissau also recorded a trade deficit of US$0.3 billion against a projected US$0.2 billion, consistent with a narrow export base and a persistent import bill dominated by food, fuel, and equipment. Liberia's trade deficit was US$0.7 billion compared to a projection of US$0.5 billion, consistent with the sensitivity of its external position to import financing and the pace of export recovery.

Figure 45: Projected and Actual Trade Balance for Selected Member States in 2024 (US$ billion)



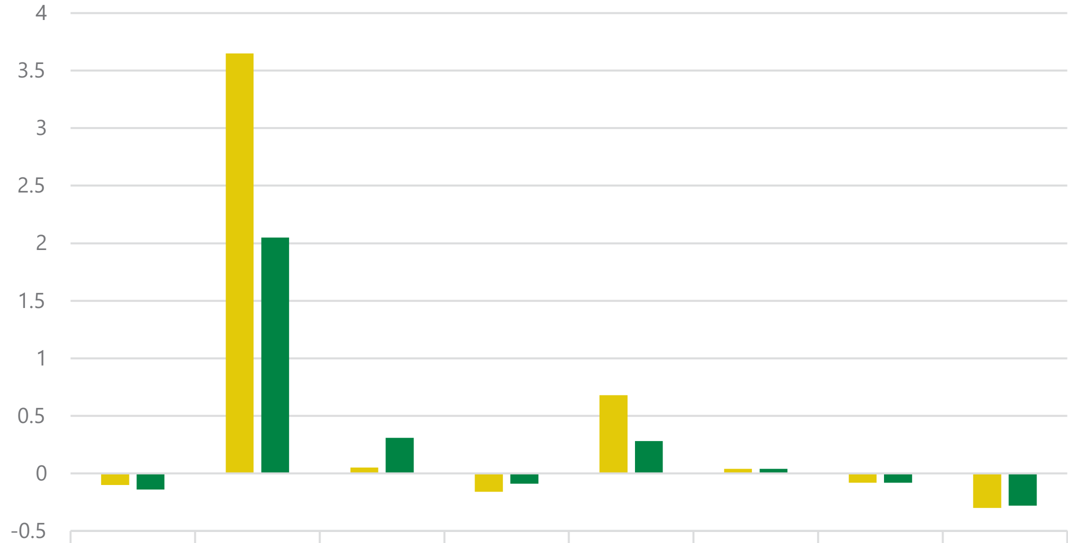
	Cabo Verde	Ghana	Guinea	Guinea-Bissau	Liberia	Nigeria	Sierra Leone	Togo
Actual	-0.3	5.1	0.17	-0.32	-0.69	39.63	-2.18	-0.98
Projected	-1.01	3.03	0.74	-0.16	-0.49	75	-1.28	-0.96

Source: ECOWAS Member States Note, 2025

With regard to the current account balance, ECOWAS region was projected at a deficit of US$3.1 billion, but the actual value was a surplus of US$3.8 billion. This was a major positive development as services balance, transfers, and income flows improved more than expected. Ghana recorded a lower current account surplus than projected, reaching US$1.5 billion compared with a projected value of US$2.1 billion. This aligns with supportive transfers, including remittances and other inflows that help offset services and income outflows. Liberia recorded a surplus of US$0.7 billion compared to projected value of US$0.3 billion, consistent with stronger transfers and a narrow external financing gap. The pattern suggests that stabilisation and donor-related capital transfers can support the overall balance of payments, particularly when import payments ease and remittances remain supportive.

Nigeria recorded US$0.04 billion, matching the projection. Sierra Leone also matched, with a deficit of US$0.1 billion both in projection and actual values. Togo recorded a slightly wider deficit, reaching US$0.3 billion against a projected US$0.28 billion, consistent with a persistent goods deficit and structurally negative services. Guinea-Bissau also recorded a wider deficit, reaching US$0.2 billion against US$0.1 billion, consistent with weak services balances and import dependence even when exports are seasonally strong.

Figure 46: Projected and Actual Current Account Balance for Selected Member States in 2024 (US$ billions)



	Cabo Verde	Ghana	Guinea	Guinea-Bissau	Liberia	Nigeria	Sierra Leone	Togo
Actual	-0.1	3.65	0.05	-0.16	0.68	0.04	-0.08	-0.3
Projected	-0.14	2.05	0.31	-0.09	0.28	0.04	-0.08	-0.28

Source: ECOWAS Member States Note, 2025

Considering the capital account balance, ECOWAS region was projected at US$15.6 billion in 2024, but actual value was US$1.1 billion. This is a large negative divergence, showing that the expected capital inflow at the regional level did not materialise in the recorded series. Liberia recorded a small surplus, reaching US$0.50 billion against a projection of US$0.47 billion, consistent with development-partner transfers and capital support. Guinea also matched, with US$0.03 billion in both projection and actual values.

Togo underperformed relative to projection, recording US$0.5 billion against US$0.6 billion, but still maintained a meaningful surplus consistent with the role of capital inflows in supporting external financing needs. Sierra Leone was close, recording US$0.4 billion against US$0.5 billion, consistent with continued reliance on concessional financing and stabilisation-linked inflows. The regional gap is explained by the sharp difference in the largest projected item. Nigeria was projected at US$13.6 billion but recorded zero in the series, and this single deviation accounts for most of the ECOWAS-level shortfall. Ghana recorded a negative value of US$0.12 billion despite a projection of zero, which is consistent with periods where combined capital and financial account pressures can emerge through portfolio outflows, reduced inflows, or repayment dynamics, especially in an adjustment environment.

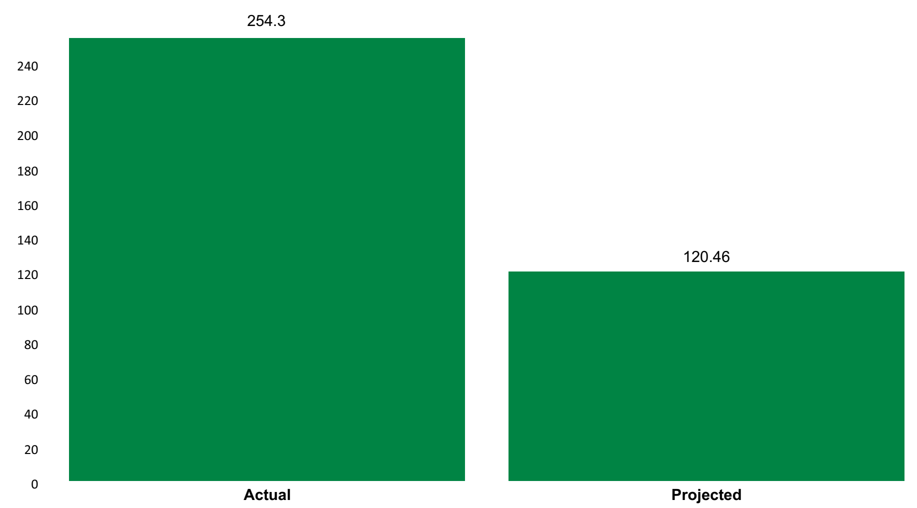
Figure 47: **Projected and Actual Capital Account Balance for Selected Member States in 2024 (US$ billions)**

	Cabo Verde	Ghana	Guinea	Guinea-Bissau	Liberia	Nigeria	Sierra Leone	Togo
Actual	0.02	-0.39	0.03	0.02	0.5	0	0.42	0.48
Projected	0.04	0	0.03	0.03	0.47	13.56	0.45	0.62

Source: ECOWAS Member States Note, 2025

With regard to the commodity export price index indicator, the ECOWAS region was projected at 120.5 in 2024 but recorded 254.3 actual. This is a very large positive divergence, signaling that the recorded commodity export price measure spiked far above the projection. The main driver of the positive divergence is Cabo Verde, which recorded 139.6 despite a projection of zero, and Nigeria, which recorded 114.6 against a projection of 120.4. The result implies that the index spike is dominated by a sharp increase in Cabo Verde's recorded value , while Nigeria's value was broadly in line with projection and even slightly below. Ghana recorded a small value of about 0.2 despite a projection of zero.

Figure 48: **Comparison of Projected and Actual Commodity Export Price Indicator for ECOWAS Region in 2024 (index points)**



Source: ECOWAS Member States Note, 2025

In terms of external reserves, the ECOWAS region was projected at US$8.1 billion in 2024 and realised US$10.3 billion. This indicates that reserve buffers at the regional level were stronger than assumed, consistent with improved balance of payments outcomes and stronger-than-expected inflows or adjustments that limited reserve drawdowns. Among the members states that exceeded expectations, Ghana recorded US$9.0 billion against a projection of US$7.5 billion, confirming a stronger accumulation than assumed and aligning with a stronger external position supported by export gains and balance of payments improvement. Cabo Verde recorded US$0.8 billion against a projection of zero, consistent with stronger buffer holding than captured in the baseline assumptions and with the stabilising role of tourism-related foreign exchange. Liberia recorded US$0.5 billion against a projection of zero, aligning with improving import cover as import payments eased and external support remained present. Nigeria recorded about US$0.1 billion actual matching exactly the projected value, indicating no divergence between the two.

The region's overall external position was strengthened through the current account moving from a projected deficit to an actual surplus, supported by better-than-expected outcomes in Ghana and Liberia and by broader inflow and adjustment mechanisms, even as the capital account value fell far below the projected regional inflow.

Taken together, the 2024 comparison reveals three dominant messages. First, the ECOWAS region exports largely matched the forecast, anchored by Nigeria's near-perfect convergence and strengthened by Ghana's export outperformance. Second, imports overshot sharply, and this overshoot was dominated by Nigeria's import value. Third, the region's overall external position was strengthened through the current account moving from a projected deficit to an actual surplus, supported by better-than-expected outcomes in Ghana and Liberia and by broader inflow and adjustment mechanisms, even as the capital account value fell far below the projected regional inflow.

Box 3: Nigeria's Net Foreign Exchange Reserves Surge Sharply in 2025

Data from the Central Bank of Nigeria (CBN) shows that Nigeria's net foreign exchange reserves jumped to US$34.8 billion by the end of 2025, up sharply from around US$3.99 billion two years earlier. The surge reflects stronger external fundamentals, improved foreign exchange inflows, and policy reforms aimed at restoring confidence in the currency market, according to CBN Governor Olayemi Cardoso. In addition to net reserves, gross reserves have also risen substantially, supporting Nigeria's capacity to meet external obligations and maintain a more orderly FX market. Sustained transparency measures and clearer foreign exchange rules by the central bank are credited with helping rebuild foreign reserve buffers and stabilise the exchange rate environment.

These developments point to improved external sector resilience and enhanced macroeconomic stability for Africa's largest economy.

Source: https://www.reuters.com/world/africa/nigerias-net-fx-reserves-surge-348-bln-2025-central-bank-says-2026-03-03/

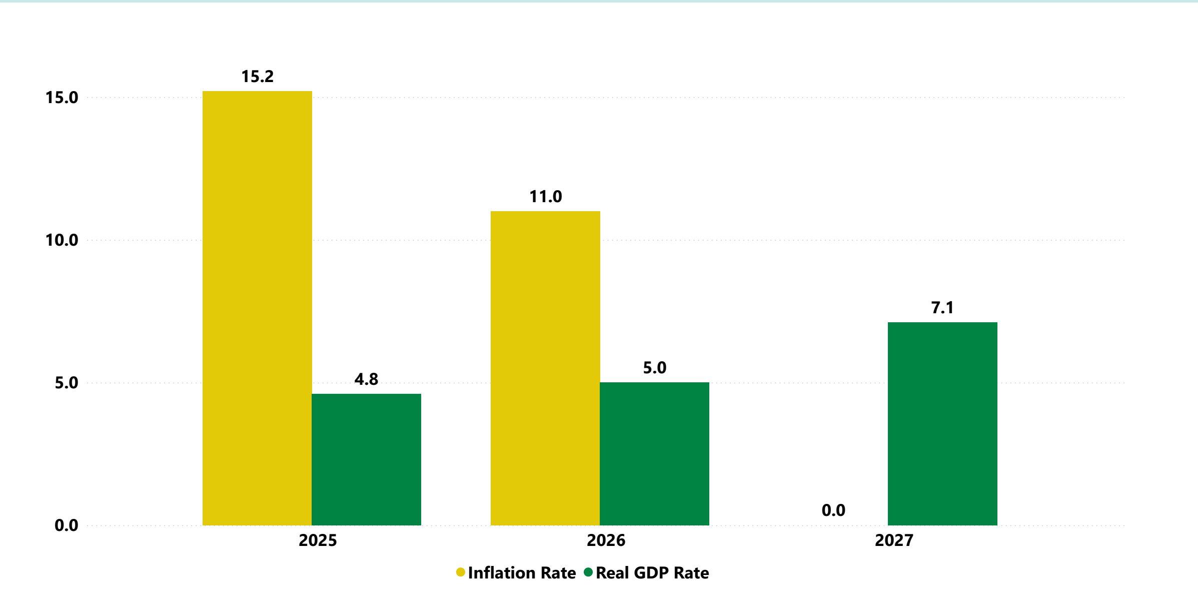
2.9. PROSPECTS OF REGIONAL ECONOMIC PERFORMANCE IN AN UNCERTAIN ENVIRONMENT

The economic performance of ECOWAS region is quite promising, as real GDP growth is expected to increase from 4.8 percent in 2025 to 5.0 percent in 2026 and 7.1 percent in 2027. The principal drivers of the performance are increased investments in infrastructure, agriculture, and social services. The Member States are expected to perform above the regional average of 6.9 percent as indicated by the ECOWAS Macroeconomic Convergence Report (2024).

Nigeria, the region's largest contributor, is expected to drive regional economic growth through its continuous economic reforms and increase in precious metal prices at the global level. Regional growth is expected to be supported by increased foreign direct investment, remittances, and improved economic stability. The boom in the region's energy sector is mainly driven by the Dangote Refinery and the Iseni Gas Project in Nigeria, and the Sentuo Oil refinery in Ghana. Senegal and The Gambia are advancing in renewable energy projects like Thies Solar Plant and NEA Kolda solar plant in Senegal, and the Jambur solar plant in The Gambia to enhance energy security, attract investment, and support industrial growth.

Agriculture remains a critical pillar of the regional economy. Member States like Nigeria, Ghana and Côte d'Ivoire are leveraging their positions as global leaders in crops like cocoa, palm oil, cashew nuts and cassava to boost foreign earnings. The sector is set to benefit from the adoption of modern technologies, including mechanisation and digital tools, which will enhance productivity and attract investments. Additionally, the Fintech sector is a key engine of growth, with Member States like Ghana and Nigeria leading the way through the rapid expansion of mobile money services and a surge in investments, fostering greater financial inclusion.

Figure 49: **Projected Real GDP and Inflation Rate of the ECOWAS Region from 2025 to 2027**

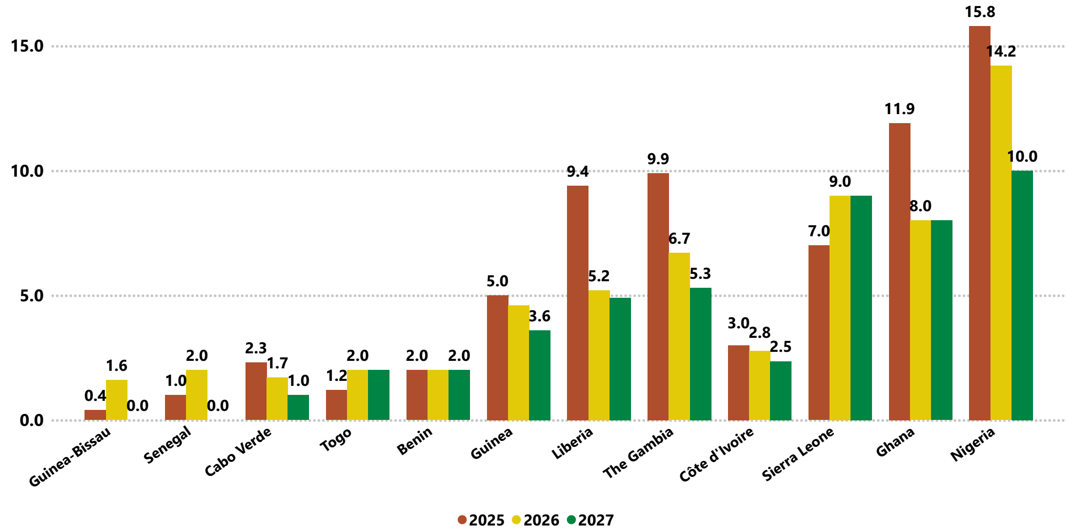


Source: ECOWAS Member States Note, 2025

The robust economic growth in the WAEMU region, eased slightly in 2025 with strong prospects. The region's real GDP growth projections for 2026 and 2027 are 5.9 percent and 6.5 percent, respectively, driven by energy, mining, and public investment. However, a possible ceasefire in the Russia-Ukraine war would have several direct and indirect effects on the region, particularly on 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. The imposition of a series of new tariffs by the US and the subsequent closure of USAID programmes will affect regional economic prospects.

In terms of price development, the region's inflation rate is anticipated to decline from 16.5 percent in 2025, to 15.5 percent in 2026 and 15.8 percent in 2027. This trend reflects the tight monetary policy on demand for goods and services, expected lower deficit financing and a reduction in supply-side constraints. The region is targeting stabilisation ahead the launch of the 'ECO' currency, with expectations of further monetary policy easing. Key drivers of projected inflation improvements include reforms in ECOWAS Member States especially Sierra Leone, Nigeria and Ghana to stabilise foreign exchange markets along with anticipated decline in energy prices.

Figure 50: **Projected Inflation Rate of Selected ECOWAS Member States from 2025 to 2027**



Source: ECOWAS Member States Note, 2025

Additionally, six ECOWAS Member States are projected to achieve an average growth rate of at least 5.0 percent in 2025. Ten Member States will witness single-digit inflation, though Sierra Leone and Nigeria may face double-digit rates. Nigeria is expected to have the highest inflation rate in the ECOWAS region, reaching 15.6 percent in 2025 before declining to 14.2 percent in 2026 and 10.1 in 2027. This is still high, reflecting persistent cost pressures amid critical food security challenges. Despite modest gains in domestic food production, insecurity, climate shocks, and infrastructural deficits continue to impede access, affordability, and utilisation of food. Ghana is projected to slow to 4.0 percent in 2025 due to an anticipated fiscal adjustment. Sierra Leone's inflation rate is projected to decline to a single digit in the medium term, due to exchange rate stability, fiscal consolidation, implementation of tight monetary policy and increased food supply. Senegal, Guinea, Benin, and Côte d'Ivoire are the Member States expected to drive ECOWAS economic performance in 2025 to 2027. Senegal and Benin are among the Member States projected as the top 10 fastest-growing economies in Africa in 2025 (Box 4), and Guinea, Benin and Côte d'Ivoire are among the 10 fastest-growing economies in 2026 (Box 5).

Senegal's real GDP growth is projected to accelerate to 7.8 percent in 2025 driven mainly by strong expansion in the secondary sector, particularly hydrocarbons and new industrial capacity, alongside a recovery in agriculture supported by favourable weather and government interventions. Growth in the primary sector is expected to rebound, while services will continue to provide moderate support. In addition, economic activity is projected to grow steadily, indicating underlying resilience beyond extractive activities. Guinea's medium-term prospects for 2025 to 2027 is also favourable, underpinned by the expansion of iron ore mining in response to rising global demand. The Government's SIMANDOU 2040 Programme is expected to play a transformative role by supporting large-scale investments in infrastructure, agriculture, and special economic zones, thereby accelerating structural transformation and broad-based economic development.

Box 4: Top 10 Fastest-growing African Economies 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: South Sudan, Libya, Senegal, Sudan, Uganda, Niger, Zambia, Benin, Ethiopia, and Rwanda.

Source: https://businessday.ng/africa/article/top-10-fastest-growing-african-economies-in-2025/

Box 5: The 10 Fastest-growing Economies in Africa in 2026

The IMF projects sub-Saharan Africa to grow at 4.4 percent in 2026 — nearly 50 percent higher than the world average of 3.1 percent. While economists debate recession risks in developed markets, Africa accounts for 11 of the world's 15 fastest-growing economies — a concentration that challenges perception. That said, the IMF's optimism about Africa in 2026 comes with significant caveats.

It warns of "overlapping monetary, financial, external, and fiscal vulnerabilities" across much of the region, with rising debt service costs "crowding out development spending" and a shift toward domestic financing generating "a growing bank-sovereign nexus" that needs to be carefully managed.

Many economies across the continent haven't yet demonstrated the institutional capacity to drive consistent performance. Resource booms can evaporate with commodity price swings or geopolitical shocks — as South Sudan's pipeline damage demonstrated. And high growth rates from small bases don't automatically translate into broad-based prosperity or development. Nonetheless, the global concentration of high-growth economies in Africa is undeniable.

Here's what's driving growth in Africa's 10 fastest-growing economies; they can be split into three main categories:

- *Ongoing conflict recovery/stabilization (South Sudan, Sudan)*
- *Resource extraction (mining in Guinea, Zambia; oil in Niger)*
- *Sustainable institutional reforms and economic diversification (Rwanda, Ethiopia, Uganda, Benin, Côte d'Ivoire)*

Source: ttps://afridigest.com/the-10-fastest-growing-economies-in-africa-in-2026/

Benin economic prospects for 2025 to 2027 remains favourable, driven by strong industrial expansion supported by Government Action Programme, 2021-2026 (PAG2), particularly in construction and agro-industry, alongside growth in services from improved transport, trade, tourism, and telecommunications. Agricultural growth is expected to strengthen due to productivity-enhancing reforms, supporting poverty reduction, while inflation is projected to remain low and below the WAEMU target, reflecting improved macroeconomic stability. Côte d'Ivoire economic prospects is also positive, with growth projected to remain robust at 6.3 percent in 2025 and 2026 and accelerate to 7.5 percent in 2027, underpinned by sound macroeconomic policies, sustained public and private infrastructure investment, and rising oil production in line with the 2026 to 2030 National Development Plan.

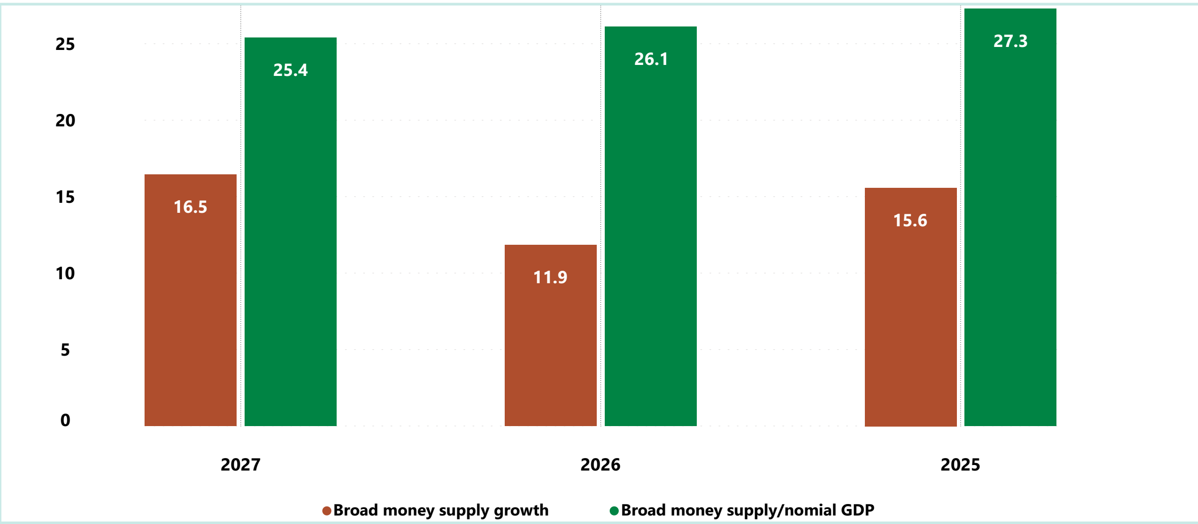
Within the context of monetary sector performance prospects, money supply is expected to grow by 16.0 percent in 2025, showing recovery and renewed confidence in the financial system.

Benin economic prospects for 2025 to 2027 remains favourable, driven by strong industrial expansion supported by Government Action Programme, 2021-2026 (PAG2), particularly in construction and agro-industry, alongside growth in services from improved transport, trade, tourism, and telecommunications.

The trend remains positive in 2026 at 12.0 percent before increasing to 16.0 percent in 2027. This suggests stabilisation and monetary expansion in the region. The broad money supply is projected to expand by 15.6 percent in 2025, 11.9 percent in 2026 and 16.5 percent in 2027. The slowdown reflects a gradual adjustment of liquidity conditions, consistent with prudent monetary policies aimed at containing inflationary pressures and ensuring macroeconomic stability. The expected rebound in 2027 reflects the anticipated recovery in demand for financing by the private sector as well as increased public investment in several Member States.

The M2/nominal GDP ratio is expected to follow a slightly downward trend, from 27.3 percent in 2025 to 26.1 percent in 2026, and 25.4 percent in 2027. These trajectories are expected to be influenced by the prudence of central banks, the normalisation of financial flows and the gradual stabilisation of domestic credit and net foreign assets. The anticipated pace of economic growth will help to absorb the additional liquidity and reduce pressure on the M2/GDP ratio. Overall, the projections suggest expansionary monetary policy, reflecting the monetary authorities' efforts to balance support for economic activity, inflation control, and financial stability.

Figure 51: Prospect of Broad Money Supply/Nominal GDP Ratio and Growth of Broad Money Supply in the ECOWAS Region from 2025 to 2027 (Percent)



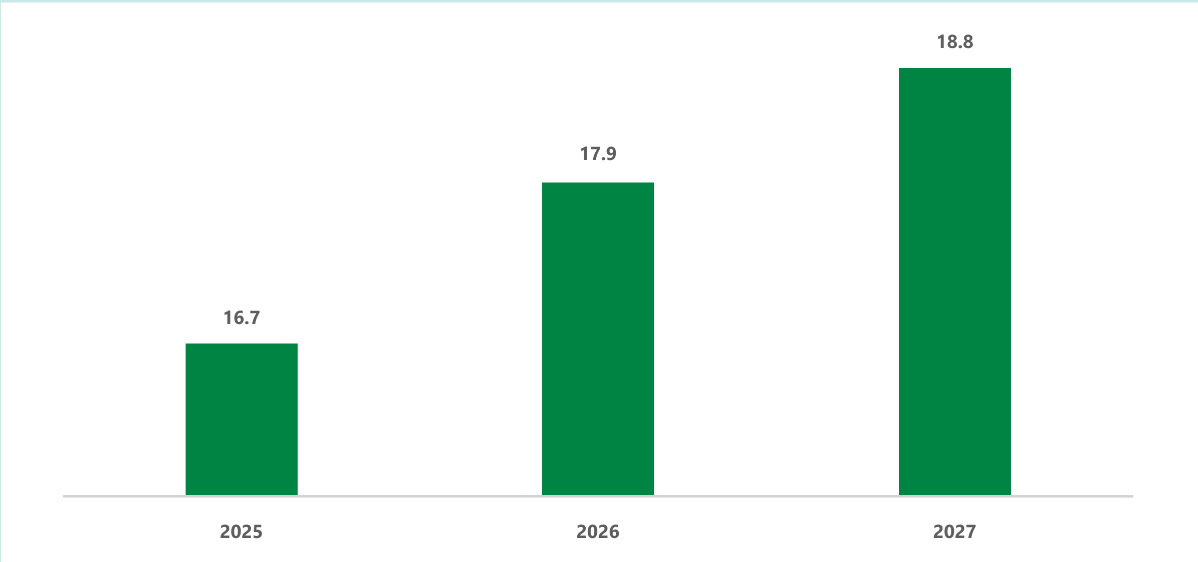
Source: ECOWAS Member States Note, 2025

In terms of prospects of regional fiscal performance, ECOWAS Member States are expected to sustain performance in domestic resource mobilisation in pursuit of a 5.0 percent regional economic growth in 2026 and 2027. Total revenue including grants to GDP ratio is projected to increase from 11.4 percent in 2025 to 12.4 percent in 2026 and 2027.

Member States are putting in place measures to improve revenue mobilisation through tax reforms, improved VAT collection, tax exemptions. The efforts should be supported with digitalised customs processes as required by ECOWAS directives on modernised custom procedure by the end of 2027.

Cabo Verde, Nigeria and Ghana aligning with ECOWAS directives have complied with the revising of VAT systems to broaden the tax base and adopting specific excise taxes on tobacco, alcohol, and sugar-sweetened beverages. Also, Member States are upgrading their information technology (IT) systems and adopting the Regional Electronic Cargo Tracking System (RECTS) to curb revenue leakages. These actions are expected to raise revenue performance in the region The projected revenue including grants to GDP ratios for Member States are shown in Figure 52.

Figure 52: Average Revenue Including Grants to GDP Projections for ECOWAS Member States for 2025 to 2027

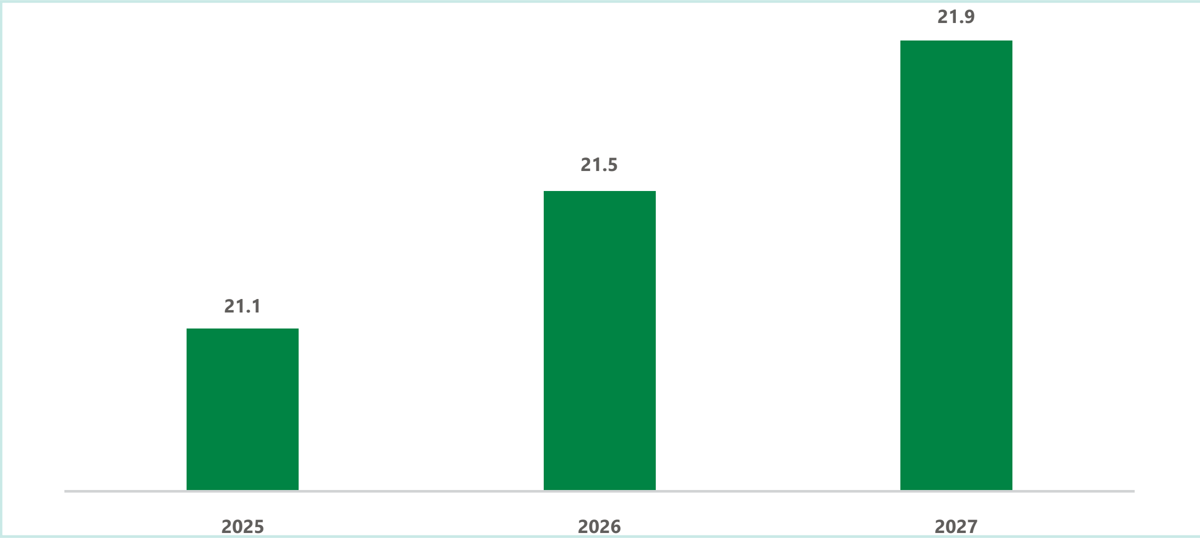


Source: ECOWAS Member States Note, 2025

Nigeria launched National Tax Transition Steering Committee for tax system modernisation, and The Gambia replaced sales tax with VAT and tobacco excise taxes, yielding sharp revenue gains. Benin, Senegal, Guinea, Côte d'Ivoire and Togo adopted enhanced VAT management. Ghana rolled out Medium-Term Revenue Strategy (MTRS 2024 to 2027) with digital tax administration, broader base, tax enforcement through electronic systems, VAT expansion, and high-net-worth compliance. Côte d'Ivoire advanced MTRS through digitalisation, tax base expansion, and administrative efficiency. Cabo Verde adopts modernised taxes/customs, expanded VAT, tightened compliance, and issued "blue bonds" for fiscal strengthening. Guinea embarks on mining reform modernisation of tax administration with technology to fund development and reduce external debt.

To address fiscal deficit and economic pressures, ECOWAS Member States introduce tight fiscal measures, structural reforms, and stronger revenue mobilisation. These steps aim to reduce spending and promote fiscal prudency. The public expenditure net borrowing is projected to increase from 10.7 percent in 2025 to 15.8 percent in 2026 17.9 and 18.8 in 2027 as a necessity for regional infrastructural development.

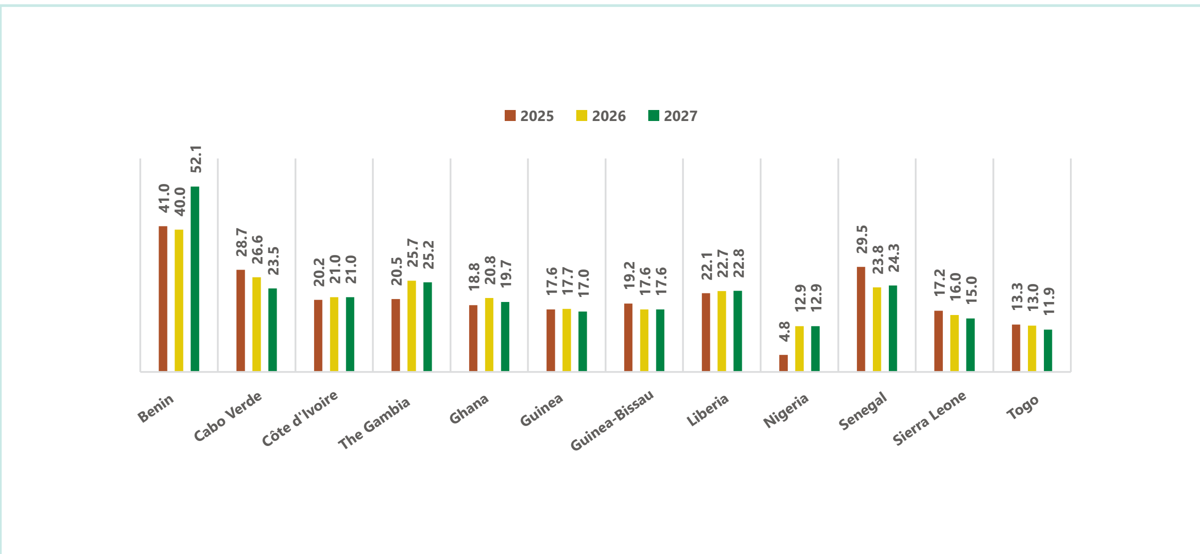
Figure 53: Average Expenditure (Net Borrowing) to GDP Projections for ECOWAS Region for 2025 to 2027



Source: ECOWAS Member States Note, 2025

ECOWAS Member States are expected to continue with the implementation of targeted expenditure cuts to address fiscal deficits, through public spending mobilisation and budget reductions in 2025 to 2027. Specific measures include abolishing Air Travel taxes from January 1, 2026, and directing Member States to cut passenger/security charges on regional flights by 25.0 percent to lower travel costs. Member States are required to converge to a 3.0 percent fiscal deficit target amid falling debt-to-GDP ratios, while curbing security costs through conflict prevention, regional strengthening of the ECOWAS Peace Fund and the enforcement of the Community Levy administration.

Figure 54: Average Expenditure (Net Borrowing) to GDP Projections for ECOWAS Member States from 2025 to 2027 (Percent)



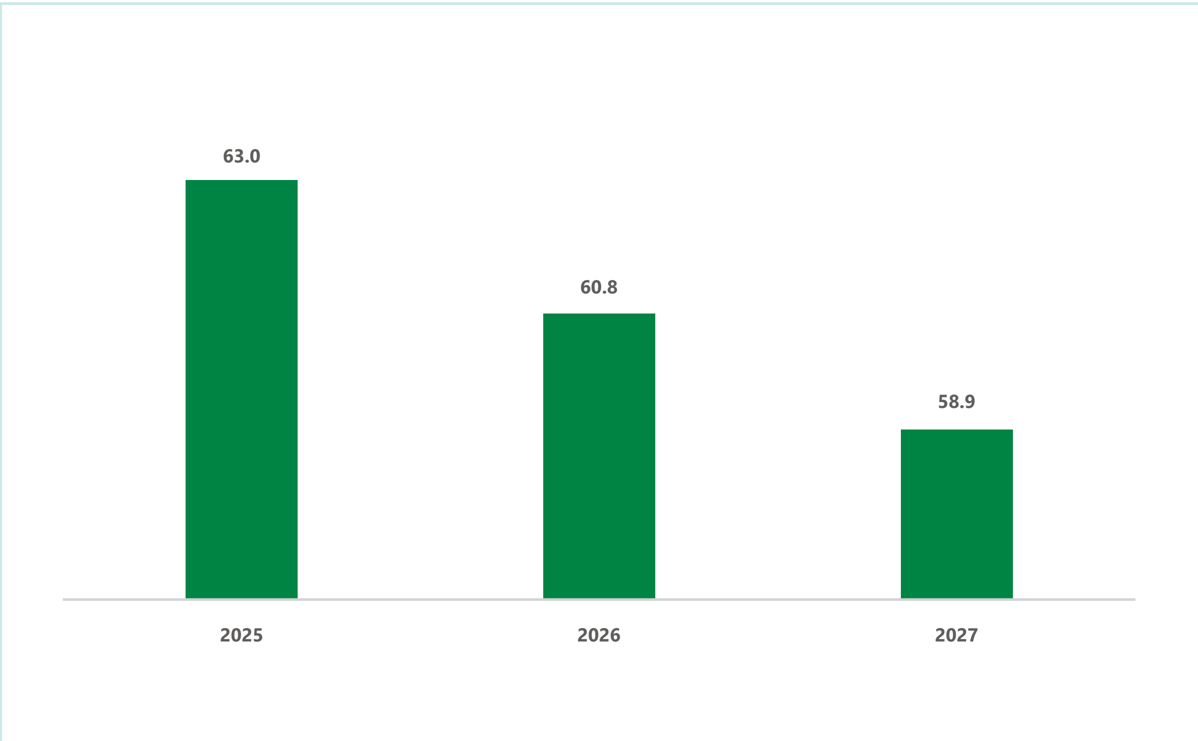
Source: ECOWAS Member States Note, 2025

In terms of regional expenditure, ECOWAS Member States are implementing a combination of expenditure rationalisation, and structural reforms to stabilise their economies. Member States specific actions to curtail expenditure and reduce deficits include Nigeria's efforts to curtail government expenditure and manage a high debt service-to-revenue ratio, with a focus on enhancing fiscal discipline, cutting overheads, and rationalising governance costs. Ghana initiated comprehensive expenditure-curtailment measures under the theme "Resetting the Economy for the Ghana We Want," aiming to reduce wasteful spending and align with International Monetary Fund (IMF) programme requirements. The Liberian government is prioritising fiscal discipline to rein in spending and bolster economic stability through stricter operational cost controls, upgraded public financial management systems, and reduced import reliance. The WAEMU countries is targeting a 3.0 percent fiscal deficit to GDP ratio by end-2025 through expenditure controls and revenue enhancements.

The projections for 2025 to 2027 shows that the region is addressing high debt-to-GDP ratios through fiscal discipline, growth-boosting reforms, and better debt management (Figure 55).

The projections for 2025 to 2027 shows that the region is addressing high debt-to-GDP ratios through fiscal discipline, growth-boosting reforms, and better debt management.

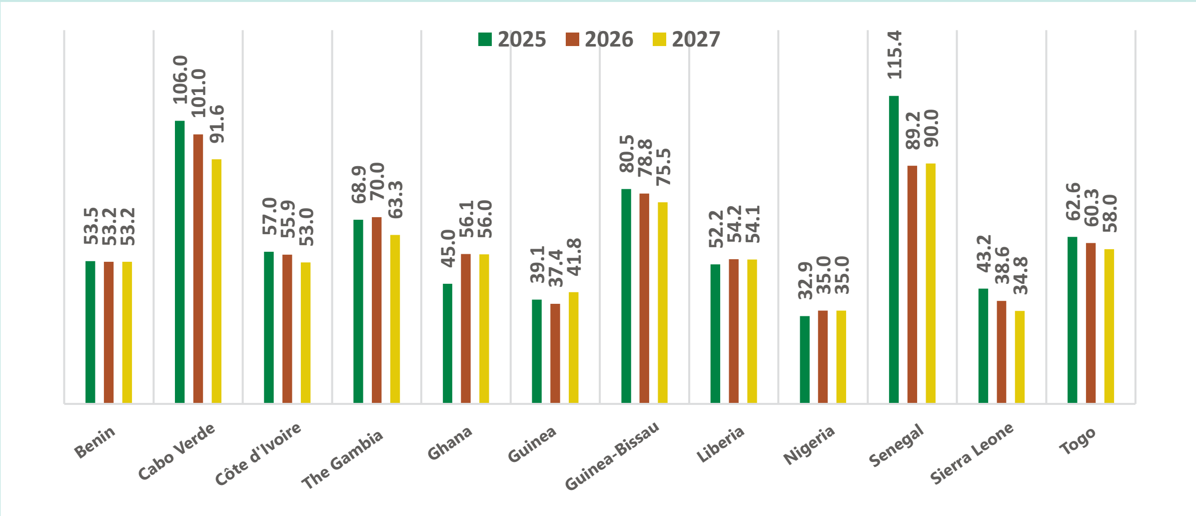
Figure 55: **Public Debt to GDP Ratio Projections for ECOWAS Region from 2025 to 2027**



Source: ECOWAS Member States Note, 2025

After 4.6 percent economic growth in 2025, ECOWAS region aimed for 5.0 percent economic growth in 2026 to ease debt through higher GDP growth rate. The projected public debt to GDP ratio for Member States is shown in Figure 56.

Figure 56: Average Public Debt to GDP projections for ECOWAS Member States from 2025 to 2027



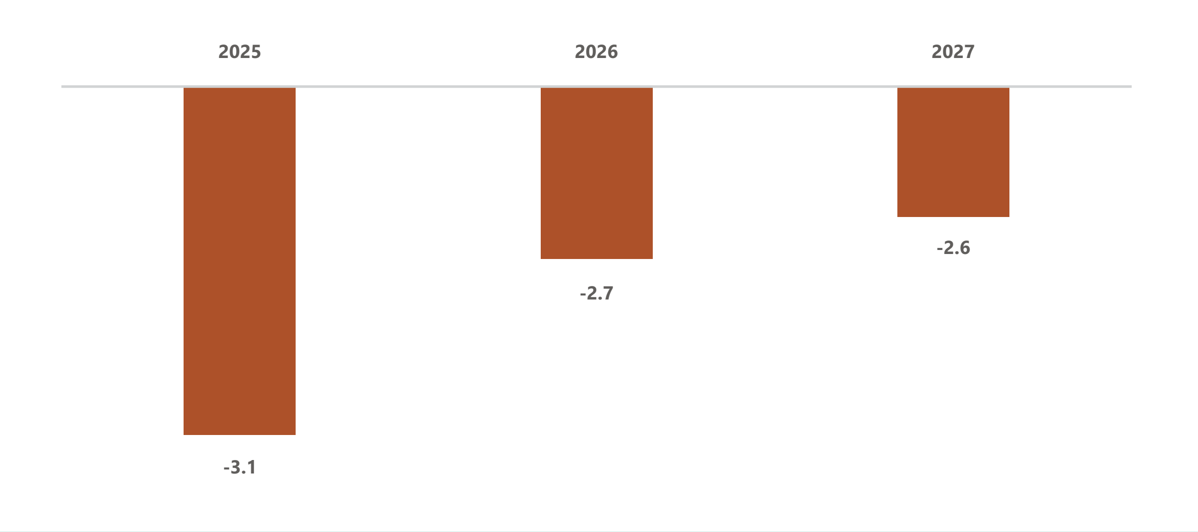
Source: ECOWAS Member States Note, 2025

Member States specific actions to manage public debt through economic rebasing, tax reforms, debt restructuring, and better revenue collection. In Nigeria, the goal is to keep the ratio under 60.0 percent by 2027 going by the 2024 to 2027 Medium-Term Debt Management Strategy. Ghana's strategy shifts from crisis response to sustainability, aiming to keep the present value of public debt-to-GDP ratio under 55.0 percent by 2028. On debt restructuring, Ghana successfully signed a Memorandum of Understanding (MoU) with its Official Creditor Committee (OCC) in January 2025, covering $5.4 billion of bilateral debt, allowing for considerable debt service relief. Again, the government finalised an exchange of about $13 billion in Eurobonds in October 2024, resulting in a nominal cut of 37.0 percent and longer repayment maturities.

Togo is managing Debt-to-GDP ratio through fiscal consolidation, increased domestic revenue, and a shift towards longer-term concessional loans. The government has entered into a program with the International Monetary Fund (IMF) under the Extended Credit Facility (ECF) to bring the deficit down to 3.0 percent of GDP by 2025 and reduce the overall risk of debt distress by 2026 at the latest.

In The Gambia, the Debt Management Strategy 2025-2028 will pursue more of concessional external financing to lower refinancing risks in the overall debt portfolio. This implies the Government will only contract external loans on concessional terms from multilateral and bilateral sources with a grant element of not less than 35 percent. This is in line with the IMF-supported programme to sustain the government fiscal consolidation path to improve debt sustainability.

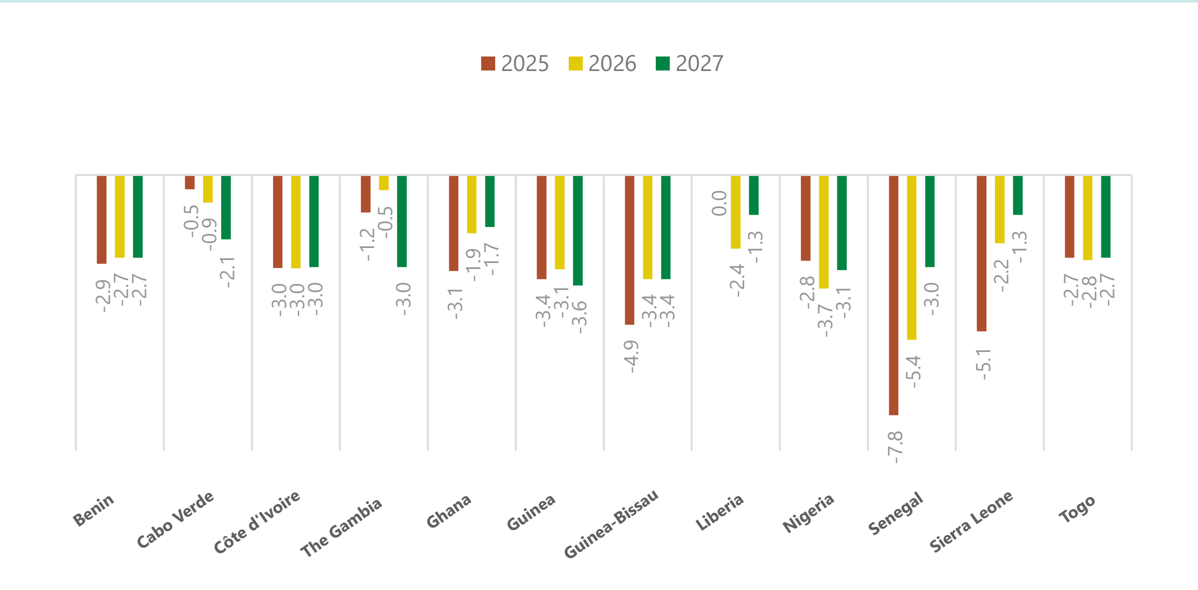
Figure 57: **Fiscal Balance Including Grants to GDP Projections for ECOWAS Region from 2025 to 2027**



Source: ECOWAS Member States Note, 2025

Côte d'Ivoire is managing its debt-to-GDP ratio, which stood at 59.5 percent in 2024 by implementing a combination of fiscal consolidation, innovative debt management, and structural reforms to enhance revenue. To curtail rising fiscal deficits and ensure macroeconomic stability, ECOWAS Member States are implementing a combination of structural reforms, tighter revenue mobilisation, and improved expenditure management. Fiscal deficit is projected to improve from 3.1 percent in 2025 to 2.7 percent in 2026 and 2.6 percent in 2027. The projected fiscal deficits including grants to GDP ratio for Member States are shown in Figure 58.

Figure 58: **Fiscal Balance Including Grants to GDP Projections for ECOWAS Member States from 2025 to 2027**



Source: ECOWAS Member States Note, 2025

The prospects of external sector performance of ECOWAS region is shaped by evolving patterns of economic integration and cross-border exchange. The total exports is projected to decline from US$71.0 billion in 2025, to US$45.6 billion in 2026, and US$37.0 billion in 2027. The regional exports performance is directly related to the global price of commodities. The commodity export price index of the ECOWAS region is projected to be 114.4 in 2025 and 112.1 in 2026, reflecting an adverse effect of falling global commodity price index. This performance is expected to be driven mainly by the region's dominant export commodities - crude oil from Nigeria, cocoa from Côte d'Ivoire and Ghana, and gold from Ghana - which together account for a large share of ECOWAS' export receipts and foreign exchange earnings. In addition, the exit of AES countries from ECOWAS will also have a negative effect on the performance.

According to the World Bank (April 2025), the generally positive outlook for global commodity markets, particularly for gold and cocoa, is underpinned by sustained investment demand, geopolitical risk hedging, and supply-side constraints. These factors are expected to support relatively firm prices through 2026, thereby strengthening export revenues, fiscal buffers, and external reserves in commodity-dependent ECOWAS economies. Oil prices, while expected to remain volatile due to global demand uncertainty and energy transition dynamics, are nonetheless projected to stay at levels sufficient to sustain Nigeria's export earnings in the near term. Looking into 2027, the regional outlook is expected to hinge less on price gains alone and more on volume expansion, processing capacity, and diversification within commodity value chains.

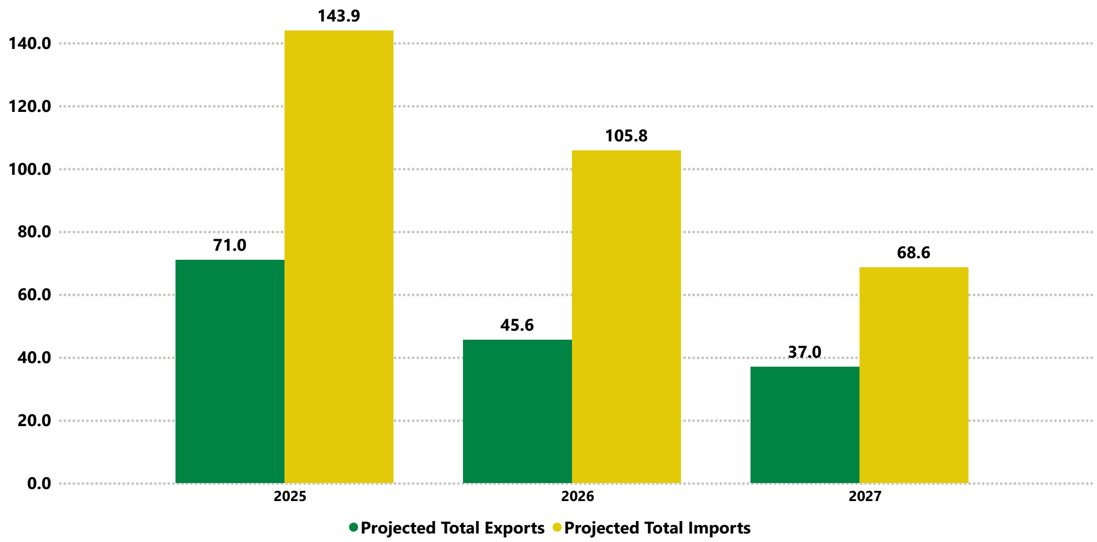
As price momentum gradually normalises, countries that deepen local processing (such as cocoa grinding and mineral beneficiation), improve logistics, and stabilise production are likely to experience more resilient export performance. Overall, while commodity prices are expected to remain a supportive pillar for ECOWAS exports over 2025 to 2027, the sustainability of trade gains will increasingly depend on structural reforms that reduce vulnerability to price cycles and broaden the region's export base beyond primary commodities.

This downward trajectory is driven largely by a sharp reduction in exports from Nigeria to the region, which are projected to fall from US$15.7 billion in 2025 to US$7.5 billion in 2026, with a further weakening expected in 2027. A key structural factor behind this trend is the commissioning and scaling-up of the Dangote Refinery, which is expected to divert crude oil away from exports toward domestic refining. In addition, a softer global oil price environment is likely to compress export receipts even where export volumes remain broadly stable.

Looking into 2027, the regional outlook is expected to hinge less on price gains alone and more on volume expansion, processing capacity, and diversification within commodity value chains.

A similar contraction is projected on the import side, with total imports expected to decline from US$143.9 billion in 2025 to US$105.6 billion in 2026 and US$68.6 billion in 2027. This trend reflects growing import substitution, particularly in refined petroleum products as domestic refining capacity expands in Nigeria. Furthermore, Côte d'Ivoire, another major contributor to ECOWAS import demand, is projected to achieve improved energy self-sufficiency, reducing the need for fuel and power-related imports. Together, these developments point to a broad-based moderation in regional trade flows over the medium term, driven more by structural adjustment than cyclical weakness.

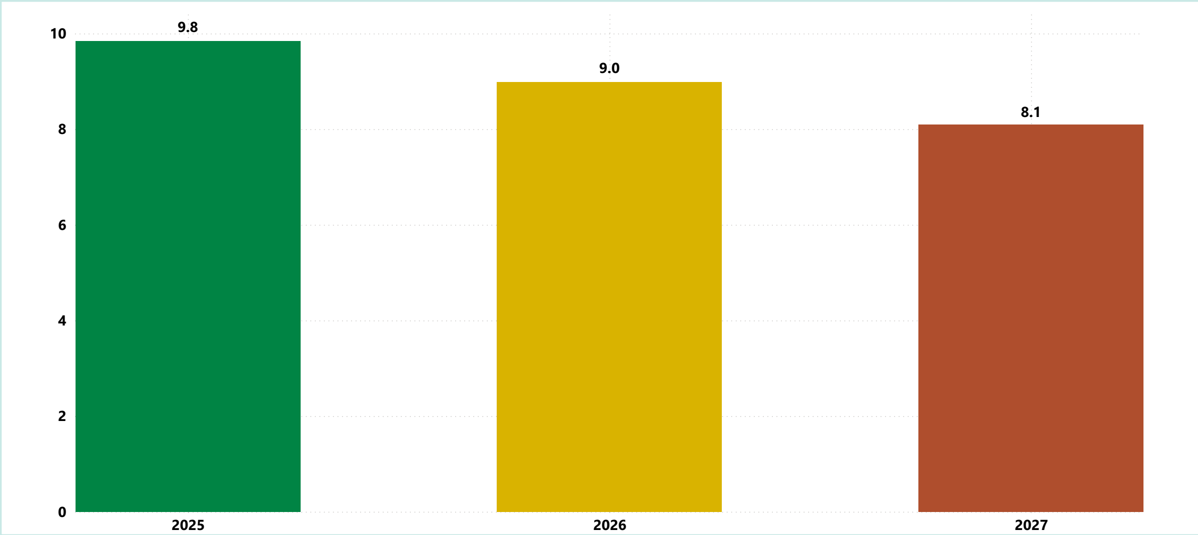
Figure 59: Projected Total Exports and Imports for ECOWAS from 2025 to 2027 (US$ billions)



Source: ECOWAS Member States Note, 2025

Intra-ECOWAS trade is projected to weaken over the medium term, with trade flows within the region declining from US$9.8 billion in 2025 to US$9.0 billion in 2026, before falling sharply to US$8.1 billion in 2027. This contraction largely reflects the central role of Nigeria as the region's dominant supplier, with Nigeria's trade to ECOWAS projected to decline from US$9.5 billion in 2025 to US$8.7 billion in 2026. Given Nigeria's estimated contribution of about 97.0 percent of intra-ECOWAS exports and 69.0 percent of intra-regional imports, this adjustment is expected to dampen overall internal trade flows. Nonetheless, modest intra-regional activity is expected to persist in The Gambia and Sierra Leone, supported by tourism-linked services, expanding regional distribution networks, and gradual easing of domestic production constraints.

Figure 60: **Projected Intra-ECOWAS Exports and Intra-ECOWAS Imports from 2025 to 2027 (US$ billions)**



Source: ECOWAS Member States Note, 2025

In line with the anticipated slowdown in intra-ECOWAS trade, the regional trade balance is projected to moderate at US$83.8 billion in 2025 and US$83.6 billion in 2026. The sharp deterioration is driven largely by Nigeria, whose dominant weight in regional trade means its projected zero trade balance effectively pulls the aggregate ECOWAS position into deficit. Outside Nigeria, modest surpluses are expected to persist in Ghana, Côte d'Ivoire, and Guinea, reflecting continued strength in commodity exports. In contrast, trade deficits are projected to remain in Sierra Leone, Benin, and Cabo Verde, underscoring persistent structural import dependence and the uneven distribution of trade adjustment across the region.

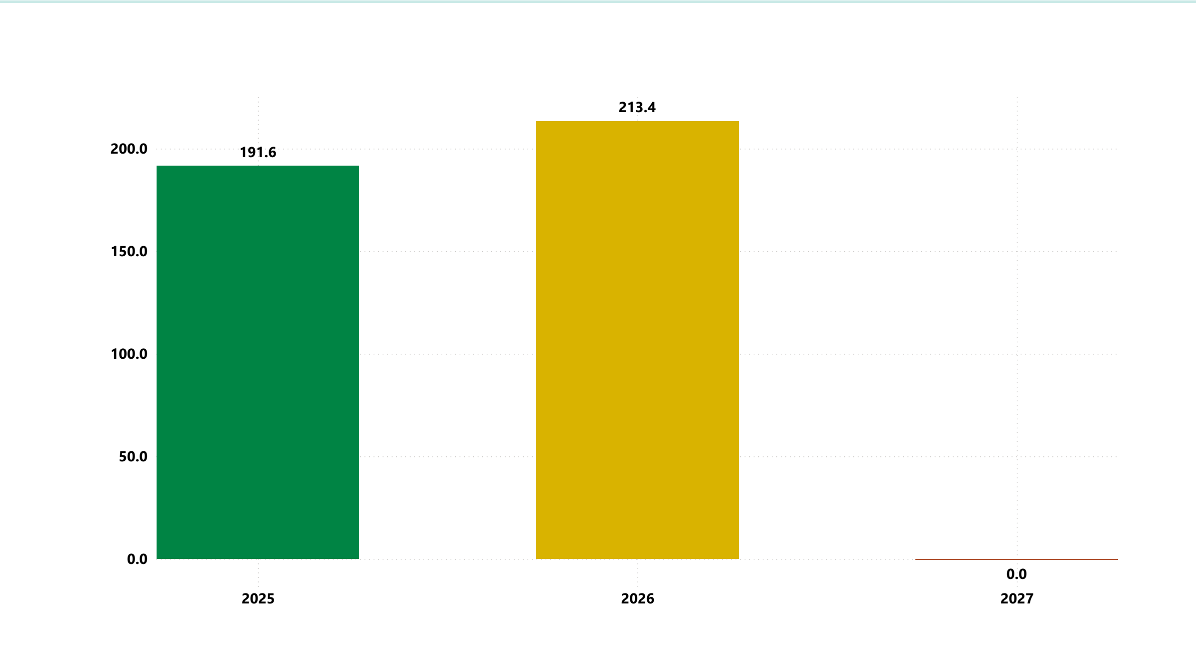
Box 6: Several Trucks Carrying Onions and Vegetables to Ghana held in Nigeria

Several trucks carrying mainly onions and other vegetables en route from Niger through Nigeria to Ghana have been detained in northern Nigeria, reportedly in Kebbi State, amid tensions linked to cross-border trader disputes. The drivers, who have been held for nearly three days, report that their perishable goods are at risk of spoilage, raising concerns over supply disruptions in Ghanaian markets. The incident highlights ongoing fragility in West African cross-border agricultural trade, where informal trade arrangements and trader conflicts can quickly escalate into transit disruptions. Ghana's reliance on vegetable imports from neighbouring countries means such blockages could lead to shortages and price increases, prompting calls for diplomatic intervention to secure the release of affected trucks and restore trade flow.

Source: https://www.pulse.com.gh/story/several-trucks-carrying-onions-and-vegetables-to-ghana-held-in-nigeria-2026040514511478717

The current account balance for the ECOWAS region is projected to remain favourable in the near term, rising from US$191.6 billion in 2025 to US$213.4 billion in 2026, supported by strong commodity export earnings and contained import growth. However, the regional position is expected to weaken sharply in 2027, when the balance is projected to fall to US$0.0 billion, signalling a return to external vulnerability. This shift is driven primarily by Nigeria, whose dominant weight in regional external accounts results in its current account rising from US$193.9 billion in 2025 to US$217.4 billion in 2026, before easing to a zero balance in 2027 amid softer oil export receipts and rising domestic absorption. Elsewhere, current account deficits are projected to persist in Benin and The Gambia throughout 2025 to 2027, reflecting Benin's continued dependence on fuel, food, and manufactured imports, and The Gambia's reduced external financing due to lower aid inflows and project delays following the suspension of USAID.

Figure 61: ECOWAS Current Account Balance Projections from 2025 to 2027 (US$ billions)

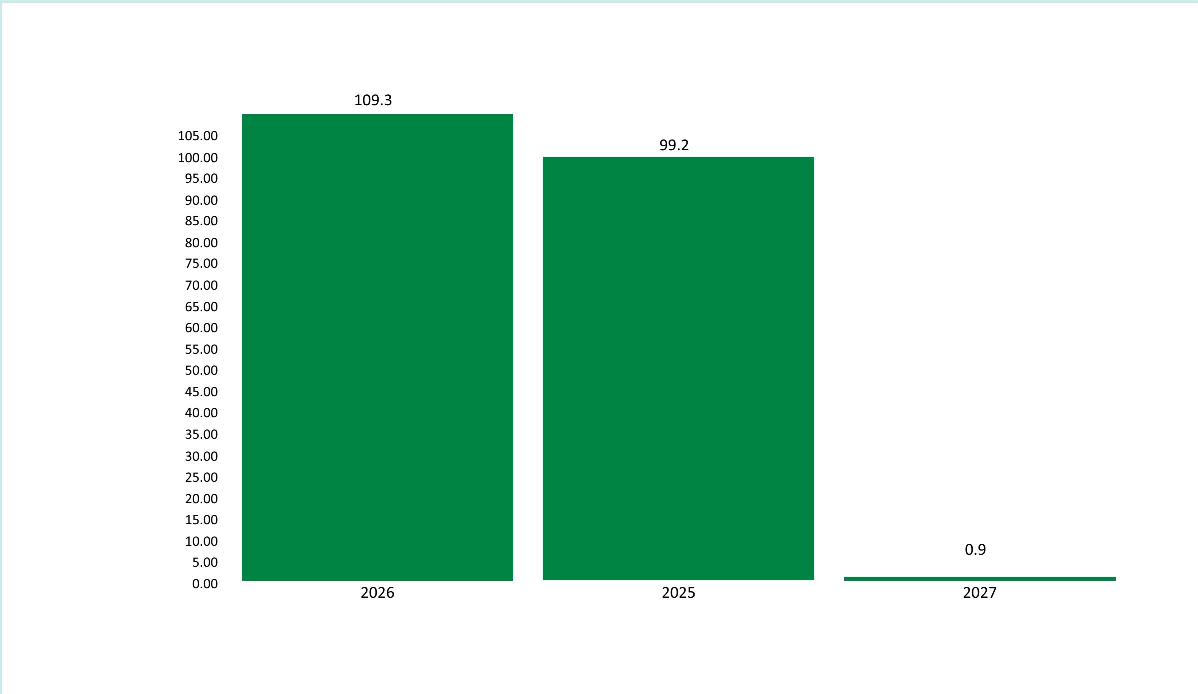


Source: ECOWAS Member States Note, 2025

External reserves in the ECOWAS region are projected to rise from US$99.2 billion in 2025 to US$109.3 billion in 2026, before falling sharply to US$0.9 billion in 2027. This trajectory is driven almost entirely by Nigeria, which is expected to increase its reserves from US$98.4 billion in 2025 to US$107.5 billion in 2026, before reverting to US$ 0.0 billion in 2027. The reserve build-up between 2025 and 2026 reflects stronger foreign exchange inflows from both the oil and non-oil sectors, including services and improved remittance receipts. These gains are supported by foreign exchange reforms, notably the consolidation of multiple forex windows into a unified market under the Nigeria Foreign Exchange Market (NFEM), strengthened interbank market operations through designated market makers, and the suspension of export proceeds extensions to boost reserve accumulation.

The projected downturn in 2027 reflects rising macroeconomic risks, including inflationary pressures, elevated debt burdens, and structural challenges in the oil sector such as production inefficiencies and oil theft. Outside Nigeria, only modest reserve gains are projected in Guinea, Guinea-Bissau, and The Gambia during 2025 to 2026, underscoring the high concentration of reserve dynamics within a single economy.

Figure 62: ECOWAS External Reserves from 2025 to 2027 (US$ billions)



Source: ECOWAS Member States Note, 2025

2.10. RISK FACTORS TO THE ECONOMIC PROSPECTS

The year 2025 commenced with major developments which could have noticeable and immediate consequences for socioeconomic prospects of the ECOWAS region. These may include:

I. The US Government's announcement of a 90-day suspension on nearly all programmes it funds through non-profit organisations, including USAID on January 20, 2025. The US government further announced the intention to shut down USAID and integrate its operations to the US State Department on February 3, 2025.

II. On April 2, 2025, The US Government, announced a minimum 10 percent tariff hike on all US Imports, effective from April 5, 2025 and higher tariffs on imports from 57 countries including some ECOWAS Member States. This development sparked global tariff war as trade partners reciprocated accordingly.

III. The official withdrawal of Mali, Burkina Faso and Niger from ECOWAS on January 29, 2025.

To provide estimates of the effects of these developments on the socio-economic prospects of the region, the augmented gravity model was adopted using scenario analysis. The major scenarios considered are as follows:

1. Scenario 1: a 15 percent hike in tariff,

2. Scenario 2: The combined effect of the 15 percent increase in customs duties and the temporary suspension of USAID on the economies of ECOWAS Member States,

3. Scenario 3: the effect of AES countries official withdrawal from ECOWAS, and

4. Scenario 4: the possibility of intra-ECOWAS trade substitution and 20 percent tariff reduction on intra-ECOWAS trade.

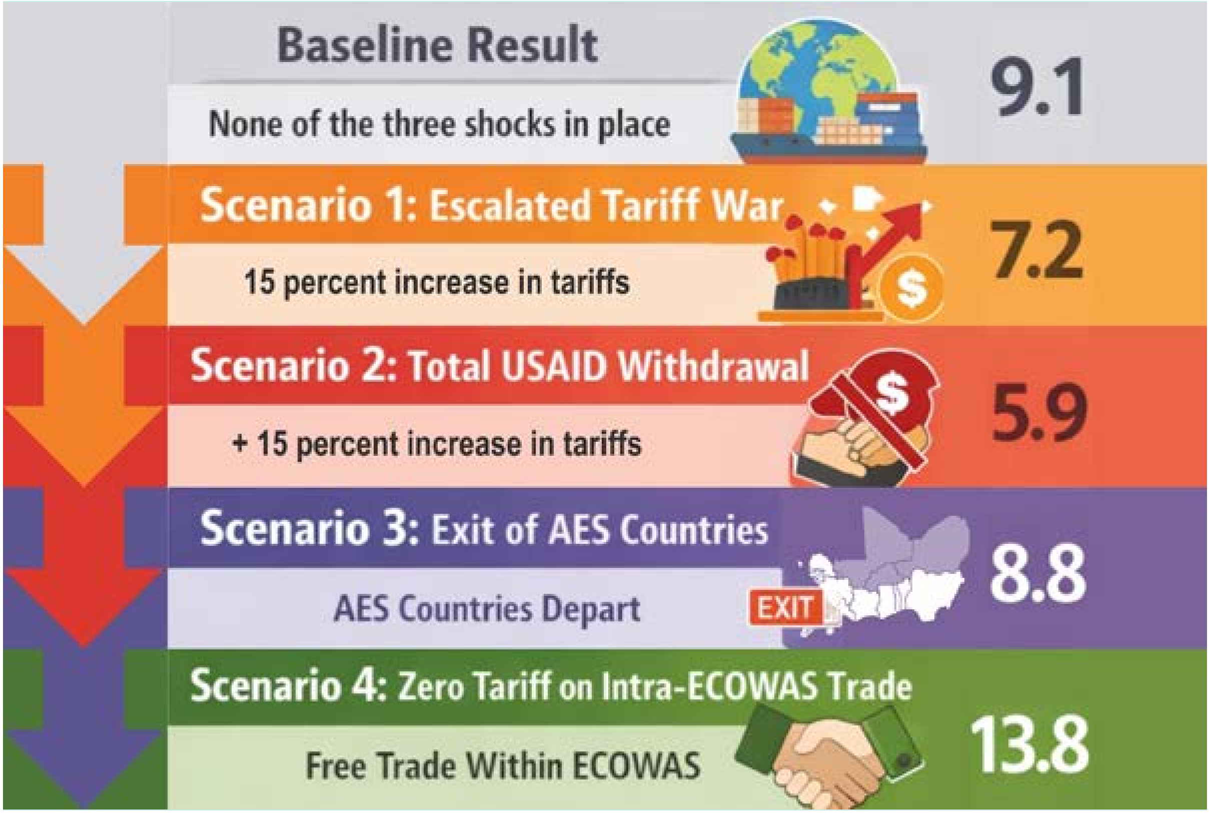
The baseline analysis shows that total trade of ECOWAS was US$9.1 billion in 2024. The result of the first scenario shows a 15 percent hike in tariff will result in the decline of total trade in ECOWAS from US$9.1 billion to US$7.2 billion (20.0 percent decline). The result of scenario 2 shows that regional trade value would decline to US$5.9 billion representing 33.9 percent trade loss.

Nigeria's trade value will decline to $3.5 billion representing 45.0 percent loss of trade potentials. The pattern is the same with Liberia and Sierra Leone. This results from projected losses in development financing that supports intra-regional investment and institutional cooperation. The trade loss of aid in Nigeria, Liberia and Sierra Leone reduces trade facilitation capacity, logistical efficiency, and technical support for exporters. The trade loss of Nigeria suggests strong aid–trade complementarity, as USAID-funded programmes reduce logistical bottlenecks.

Table 3: The Result of Simulated Total Trade of ECOWAS Region Under Different Scenarios (2024 as base year, in billion US$)

Scenarios	Total Trade
Baseline Result: None of the three shocks in place	9.1
Scenario 1: Escalated Tariff War, 15 percent increase	7.2
Scenario 2: Combined effect of the 15 percent increase in tariff and the temporary suspension of USAID Total USAID Withdrawal	5.9
Scenario 3: Exit of AES Countries	8.8
Scenario 4: Zero tariff on Intra-ECOWAS trade	13.8

Source: Simulation Results, 2025



The Scenario analysis of withdrawal of Burkina Faso, Mali, and Niger from ECOWAS show that total trade of ECOWAS will decline to US$8.8 (2.7 percent). Benin, Côte d'Ivoire, Ghana, Nigeria, Senegal and Togo's bilateral trade with the AES countries will be disrupted with consequential effects on re-exports and transit trade. Reduced trade creation is caused by the loss of tariff preferences and coordination mechanisms. Trade diversion can be derived from some flows re-routing through coastal ECOWAS Member States. Total trade of Nigeria will reduce to US$6.1 billion (3.0 percent decline).

I. EFFECT OF TEMPORARY SUSPENSION OF USAID ACTIVITIES ON ECOWAS MEMBER STATES

The withdrawal of USAID has a large contractionary effect, particularly on Nigeria, which is the highest beneficiary of USAID in ECOWAS region. The US, through USAID, is a major bilateral donor to Ghana, providing about US$150 million in FY2023/2024 for programmes in health, economic growth, governance, agriculture, and education implemented with government and non government partners. At the macroeconomic level, the cut is small relative to Ghana's overall economy, representing only 0.12 percent of GDP and 0.63 percent of government expenditure, so it will not considerably disrupt national aggregates.

In Togo, US Health and Humanitarian Aid, namely the PEPFAR programme made the US the top funder against HIV/AIDS in Africa. It provided US$9.2 million in 2023 and US$6.2 million in 2024 for antiretrovirals to over 300,000 patients. USAID's suspension in Benin, which slashed funding of US$77 million in 2024 for critical sectors like health (AIDS, malaria, TB, vaccines), governance, justice, agriculture, education, and infrastructure, risked reversals in progress.

USAID's suspension delivered a major setback to Côte d'Ivoire's health sector, which depends heavily on the agency for funding HIV prevention, treatment, and care programmes. Losing this support would disrupt antiretroviral therapy, prevention efforts, and outreach to at-risk groups, weakening the national HIV response and heightening public health risks. Without alternative funding, projections warn of over 100,000 new infections in the next decade, reversing prior gains and overwhelming healthcare resources.


Water source in Banjul, Gambia

The USAID Second Compact MCA Senegal bolsters the electricity sector for poverty reduction through better reliability and access, with 131.1billion CFA francs (40.8 percent) disbursed by 2024. In water and sanitation, the Improved Sustainable Access to Portable Water Sanitation Project (AADEPA, 2020), 5.5 billion CFA francs, enhances governance, water management, and access across six regions, disbursing 549.5 million CFA francs and leaving 4.9 billion CFA francs undisbursed. The Health and Nutrition Programme (2021 to 2025), 11.8 billion CFA francs, strengthens health systems and cuts maternal/neonatal mortality, with 8.2 billion CFA francs still undisbursed; meanwhile, the Strengthening Basic Literacy for All (RELIT) education project (2021), 11.4billion CFA francs, improves reading in Saint-Louis, having disbursed 5.4 billion CFA francs.

The temporary suspension and halting of USAID activities in Liberia had a considerable effect to the country's socioeconomic development, described as "beyond a shock" and rivalling the economic devastation of the Ebola epidemic. This freeze affects US$51 million to $290 million in projects across critical sectors like health, education, and agriculture, where USAID has long provided substantial national support.

In education, key programmes affected are; a $23.4 million system-strengthening initiative, a $20 million school feeding programme, and teacher training like the Transforming the Education System for Teachers and Students (TESTS) Programme. These cuts risk widening skills gaps and spiking school dropout rates. According to the IMF, the withdrawal of USAID projects may lead to loss of 7.0 percent of GDP which will trigger local staff layoffs, fewer contracts for local firms, and falling tax revenues. Notably, a US$17.9 million tax reform project to introduce a Value Added Tax (VAT) system was also lost.

In Cabo Verde, the temporary suspension of USAID activities, abruptly halted vital development and humanitarian programmes. This has left vulnerable communities in Cabo Verde and across Africa without critical support, risking reversals in hard-won gains on poverty reduction, food security, and climate adaptation.

II. EFFECT OF US TARIFF HIKES ON TOTAL TRADE OF ECOWAS MEMBER STATES

The US tariff hikes, including a 10 percent to 15 percent increase on imports, are expected to disrupt the ECOWAS region, with projected annual export losses to the US exceeding US$300 million. Larger economies like Nigeria, Côte d'Ivoire, and Ghana will likely face major losses in sectors such as cocoa, oil cake, and textiles, potentially leading to economic instability and reduced foreign exchange earnings.

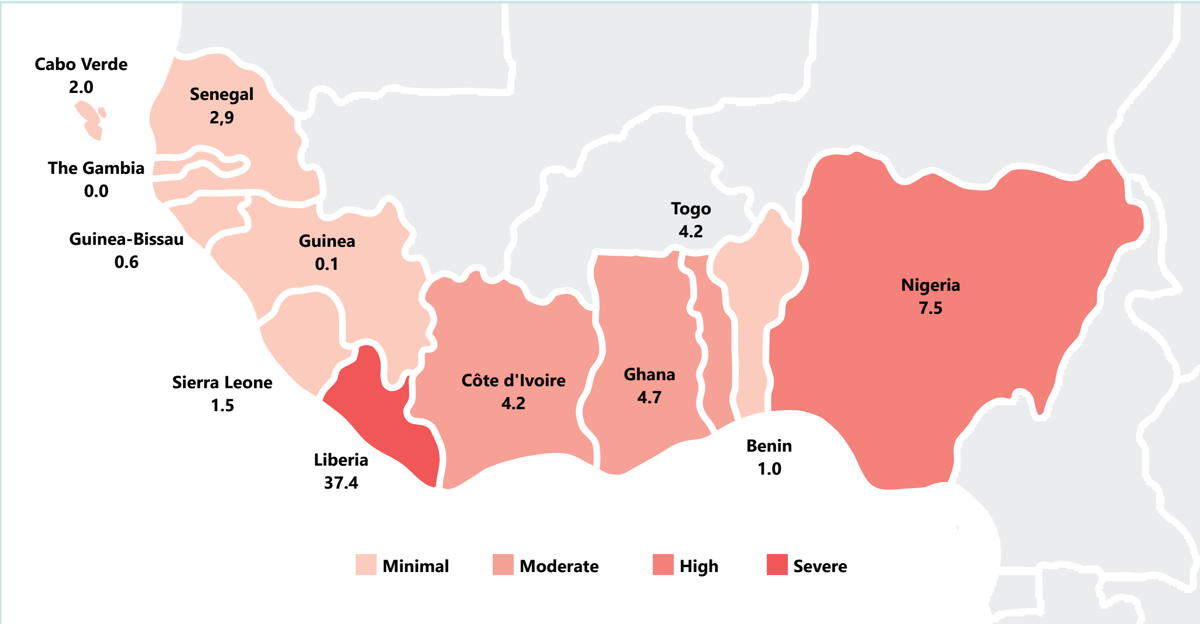
Table 4: **Tariff Hikes on Total Trade of Selected ECOWAS Member States**

Member state	Tariff Hike	Amount	Affected Sectors
Benin	10 Percent	None was recorded	Agricultural exports, cotton and raw materials
Cabo-Verde	11 Percent	None was recorded	Export / External Trade
Cote d'Ivoire	22 percent	US$178.7 million	Agricultural,Export of cocoa and cashew nuts
Ghana	11 percent	US$54 million	Non-Traditional Export (NTE)
Guinea	11 percent	None was recorded	None was recorded
Guinea-Bissau	10 percent	None was recorded	None was recorded
Liberia	11 percent	None was recorded	Agriculture and minerals
Nigeria	15 percent	US$68.4 million	oil and Agriculture
Senegal	11 percent		
Sierra-Leone	11 percent	US$2.7 million	Export, Diamonds, iron ore, and cocoa
The Gambia	12 percent	None was recorded	None was recorded
Togo	14 percent	US$43.5 million	Employment and exporters' cash flow.

Source: International Economics Consulting, 2025 and ECOWAS Member States Note, 2025

A global tariff hike raises the cost of exports and imports across all members, reducing trade competitiveness and overall trade volumes. The decline in ECOWAS's total trade suggests reduced external demand and higher import costs. The intra-ECOWAS trade experiences mild trade diversion, as some partners are expected to shift from costly global imports toward regional suppliers, but overall demand contracts, so net trade creation is limited. The Global tariff shocks weaken ECOWAS export growth, particularly in Member States with less diversified production bases. The share of ECOWAS exports to the US in 2023 is shown in Map 1.

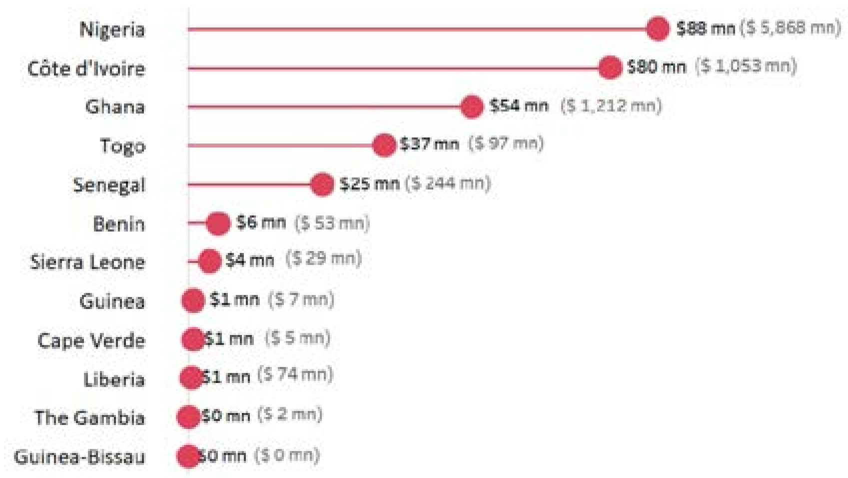
Map 1: Share of ECOWAS Exports to the US Market in 2023 (Percent)



Source: IEC Calculations; ITC Trade Map

Trade in ECOWAS Region

Figure 63: ECOWAS Member States' Simulated Trade Losses in the US Market in 2025



Source: International Economics Consulting, 2025

The International Economics Consulting Ltd[1] reported that Côte d'Ivoire faces export losses (estimated US$178.7 million), followed by Nigeria (US$68.4 million) and Togo (US$43.5 million) in 2025. The key affected industries include cocoa paste (US$50 million loss) and oil cake (US$47 million loss).

Ghanaian exports under AGOA and similar schemes, imposing an initial 10.0 percent tariff that rose to 15.0 percent in August 2025. This reduces Ghana's competitiveness in the US market, especially for non traditional exports that benefited from preferential treatment. The US takes less than 5.0 percent of Ghana's total exports and received about US$1.2 billion in Ghanaian goods in 2024. Ghana is projected to lose US$54 million in 2025 from the tariff decision, equivalent to roughly 4.4 percent of its 2024 exports to the US. At the microeconomic level, however, the effects are more pronounced for specific sectors. Non traditional export industries like cocoa products, textiles and apparel, and wood products, which depend heavily on the US market, are likely to face lower demand as higher tariffs make their goods more expensive for American buyers.

Togolese exports to the US have borne an average customs duty of 4.0 percent. Assuming that US threats are applied, this average rate would rise to 14.0 percent, an increase of 10.0 percentage points. This substantial increase in tariffs would undermine the competitiveness of Togolese products in the American market, by increasing their final price. The worst-case scenario would be a rise to US$49 million to US$55 million (or 50.0 percent to 57.0 percent of the total trade). Sensitive sectors are expected to decline sharply, with negative effects on employment and exporters' cash flow.

[1] https://tradeeconomics.com/tocaqit/uploads/ECOWAS_US_Tariff_Brief-1.pdf

A global tariff war, driven by US hikes, threatens Benin's open economy, which relies heavily on agricultural exports like cotton and cashew nuts. Higher tariffs could erode competitiveness, shrink export volumes, disrupt supply chains, raise import costs for goods like fertilizers and vehicles, and slow growth in agriculture, textiles, and manufacturing. US trade represents a modest 5.4 percent of Benin's exports (e.g., soybean-oil residues) and 5.0 percent of imports in 2024, but amplifies vulnerabilities in its fragile external balance. Benin could counter by diversifying trade partners, fostering local industries, and enhancing value addition for long-term resilience.

US tariffs on Côte d'Ivoire's imports pose little threat to its overall trade performance, as the US takes less than 5.0 percent of total exports, leaving GDP growth, external balances, and fiscal stability largely intact. Yet, this masks vulnerabilities in key sectors like cocoa and cashew nuts, which drive export earnings and rural jobs. Higher tariffs could erode their competitiveness, squeeze exporters' margin, and dampen incentives for value addition, heightening sensitivity to US policy shifts.

According to the CSI study, Senegal's exports to the US made up just 3.4 percent of its total in 2024, signalling limited market exposure. Thus, the US tariff hikes capped at a milder 10.0 percent for Senegal versus over 20.0 percent for many competitors, should deliver only moderate direct impacts. This tariff gap could even confer a short-term competitive edge, making Senegalese goods relatively cheaper in the US and boosting key price-sensitive sectors. To seize this, Senegal should pursue proactive trade and industrial policies to ramp up export volumes and diversify its narrow product basket, building resilience and sustainable growth.

The US's 10.0 percent tariffs on imports, coupled with possible steeper hikes, threaten to harm Liberia's economy by curbing export earnings, dampening growth, and inflating expenses for small and medium-sized enterprises (SMEs). Vital sectors like agriculture and emerging minerals will lose market edge, while costlier imports could overburden finances and stall key development efforts.

US tariffs hike introduced in 2025 initially risked Cabo Verde's trade preferences amid AGOA's expiration on September 30, 2025, but retroactive reinstatement until December 2026 averted major harm to exports. Cabo Verde faces minimal direct effects from low US trade volumes of US$0.59 million in October 2025, up by 122.0 percent from the previous year, despite a challenging high-tariff backdrop. Export competitiveness was safeguarded by AGOA's renewal, avoiding steeper non-preferential rates. However, the macroeconomic threats are limited given the small scale.

Effects of global tariff hikes on world economy

III. REGIONAL EFFECT OF WITHDRAWAL OF AES COUNTRIES FROM ECOWAS

The official withdrawal of Burkina Faso, Mali, and Niger from ECOWAS in 2025 marks a historic institutional challenge for the 50-year-old regional economic community (REC). The exit of these three Sahel states causes a modest decline in total trade flows. While their economies are relatively small, their strategic location as transit and landlocked partners magnifies the systemic effect. Corridor disruptions cause regional supply-chain frictions, which affects trade flows in the region.

Table 5: Effect of the Official Withdrawal of AES Countries from ECOWAS on Member States (Trade Flow)

Member States	Affected Region	Likely Effects	Affected Sectors
Benin	ECOWAS	20 percent decline	border closures and sanctions
Cabo Verde	ECOWAS	US$8.8 (2.7 percent decline)	raises the cost of exports and imports across all members
Nigeria	ECOWAS	$ 6.1 (3.0percent decline)	Intra-regional connectivity and cross-border market access
Togo	ECOWAS	Export for $9.1 Imports $ 5.2	Export
Benin	AES	70 percent decline	higher costs, barriers, and supply chain issues
Togo	AES	$ 4.1 (44 percent of ECOWAS exports) $0.2 (5.8 percent of ECOWAS imports) in billions	Exchange rate

Source: ECOWAS Member States Note, 2025

The withdrawal has economic, political, and security implications for Ghana. Economically, AES countries rank as key Ghanaian trading partners within ECOWAS. Burkina Faso stands out as vital in this trade relationship. Together, they accounted for 34.0 percent to 42.0 percent of Ghana's regional ECOWAS trade (Table 6). AES countries' withdrawal risks new cross-border barriers, leading to trade losses or smuggling via porous land borders.

Table 6: **Ghana's Trade with ECOWAS and AES countries (US$ million)**

Region	2022	2023	2024
ECOWAS	2,330.9	2,143.0	1,691.6
AES	981.4	894.8	570.6
Exports	848.8	669.2	527.1
Imports	132.6	225.6	43.5
% AES	*42.1*	*41.8*	*33.7*

Source: IMF, June 2025

In addition, Burkina Faso's notable contribution to Ghana's maritime transit traffic could shrink in the face of new trade barriers or if it leverages its exit from ECOWAS to find alternative transit corridors. Furthermore, cross-border infrastructure plans (e.g., the Ghana–Burkina Faso Railway Interconnectivity Project), which are already faltering, look likely to be halted.

In Togo, total exports to other ECOWAS countries amounted to 445.3 billion CFA francs in 2024, compared to 258.3 billion in imports, resulting in a trade surplus of about 187.0 billion. The AES zone accounts for a significant share of these exports, with 201.1 billion CFA francs (45.2 percent of exports to ECOWAS), while imports from the zone stand at only 40.3 billion (15.8 percent of imports from ECOWAS. This means that if ECOWAS does not, her exports would be considerably affected with great consequences for the exchange earnings. However, in terms of imports, the region would be inconsequentially affected.

At the Port of Cotonou, the closure of borders with Niger and ECOWAS sanctions are reported to have affected transit traffic mainly destined for that country. In 2023, cargo traffic recorded an overall decline of 20.4 percent. This decrease is also explained by a significant drop (over 50 percent) in transshipment activity, linked to developments in activity at the Lekki Port. Mitigation includes renegotiating trade deals, harmonising customs, investing in infrastructure, diversifying corridors, and partnering with China, while boosting domestic revenues to sustain growth through 2027.

The withdrawal of AES countries poses a considerable risk if no compromise is reached on free trade arrangements, as they represent 65.0 percent of Côte d'Ivoire's intra-regional exports. Rerouting trade or logistics away from the country could sharply cut flows and erode key socio-economic gains. To mitigate the effect of the withdrawal, Côte d'Ivoire should pursue a pragmatic, diplomatic strategy toward the Alliance of Sahel States (AES), preserving bilateral trade, security collaboration, and tension management. Priority steps include securing cross-border flows, cushioning economic impacts on food supplies, and addressing the needs of over 1.3 million Burkinabe and Malian residents.

However, the AES countries remain members of the West African Economic and Monetary Union (WAEMU), which implies continuity of trade without tariff barriers and the free movement of people and capital across the eight member states of this union, including Côte d'Ivoire.

Senegal's trade with AES countries, especially Mali, should avoid major disruptions post-ECOWAS withdrawal, provided they stay in the WAEMU and uphold its trade rules, preserving free movement and existing flows of goods and services. However, this shifting landscape underscores the need to bolster bilateral cooperation through joint commissions and dialogue platforms, locking in economic gains, improving coordination, and building resilience against uncertainties.

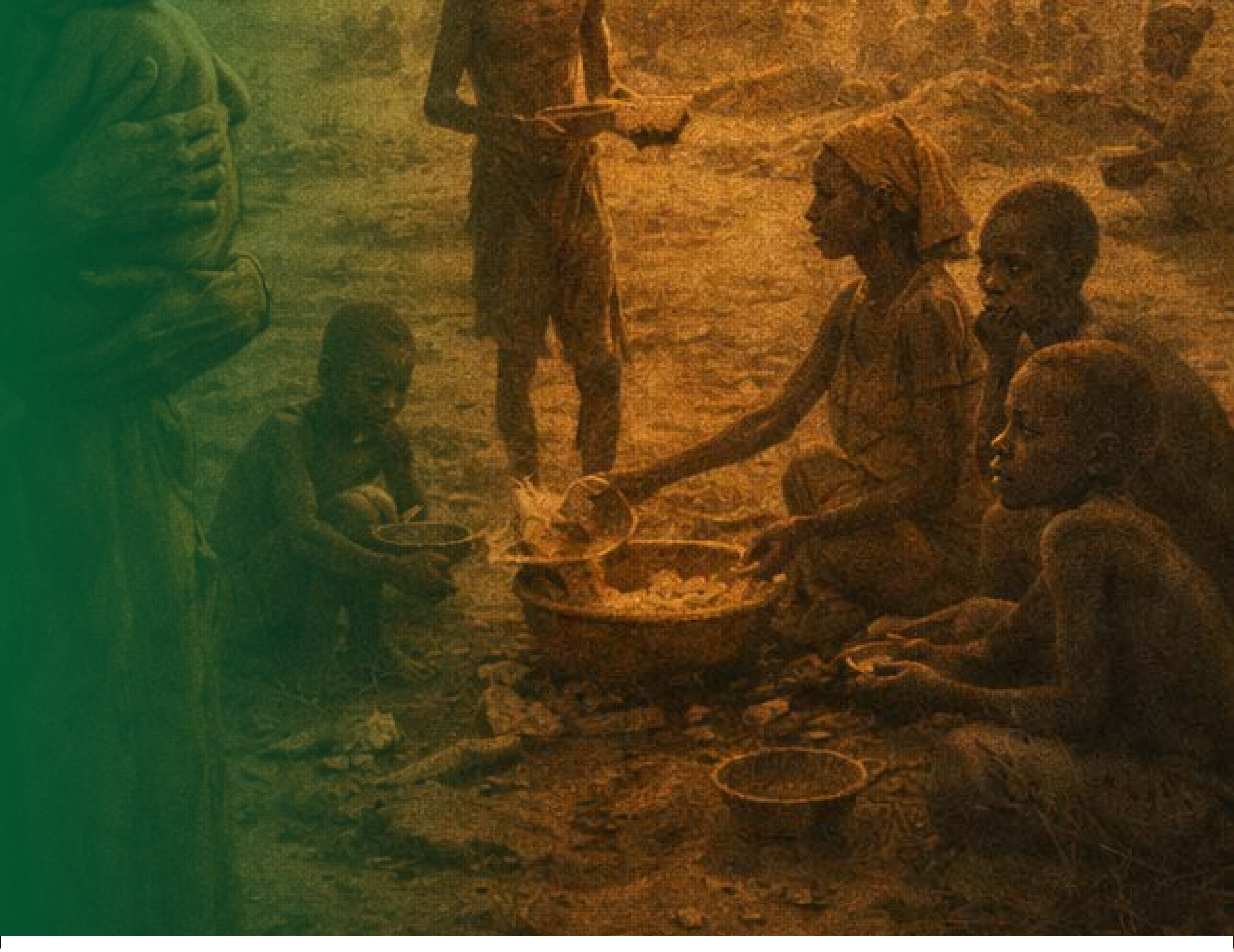
The withdrawal disrupts Liberia by fostering regional instability, weakening regional trade and free movement, and diminishing ECOWAS's overall influence. Liberia confronts eroded regional security from Sahel tensions and AES countries border shifts. Trade flows may falter under fragmented protocols, complicating logistics. Free movement protocols face new hurdles with the AES countries. The withdrawal of the AES countries will inflict minimal direct economic damage on Cabo Verde but heighten broader regional vulnerabilities. The departure undermines regional cohesion, risks escalating West African security instability, and stalls progress toward the single currency, hindering regional trade flows.

2.11. CONCLUSION

Economic growth varied across Member States, reflecting differences in policy choices, sectoral structures, exposure to climate and security shocks, and reliance on external financing. The regional economic prospects is positive, with economic growth projected to strengthen and driven by infrastructure investment, agricultural recovery, energy production, and expanding services. However, sustaining the momentum depends on continued macroeconomic discipline, effective inflation management, improved food security, and successful implementation of structural reforms.

Indeed, drastic reductions in development aid, trade restrictions including the imposition of tariffs on US imports, and the withdrawal of AES countries from the ECOWAS constituted multiple shocks accompanied by uncertainty that could affect the medium-term growth prospects of the economy. Based on these findings, some recommendations are necessary to sustain the regional economy.

OFFICIAL WITHDRAWAL OF AES COUNTRIES



CHAPTER **03**

FOOD SECURITY AND CHALLENGES OF REGIONAL INTEGRATION IN THE ECOWAS REGION

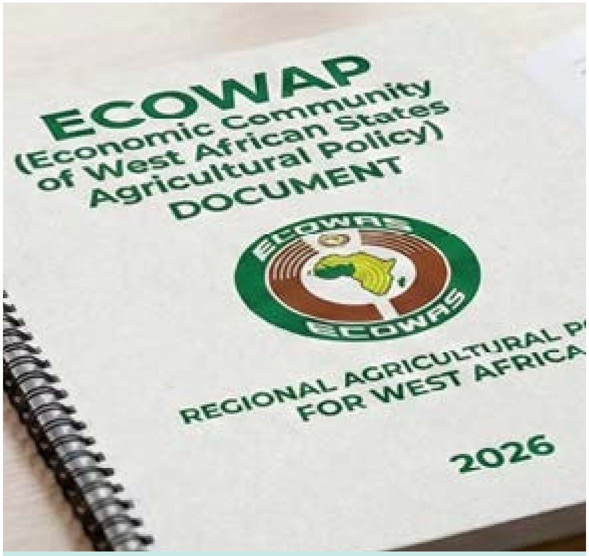
3.1. INTRODUCTION

The ECOWAS region is currently facing a state of deterioration in food security, with millions of people at risk of food crisis within the Member States. By the end of 2024, about 34.7 million people were reported of being in dire need of nutritional assistance. Malnutrition rates in severely affected areas ranged between 10.0 percent and 14.0 percent, with about 17.0 million children under five already acutely malnourished across the region. Nigeria alone accounted for about 60.0 percent of the region's vulnerable population, with about 31.7 million people reported facing food insecurity.

The ECOWAS Agricultural Policy (ECOWAP), adopted in 2005, serves as a regional framework for Member States to achieve sustainable food security, boost agricultural productivity, and enhance market competitiveness. It targets poverty reduction, rural development, and market integration by modernising family farming and agribusiness. The policy promotes decent incomes for farmers and sustainable trade within and beyond the region. The 2016 to 2025 phase incorporates climate change, gender equality, and nutrition priorities, aligning with the African Union's Malabo Declaration. Implementation occurs through national investment plans and a regional plan overseen by the Regional Agency for Agriculture and Food (RAAF).

The ECOWAS Regional Food Security Reserve (RFSR) has been active in combating the deterioration in the state of food security in the region, with an intervention record of 19 times between 2017 and 2024 to support Member States like Nigeria, Burkina Faso, and Niger. The reserve has facilitated over 55,000 tons of cereals to vulnerable areas. In spite of these interventions, the withdrawal of AES countries posed considerable disruptions in regional food trade and access to the RFSR. Additionally, the erratic nature of rainfall patterns and desertification, which continue to degrade arable land and the resultant decrease in crop yields for staples like millet and maize constituted key factors driving the deteriorating state of food security in the region.

Beyond its regional efforts in combating food insecurity, ECOWAS has worked in partnership with the African Union since the Comprehensive Africa Agriculture Development Programme (CAADP) was launched in July 2003 at the 2nd Ordinary Session of the Assembly of the African Union in Maputo, Mozambique. CAADP was a response by African Heads of State and Governments to low productivity, food insecurity and underinvestment in African agriculture. This policy framework for the transformation of agriculture in Africa contributes to wealth creation, food security, nutrition, economic growth and prosperity.



ECOWAP policy document

The Maputo 2003 declaration placed agriculture at the heart of the African agenda, encouraging Member States to allocate 10.0 percent of their national budgets to agricultural development and to aim for 6 percent annual growth in agricultural GDP; the Malabo Declaration 2014 enriched these ambitions with objectives of eradicating hunger, strengthening intra-African trade, increasing investment, resilience and accountability. Specifically, this framework boosted financing for agrifood systems, supported the AfCFTA and promoted evidence-based policies. However, political constraints, fiscal constraints, external shocks, and insufficient cross-sectoral coordination have limited the achievement of targets, particularly for public investment. To respond to these challenges and accelerate the transformation towards sustainable and resilient agrifood systems, the African Union adopted the 2026 to 2035 strategy and its associated action plan in January 2025 in Kampala.

The 2025 Kampala Declaration, adopted at an Extraordinary African Union Summit in Uganda (Jan 9 to 11, 2025), established the Post-Malabo Comprehensive Africa Agriculture Development Programme (CAADP) for 2026 to 2035. It focuses on building resilient, sustainable agrifood systems through 6 commitments, 35 intervention areas, and 22 targets, including a 45.0 percent increase in agrifood output and halving post-harvest losses.

3.2. STATUS OF THE IMPLEMENTATION OF THE REGIONAL AGRICULTURAL POLICY AIMED AT STRENGTHENING FOOD SECURITY IN THE ECOWAS REGION

3.2.1. The agricultural policy governance framework

The governance framework is structured around the following elements:

a. The statutory bodies of ECOWAS (Council of Ministers and Conference of Heads of State and Government), which serve as the arbitration and decision-making bodies, acting on proposals from the Specialized Technical Ministerial Committee on Agriculture and Food;

b. The Consultative Committee on Agriculture and Food (CCAA) brings together member states and all regional stakeholders. It monitors the commitments set out in the Regional Pact and is consulted on all matters relating to the direction and implementation of the ECOWAP. It is supported at the technical level by various thematic, ad hoc task forces whose function is, in particular, to assist the DAERE in the design of specific policies, programs, and projects;

c. The Interdepartmental Committee on Agriculture and Food, responsible for ensuring coherence between agricultural policy directions and those of other sectoral policies,

d. The Department of Economic Affairs and Agriculture (DAE&A) prepares decisions for statutory bodies, taking into account the advisory opinions of the CCAA, and submits its recommendations to the Specialized Technical Committee on Agriculture and Food (CTS/AERE);

e. The technical implementation agencies, notably the Regional Agency for Agriculture and Food (ARAA) and the Regional Animal Health Center (CRSA), which implement projects and programs under the supervision of the DAEA and with technical support from regional cooperation agencies.

f. The monitoring and evaluation mechanism designed and implemented during the period and integrated into the ECOAGRIS regional agricultural information system;

g. The ECOWAP Donors' Group brings together the main technical and financial partners and serves as their framework for dialogue, consultation, and coordination with ECOWAS.

h. Strategic partnerships: Food security governance also relies on strategic partnerships with technical cooperation institutions (CORAF for agricultural research) and (CILSS for information and combating the effects of climate change), as well as 12 networks of professional agricultural organizations, including ROPPA, RBM, APESS, CORET, AFAO, NANTS, etc.

Regional governance of food and nutrition security has been strengthened through two other major initiatives, namely:

a. The Food Crisis Prevention Network – Sahel and West Africa (RPCA), which serves as a forum for dialogue and coordination with the international community. It has helped define the methodology of the Harmonized Framework (HF) for food and nutrition security analysis, prepare for the adoption of the Charter for the Prevention and Management of Food Crises in West Africa (PREGEC Charter), and lead the Global Alliance for Resilience (AGIR).

b. The Regional Food Security Reserve (RRSA), incorporated into the revised ECOWAS Treaty and housed at the ARAA, is a regional crisis management instrument based on solidarity. It operates as a complement to local and national stocks.

3.2.2 Instruments and tools for implementing the policy

To operationalize its agricultural policy, ECOWAS has adopted strategic instruments and identified financial and technical channels aimed at achieving food sovereignty. This operationalization is centered on the Regional Program for Agricultural Investment and Food and Nutritional Security (PRIASAN), which is implemented as the National Program for Agricultural Investment and Food and Nutritional Security (PNIASAN) in each country.

PRIASAN is designed to address regional priorities in food and nutrition security, including: managing interdependencies among countries, external relations, and bottlenecks in the development of the agro-sylvo-pastoral and fisheries sectors. It is a tool that helps drive reforms and implement public policy measures. The Strategic Orientation Framework (COS) defined for the 2016–2025 period has identified four areas of intervention:

a. Contribute to increasing agro-forestry-pastoral and fisheries productivity and production through diversified and sustainable production systems, and to reducing post-harvest losses;

b. Promote inclusive, competitive agricultural and agri-food value chains that are aligned with regional integration;

c. Improve access to food, nutrition, and the resilience of vulnerable populations;

d. Improve the business environment, governance, and financing mechanisms for the agricultural and agri-food sector. (See: ARAA website: www.araa.org)

The implementation of PRIASAN is based on major strategies and initiatives: (i) climate strategy, youth employability in the agrosylvo-pastoral and fisheries sector, rice initiative, local milk initiative, capacity-building strategy for ASPH sector stakeholders, livestock development and pastoralism security strategy; s for animal identification and traceability, animal welfare, and numerous regulations on pesticides, fertilizers, etc.

The PNIASANs are designed to address national priorities for ASPH development. This involves assessing investment needs in priority sectors to drive an annual growth rate of at least 6.0% in order to halve the poverty prevalence rate in each country. To this end, countries have committed to allocating at least 10.0% of their national budget to investments in the ASPH sector.

STAKEHOLDER AND FUNDING FLOW

ECOWAS
↓
Governments
↓
Development Partners
↓
Farmers

The Regional Fund for Agriculture and Food (FRAA) is a financing instrument housed at the BIDC. It enjoys financial management autonomy. The Fund is managed by the BIDC under a Management Agreement Ref. No. ECW/LEG/MOU/002/13/2/19, signed on February 14, 2019, between the ECOWAS Commission and the BIDC. It is authorized to provide: (i) loans at concessional/subsidized rates; (ii) guarantees for agro-industries and farmer organizations; (iii) equity investments in agro-industries working with smallholder farmers; (iv) grants to the ARAA to help implement projects.

ECOWAS is also implementing MESECOPS as the primary digital tool for monitoring and evaluating the performance of ECOWAP, in addition to the biennial reviews (national and regional).

A farmer cultivating crops in ECOWAS region

3.2.3. The Maputo Declaration

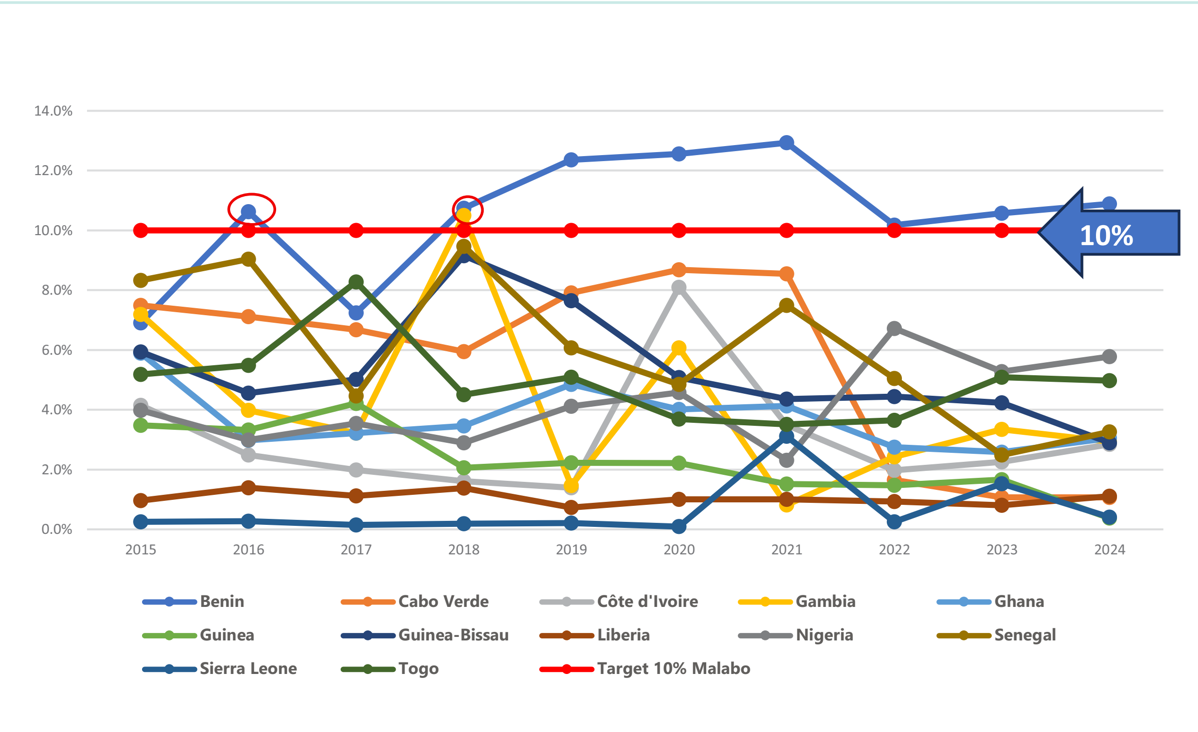
The Maputo Declaration on Agriculture and Food Security in Africa, adopted by the Assembly of the African Union (AU) in 2003, represented a historic commitment aimed at repositioning agriculture as a driver of economic growth and poverty reduction across the continent. The States committed to allocating at least 10.0% of public expenditure to agriculture and rural development. They also pursued policies aimed at achieving a minimum annual growth rate of 6.0% in agricultural GDP (African Union, 2003, 2024). The Declaration also established the Comprehensive Africa Agriculture Development Programme (CAADP) as the implementation framework to guide the development of national agricultural investment plans.

In Ghana, the Maputo principles were domesticated through the Food and Agriculture Sector Development Policy (FASDEP II), a long-term strategic framework developed in 2007, and a series of medium-term agricultural investment plans. The first two plans, known as the Medium-Term Agriculture Sector Investment Plans (METASIP I and II), were implemented from 2011 to 2017. The third, Investing for Food and Jobs (IFJ) (2018 to 2021), contained priority programmes like Planting for Food and Jobs (PFJ), Rearing for Food and Jobs (RFJ), and Planting for Export and Rural Development (PERD).

Despite the critical role agriculture plays in the Nigeria's economy and livelihoods, data from 2020 to 2024 reveals a persistent shortfall in budgetary allocation, consistently falling below the Maputo 10.0 percent threshold. Nigeria's agriculture expenditure remains well below the target. Between 2020 and 2024, the share of agriculture in total federal public expenditures fluctuated between 1.1 percent and 2.8 percent, with an annual average standing at 1.7 percent. This finding generally suggests that the agriculture sector commands a relatively low priority in the national budget compared to other sectors of the economy.

The relatively low priority accorded to the agriculture sector is also reflected in the low share of agriculture public expenditure to agricultural GDP. This under-investment has coincided with a troubling rise in food poverty rates, reducing from 42.7 percent in 2023 to 40.8 percent in 2024, underscoring the urgent need for policy recalibration and increased public sector commitment to reduce food inflation in Nigeria. The gap between Nigeria's CAADP commitments and actual performance not only threatens food security but also hampers broader development goals, including job creation, rural empowerment, and climate resilience. To reverse this trend, Nigeria must prioritise agricultural financing, strengthen institutional capacity, and foster public-private partnerships (PPP) that can unlock innovation and scale sustainable farming practices. Without decisive action, the promise of CAADP risks becoming a missed opportunity rather than a transformative blueprint.

Figure 64: **Public Agricultural Expenditure as a Percentage of Total Public Expenditure in ECOWAS Region from 2015 to 2024**



Source: ECOWAS Commission, 2025

For Senegal, the 2004 Agro-Sylvo-Pastoral Orientation Law (LOASP) laid the legal groundwork by establishing food security/sovereignty as a state priority and aligning rural policy with AU/NEPAD/ECOWAS/UEMOA served as the foundation for subsequent programmes and reforms. In response to the 2007 to 2008 food crisis (GOANA, 2008), and formal adherence to CAADP marked the signing of the Compact in Dakar in February 2010, followed by an independent technical review in June 2010, a Business Meeting to calibrate the National Agricultural Investment Programme (NAIP) 2011 to 2015, and to mobilise the support of partners in accordance with the Maputo principle.

Following the implementation of the National Agricultural Investment Programme (NAIP), the performance of the various agricultural sub-sectors was encouraging, even though not all targets were met. Indeed, the period from 2011 to 2015 saw an increase in production across all agricultural sub-sectors, largely due to improved yields and intensified activities in the sector. According to FAO estimates, the percentage of people suffering from hunger in Senegal fell from 24.5 percent in 1990 to 10.0 percent in 2015. Senegal is among the 19 sub-Saharan African countries that have achieved target 1.C of the first Millennium Development Goal, which is to "Halve the proportion of the population suffering from hunger between 1990 and 2015." However, this performance masked important spatio-temporal disparities.

From 2014 onwards, the PSE orchestrated the ramp up through the Programme to Fast-track the Senegalese Agricultural Rate (PRACAS), the cost of putting in the total investment is estimated at approximately 581 billion FCFA , of which 424.7 billion FCFA is allocated to the rice sector to achieve self-sufficiency (approximately 1.08 million tons of white rice, or approximately 1.6 million tons of paddy rice), primarily in the Senegal River Valley and Anambé (PRACAS, 2014) .

Box 7: Senegal Launches AgriConnect Compact to Transform its Agriculture Sector

The Government of Senegal, in partnership with the World Bank Group, announced the launch of the AgriConnect Senegal Compact. This strategic initiative aims to transform the country's agri-food systems and improve food security for millions of Senegalese.

The initiative focuses on three priority value chains: grains, horticulture, and livestock. It is based on three axes: (i) making structural investments in agricultural infrastructure and services; (ii) revising sectoral policies to improve the business environment; and (iii) encouraging more private investment to spur innovation and competitiveness.

By 2029, the AgriConnect Compact aims to achieve more than 90% food security at the national level and create 800,000 formal jobs in the agricultural sector. Among the objectives set are an increase in the cereal coverage rate from 48% to 78%, rice self-sufficiency to 64%, and the establishment of 100 community-based agricultural cooperatives across the country.

Source: https://www.worldbank.org/en/news/press-release/2026/02/10/senegal-launches-agriconnect-compact-to-transform-its-agriculture-sector

Following the Maputo Protocol, these funds have targeted water/irrigation bottlenecks. inputs/seeds, mechanisation and logistics/post-harvest to convert public spending into productivity gains. Based on the policy benchmark of 10.0 percent of public spending on agriculture, the NEPAD / CAADP monitoring tables indicate years when Senegal posted 10.0 percent or more of the "agriculture" share in the total budget.

On the results side, investment has supported food availability, particularly through irrigated rice farming, but agricultural GDP growth has not. The impact varies from year to year (due to climatic constraints and input costs), and the net impact is still affected by post-harvest losses and logistical bottlenecks that require sustained attention in maintenance expenditure (operations and upkeep) and the value chain (Hathie & Ndiaye, 2015). The implementation of Maputo in Senegal is substantial and aligned with investment priorities, but uneven over time with regard to the stability of budgetary efforts and the operational performance of the infrastructure.

3.2.4. The Malabo Declaration

Adopted in 2014, the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods renewed Africa's commitment to the CAADP process and its objectives. It established specific performance targets to be achieved by 2025. These included ending hunger and halving poverty through inclusive agricultural growth and tripling intra-African agricultural trade. The Declaration also targeted enhanced investment (public and private) in agriculture, improved productivity, enhanced resilience to climate variability and other related risks, greater support for women and youth in agriculture, and stronger strategic food and cash reserves in African countries (African Union, 2014; 2024).

Box 8: Africa Transitions Beyond the Malabo Declaration with New CAADP Strategy

As the 2025 deadline for the Malabo Declaration on Accelerated Agricultural Growth and Transformation approached, African leaders acknowledged that the continent was not on track to meet its ambitious targets, including ending hunger and boosting agricultural growth. This has prompted a strategic shift towards a new agricultural development framework.

At the Extraordinary CAADP Summit held in Kampala in January 2025, the African Union adopted a new 10-year CAADP Strategy and Action Plan (2026–2035), effectively marking the transition to a post-Malabo agenda. The new framework builds on lessons from the Malabo period and aims to create resilient, inclusive, and sustainable agri-food systems across the continent.

The post-Malabo agenda is therefore expected to prioritise stronger implementation mechanisms, improved monitoring, and increased investment, as Africa seeks to accelerate agricultural transformation and achieve food security under Agenda 2063.

Source: https://africanclimatewire.org/2025/01/african-agriculture-development-strategy-lagging-behind

In Côte d'Ivoire, the implementation of the first National Agricultural Investment Programme (NAIP I) enabled agriculture, forestry, livestock, and fisheries sector to achieve a growth rate of 6.0 percent, increased food crop production by 8.0 percent between 2010 and 2014, and improved food security. Public spending allocated to the agricultural sector increased fivefold between 2012 and 2022, rising from 58.0 billion FCFA (US$96 million) in 2010 to nearly 300 billion FCFA (US$500 million) in 2022 (MINADER, 2021). However, this positive development in financing the agricultural sector remains clearly insufficient as public spending in this sector represents only 3.2 percent of the national budget, far below the commitments of allocating 10.0 percent of the budget to the agricultural sector adopted in Maputo (2003) and reaffirmed in Malabo in 2014.

The Gambia sets its policies consistent with these goals through the second-generation Gambia National Agricultural Investment Plan (GNAIP II), implemented from 2019 to 2026, and Regional Strategic Analysis and Knowledge Support System (ReSAKSS, 2023). The focus of this strategy is to enable rice self-sufficiency, climate adaptation and value chain development. Supported by projects like the Global Agriculture and Food Security Programme (GAFSP, 2023) financed climate-smart agriculture, seed systems, and extension services. However, there has been mixed results. Smallholder productivity and the level of Nutrition have experienced marginal increase, this is due to the repeated shocks like COVID-19, the 2022 floods, and rising global food prices that have afflicted the country.

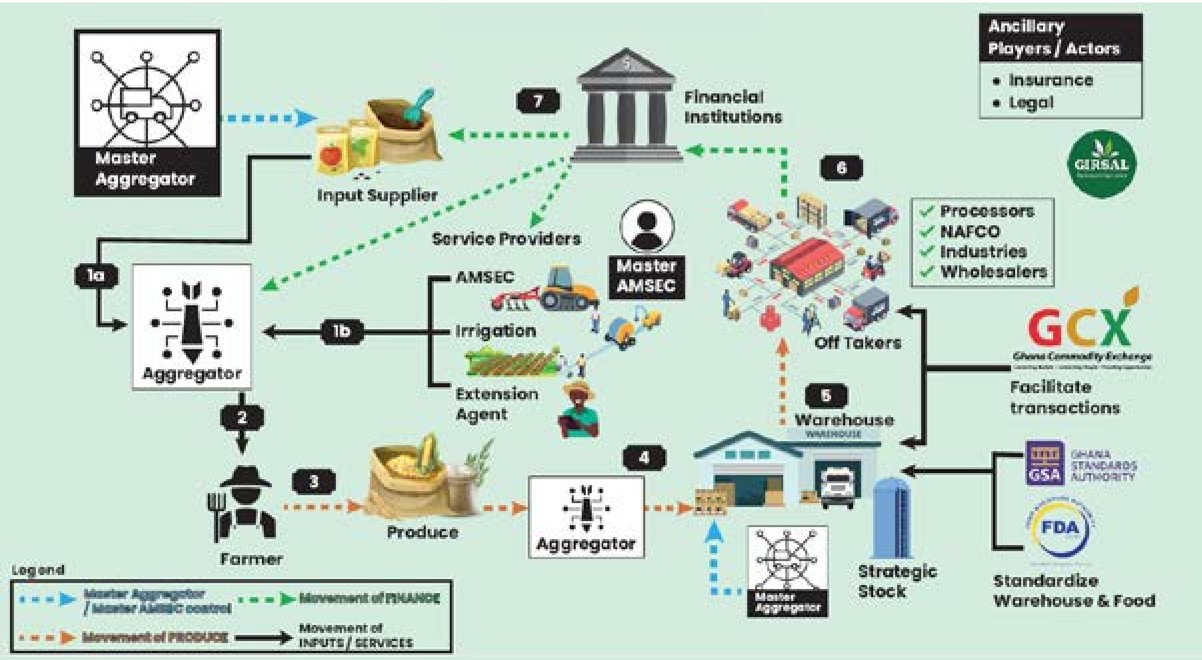
Other factors that slowed implementation of the declaration in The Gambia are the limited institutional coordination and public financing (ReSAKSS, 2023; World Bank, 2024). The Gambia National Food Security Survey (GNFSS) Report (2023) shows that 29.0 percent of households are food insecure, indicating a 3.0 percent increase from 2022 to 2023. The Local Government Areas (LGAs) that experience the highest food insecure household includes Basse, Janjanbureh and Kuntaur, representing 41.0 percent and 61.0 percent, respectively. The LGAs with lower prevalence of food insecurity are Kanifing, Brikama, and Banjul, representing 18.0 percent, 25.0 percent, and 27.0 percent, respectively.

Rice fields in ECOWAS region

Ghana's policy response to the Malabo Declaration has been anchored in the last two medium-term agricultural investment plans (METASIP II and IFJ), which contained a series of programmes emphasising productivity, post-harvest management, and market access. For example, the Planting for Food and Jobs (PFJ) programme in the IFJ (2018 to 2021) sought to increase yields of cereals (maize, rice, and sorghum), legumes (soybean and groundnut), vegetables (tomato, onion, pepper, cabbage, cucumber, lettuce and carrot), and root and tubers (cassava). Complementary initiatives like the One District, One Factory (1D1F) programme and the Rearing for Food and Jobs (RFJ) programme aimed to strengthen agro-industrial linkages and livestock production (MoFA, 2018).

Despite these interventions, Ghana's progress toward the Malabo targets has been slow. According to the Fourth Biennial Review of progress towards the Malabo goals, carried out in 2023, Ghana is "not on track" to meet the targets by 2025. Nevertheless, Ghana was ranked as the highest-performing ECOWAS state and among the top 10 performers on the continent (African Union Commission, 2024).

Although Ghana was on track in halving poverty through agriculture and enhancing mutual accountability for actions and results, it was widely not on track in ending hunger by 2025, enhancing investment finance in agriculture, and boosting intra-African trade in agricultural goods and services. In addition, it was narrowly not on track in commitment to the CAADP process and in enhancing resilience to climate variability. The main factors driving Ghana's slow progress include underinvestment in agriculture, especially since it has consistently missed the Maputo public investment target; low productivity and limited technology; high post-harvest losses; weak social protection; and low agricultural trade with other African countries (African Union Commission, 2024).



Ghana's Planting for Food and Jobs (PFJ) programme Model 2.0

Guinea, a member country of the African Union, participated in the review and implementation of the commitments of the Maputo (2003), Malabo (2014) and Kampala (2025) Declarations concerning the development of African agriculture. Consideration of these statements in Guinea is how the country is implementing goals like ending hunger, increasing agricultural investment, and transforming resilient agrifood systems.

In Nigeria, persistent challenges included weak integration with other national development strategies, fragmented governance frameworks, and inadequate attention to cross-cutting issues such as gender equity and nutrition. Monitoring and evaluation systems remained underdeveloped, lacking clear benchmarks and indicators tied to Malabo performance targets, which hindered effective tracking of progress. The continued prevalence of food poverty affecting a considerable proportion of the population and high rates of stunting among children under five underscore the urgency for more targeted and inclusive interventions. Lessons from NAIP 2 highlight the critical need for stronger policy coherence, early incorporation of robust Monitoring and Evaluation (M&E) frameworks, and a deliberate focus on vulnerable population. As Nigeria looks ahead to future agricultural investment plans, embedding these lessons will be essential to unlocking the sector's full potential and achieving sustainable food systems.

Available information indicate that Sierra Leone is not on track in terms of the full implementation of the Malabo Declaration targets, as the country scored very low (around 1.5 to 1.7 out of 10) in its implementation performance and is not on track overall against the Declaration's goals. In terms of Public Expenditure in Agriculture, the Malabo Declaration calls for at least 10.0 percent of national budget expenditure on agriculture. However, the country spent far below this target, with agriculture budget average between 2.0 percent to 7.0 percent.

African Union's Extraordinary Summit in Kampala to adopt 10-Year CAADP Strategy in Kampala, Uganda, 2025

In terms of Agricultural Productivity and Hunger, Sierra Leone has invested in agricultural transformation strategies, such as the Feed Salone initiative, aimed at increasing food production, climate-smart practices, youth and women participation, and value chain development. However, despite this development, the country remains off course in achieving the Malabo Declaration's goal of ending hunger by 2025. Regarding Investment in Value Chains and Jobs, some progress has been noted, such as youth job creation in agricultural value chains and specific improvements in irrigation and crop yields.

With Malabo (2014), the agenda shifted from means to results; eliminating hunger, halving agricultural poverty by 2025, strengthening intra-African trade, building resilience, and establishing accountability through the Biennial Review. Senegal has internalised this shift by strengthening integrated value chains and expanding adaptive social safety nets (cash transfers, school canteens), while continuing to pursue objectives related to nutrition and Water, Sanitation and Hygiene (WASH) and leveraging the Harmonised Framework for public policy decisions. During the first biennial review in 2017, Senegal received an overall score of 3.6 for implementing the Malabo commitments. Some areas were considered "on track," like the CAADP process, while others, particularly financing and investment, remained behind.

At the continental level, the trajectory became more challenging with each cycle. The inaugural review showed many countries "on track" with regard to the applicable thresholds. The 3rd review (2021) only included one overall; and the 4th review (2024) further reiterates that no African country was fully "on track" for all the objectives, even though progress had been observed on several indicators. Senegal is no exception to this observation. improvements exist, but they remain insufficient. This underscores the need to strengthen key links such as post-harvest management, the cold chain, logistics, sanitary and phytosanitary standards as well as risk management mechanisms (index-based insurance, rural finance). These efforts are essential to consolidate productive gains and ensure their sustainability (AUDA-NEPAD, 2025).

From an internal consistency perspective, the alignment of "PRACAS extended to social safety nets, nutrition, and early warning systems" embodies the Malabo spirit; from results perspective, biennial accountability provides regular feedback and has contributed to institutionalising performance measurement, even if the aggregate achievement of targets remains out of reach at the continental level in 2024 (African Union Commission, 2014).

Feed Salone programme in Sierra Leone

3.2.5. The Kampala Declaration

The Kampala CAADP Declaration on Building Resilient and Sustainable Agrifood Systems in Africa defines the continent's post-Malabo roadmap. It extends the commitments under the Maputo and Malabo Declarations through 2035 under the CAADP Strategy and Action Plan (2026 to 2035). An important attribute of the renewed framework is the shift of the CAADP from an agriculture-led approach to a comprehensive agrifood systems transformation strategy, one that integrates production, processing, trade, nutrition, and resilience (African Union Commission, 2025).

Kampala's strategic pillars and commitments are; (i) intensify sustainable food production, agro-industrialisation and trade, (ii) boost investment and financing for accelerated agrifood systems transformation, (iii) ensure food and nutrition security, (iv) advance inclusivity and equitable livelihoods, (v) build resilient agrifood systems, (vi) strengthen agrifood systems governance, and (vii) mobilise a broad spectrum of stakeholders towards transforming the commitments into tangible results.

The Declaration sets new targets for 2035, including a 45 percent increase in agrifood output, a 50 percent reduction in post-harvest losses, and a tripling of intra-African agricultural trade. It also retains the Malabo target of a minimum 10.0 percent budget allocation to agriculture and aims for zero hunger on the continent by 2035. Furthermore, it requires all African governments to integrate CAADP indicators into national planning and budget systems by 2028. The Kampala Declaration also aims to focus linkage between food security and climate adaptation.

Banana harvest in Takoradi, Ghana

Under the Kampala framework, The Gambia was committed to set enhance policy implementation and strengthen fiscal commitment. This requires the country to improve agricultural budget allocation, ensure higher execution rates, and expanded private participation in agro-processing and storage (Government of The Gambia, 2019). To align with these commitments, The Gambia requires to revise its investment priorities under GNAIP II, set measurable indicators for reducing post-harvest losses, and integrate smallholders into regional value chains. Achieving these targets will require sustained political commitment, improved fiscal discipline, and transparent performance monitoring (NEPAD, 2016; African Union, 2025).

The Gambia started aligning its national policies to this agenda since its launch in 2025 but remains in the early implementation stage. The government has expressed intent to attract private investment into processing, fisheries, and storage, but policy frameworks are ongoing. The Ministries in charge of Agriculture and Trade are working on integrating Kampala priorities into the upcoming National Agricultural Transformation Programme (2026 to 2035). The main challenges include limited fiscal space and the need for better coordination between government and private actors.

For Ghana, which enters the new era with a mixed record, implementation will demand higher public investment, stronger post-harvest systems, value chain industrialisation, climate-smart agriculture, and broader regional market participation, leveraging the AfCFTA initiative. In April 2025, the government launched a new agricultural initiative, the Feed Ghana Programme (FGP), which recognises the Kampala Declaration as a regional framework underpinning its objectives.

For Senegal, the level of implementation of the Kampala declaration in 2025 is in the preparatory stage: domestic instruments exist (frameworks of the Senegal Vision 2050 plan, National Food Security and Resilience Strategy (SNSAR), industrial and climate policies, etc.), but national ownership requires translating the Kampala objectives into quantified national targets with 2026 to 2030 milestones, establishing a multi-year financing framework combining budgets, private capital, climate resources, and publishing a “post-Malabo” dashboard consistent with the biennial review to ensure continued accountability. The notes and briefs of Akademiya 2063 detail the framework of the 22 targets and the “user manual” for their integration into the NAIP and national strategies, providing a technical basis directly usable by the Senegalese administration and its partners (Kampala et al., 2025). In terms of orientation, the priority alignment expected on the Senegal side focuses on efficient irrigation with budgeted operation and maintenance, local processing and sanitary and phytosanitary quality, loss reduction and trade facilitation (including the AfCFTA), in order to convert the Maputo-Malabo achievement into resilient food industrialisation monitored by public indicators from 2026.

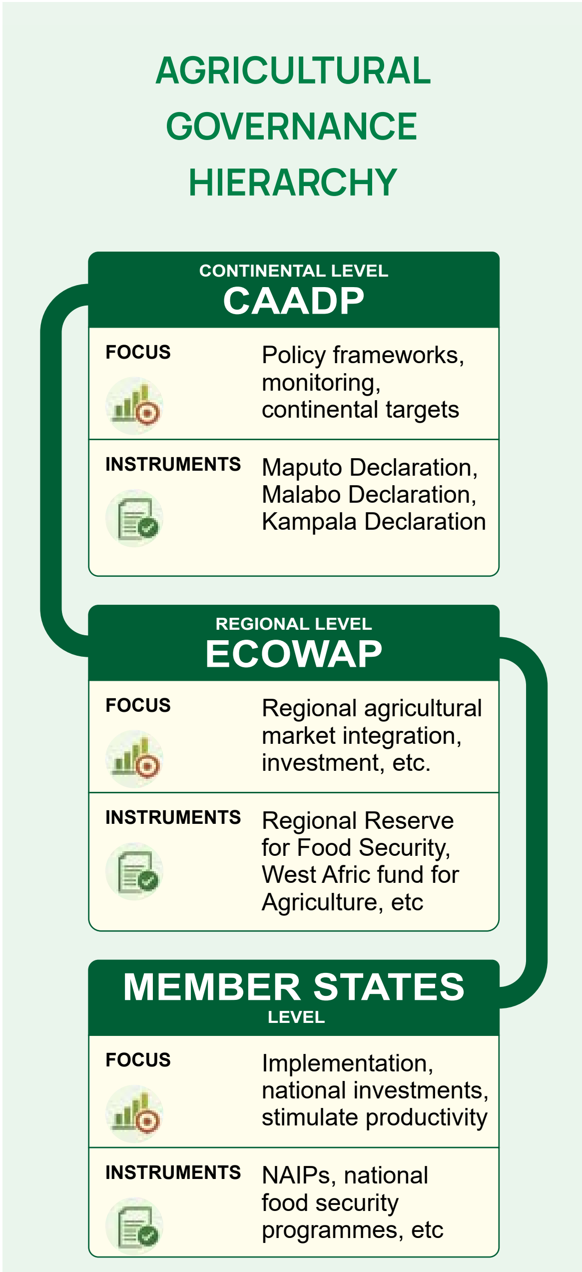
3.3. NATIONAL POLICIES AND PROGRAMMES FOR AGRICULTURAL DEVELOPMENT AND THE STATE OF FOOD SECURITY

The section provides a review of key national agricultural policies and strategies that support the food security aspirations of the region. While a good number of national policies to boost agricultural productivity are regional policies adopted for domestic implementation, there are others that are purely based on national agriculture policies. A combination of both the regional and national agricultural policies have been successfully used in enhancing agricultural development and hence food security in ECOWAS region.

Benin

Benin's agricultural policies prioritise modernisation, food security, and value chain enhancement, primarily through the Strategic Plan for Agricultural Sector Development (PSDSA) and the National Development Plan (2018 to 2025). Among the key initiatives are the establishment of seven agricultural development poles (PADs) to stimulate regional sectors, agribusiness, and rural livelihoods. In addition, there are initiatives promoting climate-smart practices, mechanisation, and processing in priority value chains such as cotton, cashew, and shea butter. Furthermore, the Government Action Programmes (PAG) 2016–2021 and 2021–2026 are being implemented.

Benin faces challenges in terms of food security. The majority of the population depends on subsistence agriculture, which is often vulnerable to climatic hazards, economic fluctuations and local conflicts. According to FAO reports (2021), a considerable proportion of the Beninese population lives in a situation of food insecurity, especially in rural areas. The factors amplifying this phenomenon are poverty, low level of education, dependence on subsistence agriculture, poor access to markets and social services; land degradation, flooding and drought affecting agricultural production (FAO, 2020).



Additionally, the National Office for Food Security Support (ONASA) was abolished in 2016 due to the "rationalisation of the institutional landscape". ONASA's Global Objective was to "Contribute to ensuring food security in Benin for everyone, everywhere and at all times". Technically, this reform was oriented towards strengthening monitoring and early warning instruments (Rapid Alert System, Market Information System) to detect early warning signs of price volatility in time, rather than building up physical stocks at an expensive cost. The progress made in the agriculture sector is enabling Benin to cope with the rise in food prices.

Overall food security improved slightly since 2013, from 89.0 percent to 90.4 percent. However, 9.6 percent of the population were food insecure, including 0.7 percent severely food insecure. This corresponds to 1.1 million food insecure people, of whom about 80,000 were severely affected. The slight improvement in food security was explained by a clear increase in food consumption (+10.0 percent acceptable consumption compared to 2013). However, counteracted by a deterioration in the adaptive capacity of households (+2.2 percent of households spending more than 65.0 percent of their budget on food and +16.7 percent of households using crisis or emergency survival strategies).

Food insecurity shows considerable disparities depending on the sector, the municipality and the place of residence. Rural households are more affected by food insecurity (12.0 percent moderate and 1.0 percent severe) than urban households (7.0 percent moderate) or those in Cotonou (2.0 percent moderate). At the municipal level, ten municipalities in the country have an overall food insecurity rate (moderate + severe) of more than 20.0 percent.

Box 9: The National Integrated School Feeding Program (PNASI) in Benin

The National Integrated School Feeding Program (PNASI) was launched in 2017 as a priority of the Government Action Program. It aims to strengthen school feeding in Benin through a multi-sectoral approach integrating education, nutrition, health and agriculture. The program was initially designed to cover approximately 1,574 schools and over 320,000 students from the 2017-2018 school year. Its gradual expansion has made it possible to reach all departments and municipalities in the country.

The main objectives of the PNASI are:

- *to ensure the regular provision of school meals to students;*
- *to improve academic performance and children's retention in school;*
- *to promote food diversity and nutrition;*
- *to support local economies through the purchase of local agricultural products.*

The program is based on an integrated approach aimed at making the school an entry point for the convergence of interventions in education, health and rural development. The National Program for Nutrition and Social Integration (PNASI) has experienced rapid expansion and significant impacts on education, nutrition, and local development. Its coverage and beneficiaries have grown. From approximately 320,000 students benefiting in 68 municipalities in 2017, it has expanded nationwide, reaching approximately 1.3 million children .

Source:

Côte d'Ivoire

In Côte d'Ivoire, agricultural development and food security policies and programmes were aligned with the sub-regional (ECOWAS with ECOWAP, WAEMU) and regional (AU, NEPAD, CAADP) visions and frameworks to which Côte d'Ivoire subscribed. They are also based on the National Development Plans (NDPs), which serve as a compass for sectoral policies and programmes, particularly in agriculture, livestock, fisheries, and aquaculture. The National Agricultural Investment Programmes (NAIP I) was developed and implemented over the period 2012 to 2017 and the Strategic Plan for the Development of Livestock, Fisheries and Aquaculture (PSDEPA) between 2014 and 2020. The NAIP I in Côte d'Ivoire mainly aimed at agricultural recovery and the post-crisis reconstruction of the institutional foundations of the agricultural sector, particularly in terms of regulation and definition of sectoral and sub-sectoral policies (plant, animal, and fisheries sectors).

Specifically, the key areas of intervention of the NAIP I focused on improving productivity through the dissemination of improved technologies and support for agricultural operations; investments in agricultural infrastructure (roads, irrigation, water and energy in rural areas); transformation and marketing through the development of processing infrastructure (processing units for rice, cassava, cashew nuts, etc.) and marketing channels; strengthening the capacities of producer organisations, the private sector and interprofessional bodies; and improving agricultural public services.

In terms of results, the first National Agricultural Investment Programme (NAIP I) enabled the agricultural, forestry, livestock, and fisheries sector to achieve a growth rate of 6.0 percent, increased food crop production by 8.0 percent between 2010 and 2014, and improved food security. Public spending allocated to the agricultural sector increased fivefold between 2012 and 2022, rising from 58.0 billion FCFA (US$96 million) in 2010 to nearly 300 billion FCFA (US$500 million) in 2022 (MINADER, 2021). However, this positive development in financing the agricultural sector remains clearly insufficient as public spending in this sector represents only 3.2 percent of the national budget, far below the commitments of allocating 10.0 percent of the budget to the agricultural sector adopted in Maputo (2003) and reaffirmed in Malabo in 2014

Transformation of agricultural production in Côte d'Ivoire

In terms of the impact on food security, available data indicate that 10.9 percent of households in Côte d'Ivoire are food insecure, including 0.1 percent who are severely food insecure (SAVA, 2018). A considerable proportion of households, 43.7 percent of the population, experience mild food insecurity. This situation reflects uncertainty regarding regular access to healthy and nutritious food for a large majority of households, generally leading to compromises or restrictions on quantity or quality in the face of inflation. Analysis at regional level reveals disparities, with moderate food insecurity predominating in rural areas, affecting 10.8 percent of households. The three regions most affected by food insecurity are Tonkpi (38.0 percent), N'zi (28.0 percent), and Iffou (18.0 percent).

The prevalence of food insecurity in Côte d'Ivoire is also unevenly distributed according to the gender of the head of household. Indeed, the prevalence of undernourishment is higher in households headed by women (15.0 percent) than in those headed by men (10.2 percent) across all regions (MINADER, 2021).

In terms of social conditions and food security, the agricultural sector has created 600,000 direct jobs following the implementation of the NAIP projects (MEMINADERPV, MIRAH, and the African Union, 2023). However, the income generated remains low. This low level of income per agricultural worker results in high rates of rural poverty. Furthermore, the increase in production volumes and food self-sufficiency rates has not been sufficient to meet the needs of the most food-insecure households. These households are affected by both the infrequency and lack of diversity in their diets. Food security remains a major challenge at the national level, particularly in terms of accessibility and utilisation. Finally, on the governance axis, the lack of regular agricultural statistics is a major obstacle to improving the effectiveness of food and nutrition security policies.

The Cotton-Cashew and Shea Council provide 200 school kits to children of producers in Sinématiali, Côte d'Ivoire

The Gambia

In The Gambia, food insecurity is predominantly moderate, with only 2.0 percent of the population classified as severely food insecure. As a result, many smallholder-oriented projects relied heavily on external grants and loans. The limited iinvestment in irrigation, mechanization, research and climate-smart agriculture has restricted the country's ability to meet the annual target of 6% set by NEPAD. Under the Malabo declaration, The Gambia enforced and strengthens its policy commitments through the Gambia National Agricultural Investment Plan II (GNAIP II) 2019 to 2026. This strategic plan outlines the productivity, nutrition, resilience, and trade goals of the Malabo declaration (ReSAKSS, 2023). The Ministry of Agriculture and Ministry of Trade are working on integrating the Kampala declaration priorities into the upcoming National Agricultural Transformation Programme (2026 to 2035).

Over the past decades, floods, droughts, and soil degradation have intensified across the country. The most intense and recent flood was the 2022 floods which destroyed homes, crops and rural infrastructure. Frequent environmental shocks cause government to divert its resources toward emergency response instead of sustainable and long-term development. Loss of arable land usually hinder food production and rural employment (African Union, 2025).

In The Gambia, half of its staple food is imported, especially rice, which makes the economy highly susceptible to global price shocks. Global inflation raises food prices, and the current currency depreciation are contributing to the increasing cost of living and eroding purchasing power (World Food Programme, 2023).

Flooding in The Gambia

Ghana

Food security is a fundamental objective of agricultural policy in Ghana. This stems from the recognition of food security as important not just for ensuring a healthy population, but also for boosting productivity and advancing economic, social, and political development generally. Over the past two decades, Ghana has pursued ambitious agricultural and food security objectives aligned with continental and global frameworks. The country is a signatory to the 2003 Maputo Declaration on Agriculture and Food Security in Africa, which commits African Union (AU) Member States to allocate at least 10.0 percent of their national budgets to agriculture and achieve at least 6.0 percent annual agricultural GDP growth. Ghana also adopted the 2014 Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods, a successor framework that reaffirmed the Maputo Declaration's commitments and set new goals for the year 2025. More recently, the country endorsed the 2025 Kampala CAADP Declaration on Building Resilient and Sustainable Agrifood Systems in Africa, reiterating its commitment to sustainable food systems transformation and climate adaptation.

Despite domestic policy alignment with these frameworks, agricultural and food security outcomes have fallen short of expectations. Food production has increased significantly in the past decade, while Ghana's Global Hunger Index (GHI) score has improved from 16.5 in 2016 to 13.1 in 2025 (classified as "moderate"). Yet the 2020 Comprehensive Food Security and Vulnerability Analysis (CFSVA) showed that 3.6 million people, representing 11.7 percent of the population, were food insecure (MoFA et al., 2020). Ironically, agricultural households were more food insecure than non-agricultural households. Moreover, high food inflation has worsened food affordability in recent years, hitting vulnerable populations the hardest.

Smallholder farmers in Tolon district, Ghana

According to the Ghana Living Standards Survey (GLSS 7), food accounts for nearly half (49.2 percent) of total household expenditure among the poorest quintile, compared with 38.2 percent in the richest quintile and a national average of 39.9 percent (GSS, 2019). Thus, food price inflation disproportionately burdens low-income households. In 2022, for instance, the World Bank (2023) estimated that rising inflation driven by food prices pushed an estimated 850,000 Ghanaians into poverty. Food insecurity also perpetuates Ghana's spatial poverty divide, mainly between the north and south. With poverty rates above 50.0 percent, the northern regions have disproportionately more households in the lower quintiles and consequently face disproportionate exposure to food price shocks. This makes food insecurity a considerable barrier to realising inclusive growth.

Severe food price inflation in Ghana, such as the 2022 to 2023 episode, affects macroeconomic convergence within ECOWAS. With food accounting for a large share of household expenditures, particularly among poor and vulnerable groups. rapid inflation triggers macroeconomic disturbances, cuts real GDP growth, and erodes real incomes. This complicates macroeconomic policy coordination with neighbouring countries.

Guinea

The 2024 Global Analysis of Vulnerability, Food Security and Nutrition (AGVSAN) in Guinea highlights a particularly alarming level of food insecurity. At the national level, 35.8 percent of households are in a situation of food insecurity, including 33.4 percent in moderate insecurity and 2.4 percent in severe insecurity. This corresponds to approximately 4,846,641 people who do not have, or have only limited access (physical or economic), to sufficient food to meet their energy needs and lead an active and healthy life. By contrast, 64.3 percent of households are food secure, although half of them are in what is described as a "limited" food security situation. Compared with 2018, the situation has deteriorated significantly: the rate of food insecurity increased from 21.8 percent to 35.8 percent in 2024, representing an increase of 14 percentage points.

From a nutritional perspective, the situation remains fragile, particularly among children aged 6 to 59 months. The prevalence of global acute malnutrition is estimated at 4 percent, of which 1.7 percent is severe. Among women of reproductive age (15 to 49 years), 7.6 percent suffer from acute undernutrition and 5 percent are at risk of undernutrition. The regional analysis reveals significant disparities. Food insecurity is particularly high in the regions of Faranah (47.8 percent) and N'Zérékoré (47 percent), with 1.2 percent and 2.4 percent of households respectively in severe conditions. The regions of Boké (45.5 percent), Mamou (40.5 percent), Kankan (36.63 percent), and Kindia (36.48 percent) also show high levels, with severe insecurity above the national average. These areas are often characterised by difficult socio-economic conditions and limited access to basic infrastructure.

Furthermore, food insecurity predominantly affects rural populations. Approximately 43.3 percent of the rural population is affected, of which 75.4 percent live in remote areas with limited access to essential services. These households depend heavily on subsistence agriculture (63.5 percent), producing mainly rice, groundnuts, and maize. However, they maintain very low food stocks: nearly 75 percent have no reserves or see their stocks depleted after an average of 2.9 months. This makes them particularly vulnerable, especially during lean periods.

At a broader level, several structural factors explain this food insecurity. Agricultural production remains low due to soil degradation, low levels of mechanisation, and limited use of agricultural inputs. Post-harvest losses are substantial, particularly because of the lack of storage and processing infrastructure, especially for horticultural products. In addition, the poor condition of roads, worsened by flooding and heavy rainfall, limits market access and constrains product commercialisation. Poverty is also a major contributing factor. In 2022, around 50.1 percent of the population lived below the poverty line, with significant disparities between rural areas (55.4 percent) and urban areas (22.4 percent). Some regions are particularly affected, such as Labé (66 percent) and Kankan (31 percent). Households also remain highly exposed to economic and environmental shocks: 33.5 percent reported being affected by illness or accidents, 13.4 percent by rising food prices, and 14.5 percent by climate-related disruptions, particularly delayed rainfall. In addition, 52.8 percent of households engage in subsistence farming, and 89.8 percent of these farmers depend on low-yield food crop agriculture, which further increases their vulnerability.

Finally, limited access to basic infrastructure worsens the situation. Around 42.5 percent of households face difficulties in accessing health services, due to the high cost of care (61.96 percent) and the remoteness of facilities (44.25 percent). This infrastructure deficit also affects agricultural production and incomes, thereby contributing to the persistence of high food insecurity levels in the most vulnerable areas.

In response to these challenges, several policies and strategies have been developed to combat food and nutrition insecurity in Guinea. However, their effective implementation remains limited, particularly due to financing constraints, which restrict the large-scale impact of interventions.

Post harvest loss in ECOWAS region

Nigeria

Agriculture remains a vital pillar of Nigeria's economy and national food system. The sector contributes nearly one-quarter of the country's GDP and provides employment for almost half of the labour force, with additional livelihoods supported through the wider agri-food value chain. Smallholder farmers, who make up about 80 percent of all farmers, produce close to 90 percent of the country's food, while cattle production in the northern states continues to support the livestock economy. Key staples such as cassava, maize, millet, rice, sorghum, and yam dominate cultivation, accounting for roughly two-thirds of total arable land.

The agricultural sector continues to face longstanding structural challenges. Insecurity across major food-producing regions has disrupted farming activities and cut access to farmlands. Rising production and transport costs, partly driven by recent policy reforms such as petrol subsidy removal, have placed additional pressure on producers and consumers. Climate-related shocks, including recurrent flooding and drought, remain major threats to productivity. Low levels of mechanisation and irrigation, inadequate storage and processing capacity, and weak transport and cold-chain networks further undermine efficiency and food availability. Meanwhile, public spending on agriculture remains well below continental commitments, limiting the scale of improvements required to strengthen food systems.

While the country continues to rely on food imports to supplement domestic supply, agricultural exports have grown in recent years, supported by a more competitive exchange rate and demand for products such as cocoa, cashew and soybean cake. Trade restrictions remain prominent in agricultural policy, including import bans, high tariffs and foreign exchange access limitations for selected goods. Despite recent initiatives to temporarily ease import levies on selected staples, access to foreign exchange and high logistics costs continue to keep food prices elevated. Institutional reforms have also reshaped agricultural governance. The newly established Ministry of Marine and Blue Economy now oversees fisheries and aquaculture, while the Ministry of Livestock Development, created in 2024, is expected to strengthen policy attention to the livestock sub-sector. These shifts point to an evolving attempt to improve sector coordination and harness wider economic opportunities.

Drought-affected farmland, in Nigeria

Despite these interventions, food insecurity has intensified. Food inflation remained close to 40 percent for much of 2024, reducing household purchasing power and widening nutrition gaps, especially among vulnerable populations. In recognition of the severity of the challenge, the President declared a state of emergency on food security in July 2023, placing food access under national security oversight and calling for urgent measures to stabilise supply and ensure affordability. This situation highlights the critical need to reinforce Nigeria's food security architecture. Given Nigeria's central role in regional agricultural trade, particularly within ECOWAS, any prolonged food supply disruptions will not only heighten domestic socio-economic pressures but could also weaken regional food systems and integration efforts.

Nigeria's total food imports reached approximately US$2.5 billion in 2024; a 16 percent increase compared to the US$2.1 billion imported in 2023. Nigeria food imports rose by 40 percent to US$689.9 million from the previous Q4 of 2023. By Q3 of 2024, imports on food climbed by 15.7 percent to US$633 million in 2024, by Q4 2024, food imports had increased by 3.9 percent to US$658.5 million (NBS,2025). The major reasons for food import levels remaining so high, and the country continues to face elevated rates of food poverty and undernourishment were as a result of general inflation, depreciation of the Naira and structural weaknesses in local production of food. Despite a 235 billion Naira budgetary commitment, NAIP 1 was hampered by a considerable financing gap, compounded by fragmented implementation across federal and sub-national institutions. Weak inter-agency coordination limited technical capacity at the state level, and underdeveloped monitoring and evaluation systems undermined the plan's effectiveness and obscured progress tracking.

Food energy availability showed a decline from 2,543 kcal per person per day in 2021 to 2,504 kcal in 2022, before recovering to 2,532 kcal in 2023 and easing slightly to 2,517 kcal in 2024. The data point to modest fluctuations rather than a sustained improvement over the period. The dip in 2022 coincided with supply pressures, while the partial recovery in subsequent years suggests some stabilisation in food supply, although energy availability in 2024 remained below the 2021 level. This pattern implies that gains in food availability was fragile, particularly for populations most sensitive to price and supply shocks.

Nigeria's total food imports reached approximately US$2.5 billion in 2024; a 16 percent increase compared to the US$2.1 billion imported in 2023. Nigeria food imports rose by 40 percent to US$689.9 million from the previous Q4 of 2023.

The value of food production per capita remained broadly stable but showed mild volatility. It increased marginally from US$ 329 in 2021 to US$329.5 in 2022, then declined to US$322.4 in 2023, before improving to US$325.8 in 2024. Despite the rebound in 2024, production value per capita did not return to its 2021 and 2022 levels, indicating limited growth in agricultural productivity relative to population size. This development suggests that domestic food supply expansion has struggled to keep pace with rising demand.

Within regional trade, Intra-ECOWAS Agricultural Food Imports rose sharply from 5,850.1 in 2021 to 6,694.7 in 2022, reflecting increased reliance on regional markets to supplement domestic food supply. Imports declined slightly to 6,534.8 in 2023 and stabilised at 6,552.7 in 2024, remaining well above the 2021 level. This trend highlights the continued importance of regional trade in addressing domestic food shortfalls, even as import growth moderated after 2022. By contrast, Intra-ECOWAS Agricultural Food Exports declined from 128 in 2021 to 118 in 2022, before rebounding to 131 in 2023 and easing again to 123 in 2024. The recovery in 2023 suggests improved export capacity or stronger regional demand, while the slight decline in 2024 indicated ongoing volatility in export performance. Overall, export levels in 2024 remained below the 2023 peak but close to those recorded in 2021.

Senegal

Food security in Senegal is shaped on the corridor of production systems, markets, and social mechanisms, and guides the trajectory of inclusive growth and health and nutrition outcomes. However, Senegal's agricultural, forestry, livestock, and fisheries sector still face numerous challenges, particularly the establishment of sustainable and resilient production systems in an environment marked by climate change, strengthening the competitiveness of the sector's products, integrating women and youth into agricultural, forestry, livestock, and fisheries professions, and improving sector governance and financing to enhance resilience to food and nutrition insecurity. Agriculture still represents a considerable portion of the economy, accounting for 17– to 18 percent of value added in 2023 according to the World Bank's harmonised national accounts; consequently, any shock to food production or prices impacts rural employment, incomes, and poverty.

Despite the rebound in 2024, production value per capita did not return to its 2021 and 2022 levels, indicating limited growth in agricultural productivity relative to population size.

On the price front, over the last decade, inflation averaged 2.3 percent between 2014 and 2023. However, for the last two years, due to the collateral effects of the Russia-Ukraine conflict, inflation stood at 9.7 percent and 5.9 percent respectively, primarily due to soaring food prices (Senegal, 2024). Overall inflation fell in 2024 to 0.8 percent (after 5.9 percent in 2023), but this decline masks a structural vulnerability: dependence on commodity imports rapidly transmits international shocks to domestic markets (ANSD, 2025). Moreover, the WFP Country Programme 2025 to 2029 emphasises that Senegal "remains dependent on international commodities to feed its population" and notes that the country imports approximately 70.0 percent of its food (WFP, 2024); this dependence weighs on the current account and exposes purchasing power to global cycles.

Low productivity and limited access to food stem primarily from an unfavourable environment like high Sahelian climate variability, unstable and poorly coordinated public policies, and underinvestment throughout value chains. In this context, predominantly rural poverty reduces access to inputs, services, and markets, hindering yields and incomes. Vulnerability worsens, and the country is moving towards an export-oriented food economy (dependent on imports, inputs, and external financing). This export orientation increases exposure to international shocks (crises, price volatility, logistical disruptions), raises food costs, and weakens the competitiveness of local producers, perpetuating a vicious cycle of underinvestment and poor performance. Simultaneously, the institutional architecture remained fragmented; coordination was primarily reactive, and inclusive dialogue platforms were rare and largely ineffective. This limits risk anticipation, policy alignment, and the ability to mobilise private investment at scale.

In this context, the priorities were clear; feeding a rapidly growing and increasingly urban population by securing food supplies and strengthening local production. Simultaneously, it is essential to promote the processing, preservation, and value-added of agricultural products to reduce losses and increase added value. Sustainable improvements in incomes, particularly in rural areas, were achieved through gains in productivity and competitiveness in key sectors, supported by coordination mechanisms and greater coherence in food security, nutrition, and resilience policies based on robust data. Finally, preventing and managing food crises requires early warning systems, adaptive social protection, and emergency financing instruments that safeguard long-term investment efforts.

Sierra Leone

Food insecurity in Sierra Leone remains widespread, structural, and multi-dimensional, driven primarily by poverty, high food prices, low agricultural productivity, and vulnerability to shocks. While food is generally available in markets, economic access, nutritional quality, and stability over time are severely constrained. The country's food security situation indicated that 82.0 percent of the population are food insecure, with 18.0 percent of households severely food insecure. Also, approximately 68.0 percent of households spend more than 75.0 percent of their total expenditure on food (WFP Report, 2024).

The Global Acute Malnutrition rates increased from 3.1 percent to 5.0 percent in 2024, due to the surge in food prices and stagnant household incomes. Furthermore, the country recorded a Global Hunger Index (GHI) score of 31.2 in 2024, which ranked the country at 117 out of 127 countries, indicating a serious level of hunger. This score shows that the country is struggling with food security and is at risk of child stunting, child mortality, and child wasting. Even when food is available, dietary diversity and quality remain low, contributing to persistent stunting and malnutrition among children.

Despite considerable agricultural potential, a large share of Sierra Leone's population struggles to meet basic food and nutritional needs, particularly children, women, and the urban and rural poor. Recurrent shocks, dependence on food imports (especially rice), and weak social protection systems continue to undermine food security outcomes.

Togo

Togo's strategy to coordinate and guide investments in the agricultural sector involves setting clear objectives, programming resources, setting priorities, and implementing policies, programs, and strategies to accelerate the growth and transformation of Togolese agriculture. Indeed, strategic frameworks for reference of interventions in the sector have been developed, in particular the agricultural policy accompanied by the strategic plan for the transformation of agriculture in Togo, the national agricultural investment and food and nutrition security program (PNIASAN, 2017-2026), the Togo 2025 government roadmap for the agricultural sector, the roadmap for the transformation of the food system in Togo by 2030, the National Strategy for Agroecology and Organic Agriculture (2021-2030), the National Strategy for the Development of Rice Cultivation (SNDR, 2019-2030), the Strategy for the Promotion of Fortified Organic Agricultural Products in Togo by 2027, the National Strategy for Nutrition-Sensitive Agriculture (SNASN, 2025 – 2029), the Master Plan for Irrigated Agriculture (SDAI, 2022 – 2040).

Women benefit from modern rice parboiling kits in Togo

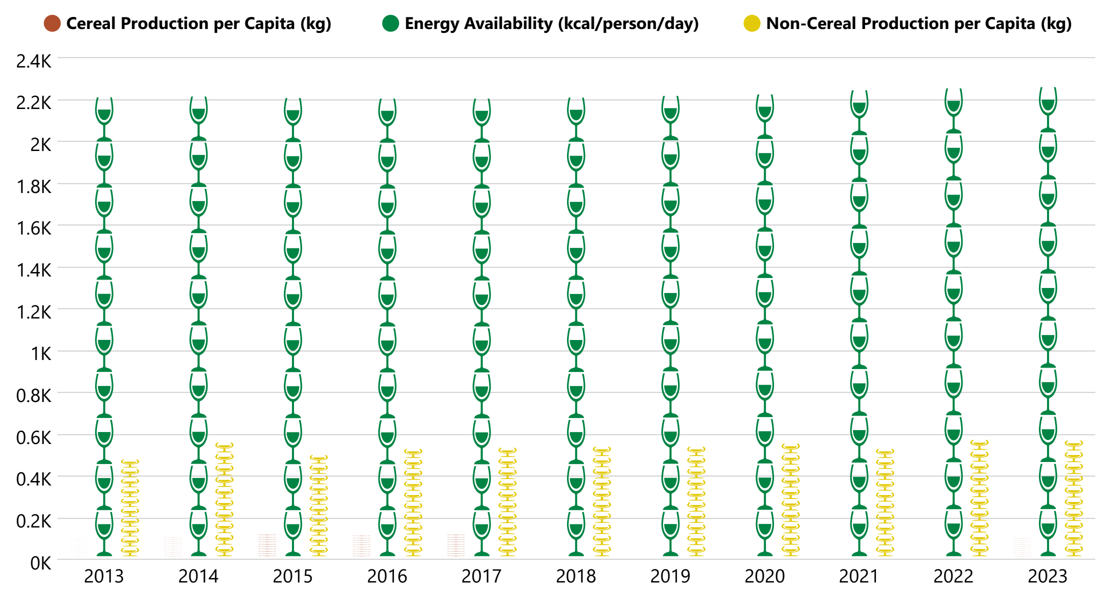
3.4. ANALYSIS OF FOOD SECURITY TRENDS AND PERFORMANCE IN ECOWAS REGION

The analysis of food security in the ECOWAS region is grounded in the four-dimensional framework of food security. This encompasses: (i) food availability, the domestic supply of food from production, imports, and reserves; (ii) food access, the ability of households and individuals to obtain food through markets or their own production; (iii) food utilisation, the ability of individuals to derive full nutritional value from the food they consume; and (iv) food stability, the consistency of access and availability over time. Each dimension is examined using a combination of macroeconomic and sectoral indicators drawn from national and international data sources.

3.4.1. Food Availability

In Côte d'Ivoire, the evolution of food production per capita shows a slight improvement in average per capita production volumes for both cereal and non-cereal crops (Figure 65). Cereal production increased from 110 to 114 kg/capita and non-cereal production from 489 to 583 kg/capita between 2013 and 2023.

Figure 65: Evolution of Food Availability Per Capita in Côte d'Ivoire from 2013 to 2023

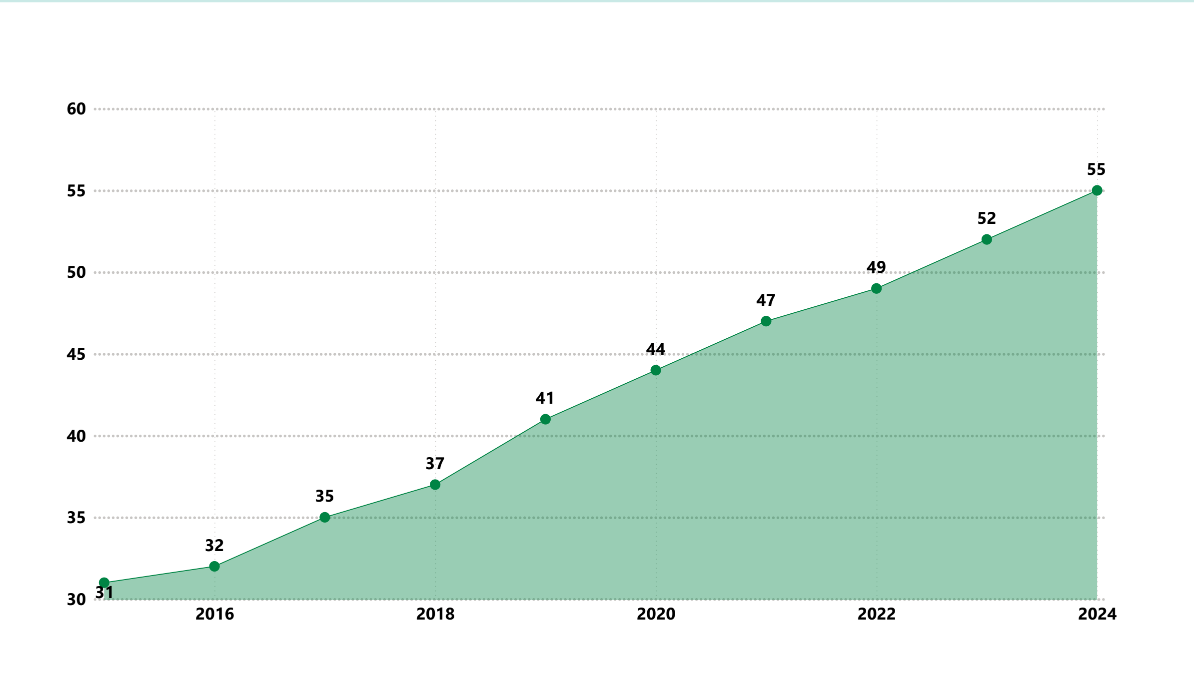


Source: MEMINADERPV, 2024

The increase in domestic production combined with imports of cereals and livestock products contributed to increasing food energy availability from 2221 to 2264 kilocalories per person per day between 2013 and 2023. Thus, the state of food availability estimated on average nationally at 2264 kcal/person/day in 2023 is in line with WHO recommendations in terms of basic energy requirements (2000 kcal/day for a man and 1800 kcal/day for a woman).

In Ghana, food availability has improved over the last decade, driven by expansions in cropped area and moderate productivity gains. As Figure 66 shows, total production of major staples has increased, with the aggregate output of seven key food crops, maize, rice, yams, cassava, plantain, sorghum, and soybeans—rising from 31.2 million metric tonnes in 2015 to 54.8 million tonnes by 2024. Roots and tubers, particularly cassava and yams, accounted for most of this expansion due to their comparatively higher yields and resilience.

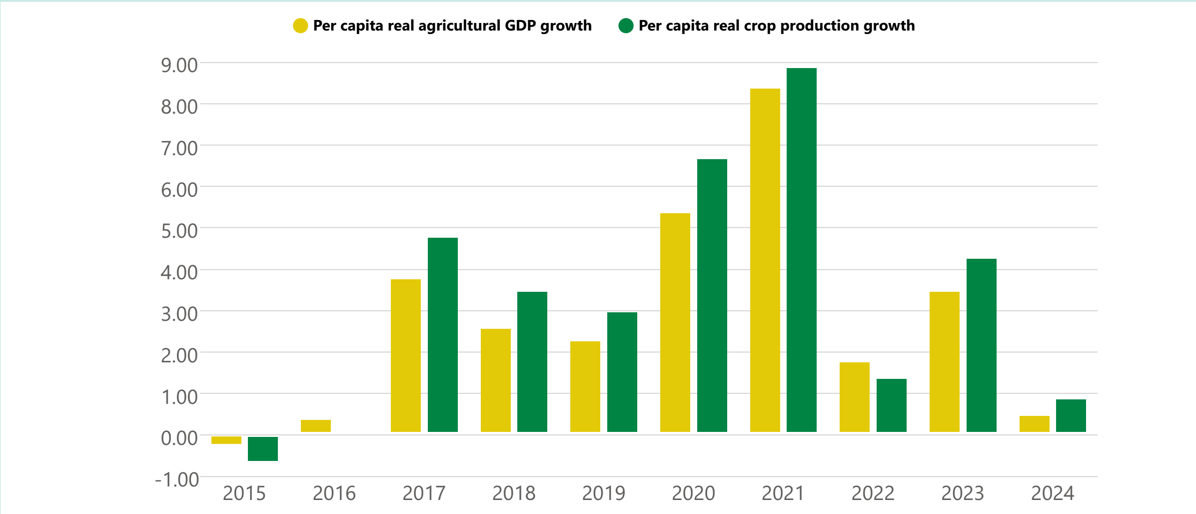
Figure 66: **Total Production of Seven Key Food Crops in Ghana from 2015 to 2024 (Million Metric Tonnes)**



Source: Ministry of Food and Agriculture, March 2025, NDPC, June 2025

Generally, crop production has exceeded population growth. This resulted in a 3.3 percent average annual growth in per capita real crop production during 2015 to 2024. Initially, the per capita growth was negative in 2015 and2016, but it picked from 2017 to 2021 on the back of the implementation of the third medium-term agricultural investment plan (IFJ, 2018 to2021), whose flagship was the PFJ programme (Figure 67). Thereafter, the growth slowed as fiscal difficulties curtailed public agricultural investment. Per capita real agricultural output, which includes crops, livestock, fishing, and forestry followed a similar pattern.

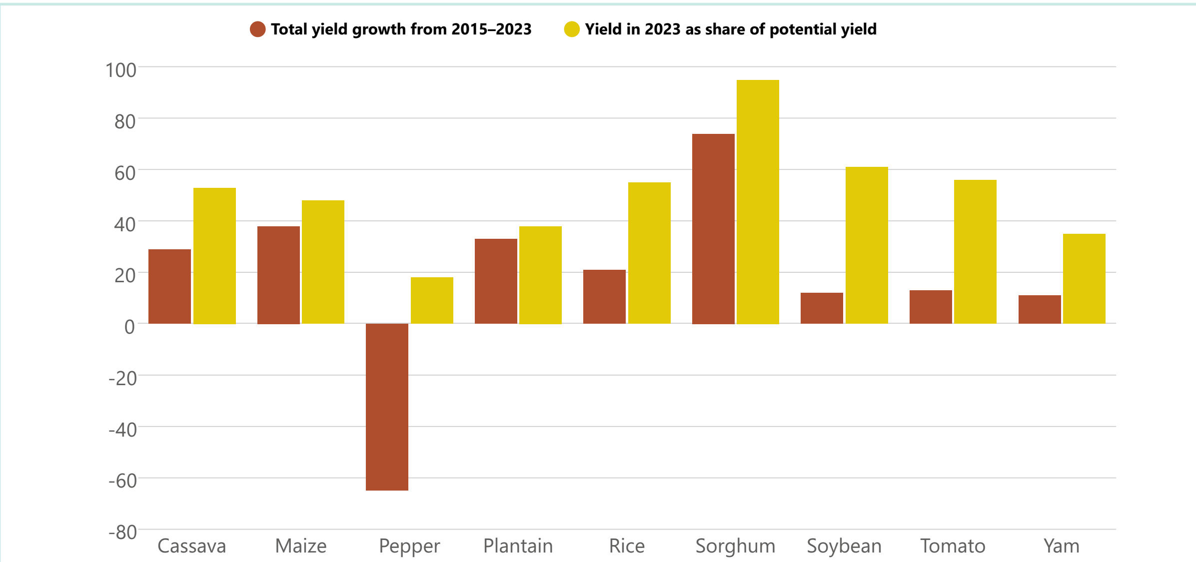
Figure 67: Per Capita Growth Rate in Real Crop and Agricultural Output in Ghana from 2015 to 2024 (Percent)



Source: Ghana Statistical Service, March 2025

Despite the crop production increases in both absolute and per-capita terms, food availability is constrained by substantial productivity gaps across most major crops. Although crop yields have been improving overall, for some crops like yam, soybeans, tomatoes, and rice yields have shown minimal growth, despite policy efforts to improve them. Moreover, as of 2023, actual yields of several crops were considerably below potential levels (Figure 68). Potential yields refer to "yields that have been achieved in cases where more effective extension and use of recommended technologies have occurred" (MoFA, 2022). For example, the yield of pepper was just 18.0 percent of its potential; of yam, 36.2 percent; of maize, 48.5 percent; and of rice, 55.5 percent. Only the yield of sorghum was close to its potential, at 95.5 percent.

Figure 68: Yield Performance of Selected Crops in Ghana from 2015 to 2023 (Percent)



Source: Ministry of Food and Agriculture, March 2025

The large yield gaps reflect constraints such as low mechanisation, low irrigation, weak extension services, and climate-related stresses. These limitations reduce the efficiency with which land and inputs are converted into output, thereby suppressing the growth of the domestic food supply. The corollary of this situation is that Ghana has considerable untapped potential for domestic food production, which, if addressed through targeted investments in irrigation, mechanisation, extension delivery, seed systems, and soil fertility, could substantially enhance food availability and hence food security.

Ghana, officially launched the Sustain Africa ETG Fertilizer Initiative

Box 10: Ghana Invites Investors to Drive Industrial Agriculture

Ghana has invited Chinese investors to partner in its large-scale agricultural transformation agenda. Speaking at the Chinese Lunar New Year Gala 2026 in Accra, Minister for Food and Agriculture, said agriculture is now at the center of Ghana's economic reset under President John Dramani Mahama.

Ghana is also expanding irrigation, developing thousands of hectares of irrigated land, and constructing dams in northern Ghana to move away from rain-fed farming.

A major focus is the Integrated Oil Palm Development Programme (2026–2032), which aims to develop 100,000 hectares of plantations, create 250,000 jobs, and reduce palm oil imports by US$200 million annually. Ghana is offering structured land banks and inviting investment in plantations, processing, refining, and export-oriented agriculture.

With access to the ECOWAS market of over 400 million people, Ghana is positioning itself as a regional agricultural and industrial hub for West Africa.

Source: https://www.gbcghanaonline.com/news/ghana-invites-chinese-investors-to-drive-industrial-agriculture/2026/

In 2024, Nigeria's agricultural landscape saw a marginal 0.5 percent increase in cultivated land, with at least 20.0 percent of the country's total cropland in active use. While staple crop yields grew slightly (between 0.01 percent and 2.0 percent), this growth failed to translate into household security. Over 50 percent of farming households reported below-average harvests for the 2024 wet season, largely due to the dual pressures of persistent insecurity and climate change in key producing regions. This marginal output growth raises significant concerns regarding the adequacy of domestic food stocks as the country enters the lean season.

Table 7: Food Availability Trends in Nigeria from 2021 to 2024

Year	Food Energy Availability Kcal/person/day US$	Value of Food Production per Capita US$	Intra-ECOWAS Agricultural Food Imports	Intra-ECOWAS Agricultural Food Exports
2021	2543	329.	5,850.075	128
2022	2504	329.5	6,694,719	118
2023	2532	322.4	6,534,777	131
2024	2517	325.8	6,552,658	123

Source: FAO, 2025

Despite a slight improvement in global market supplies following recent harvests, the domestic situation remains critical. Approximately 75 percent of the analyzed rural population have either exhausted their food reserves or will do so before the lean season begins. Looking ahead, food availability faces sustained threats from localised insecurity and the prohibitive cost of essential inputs—including certified seeds, fertilizers, and irrigation. These financial barriers are expected to limit farmer participation in the 2024/2025 dry season, further tightening supply levels at both the household and market scales.

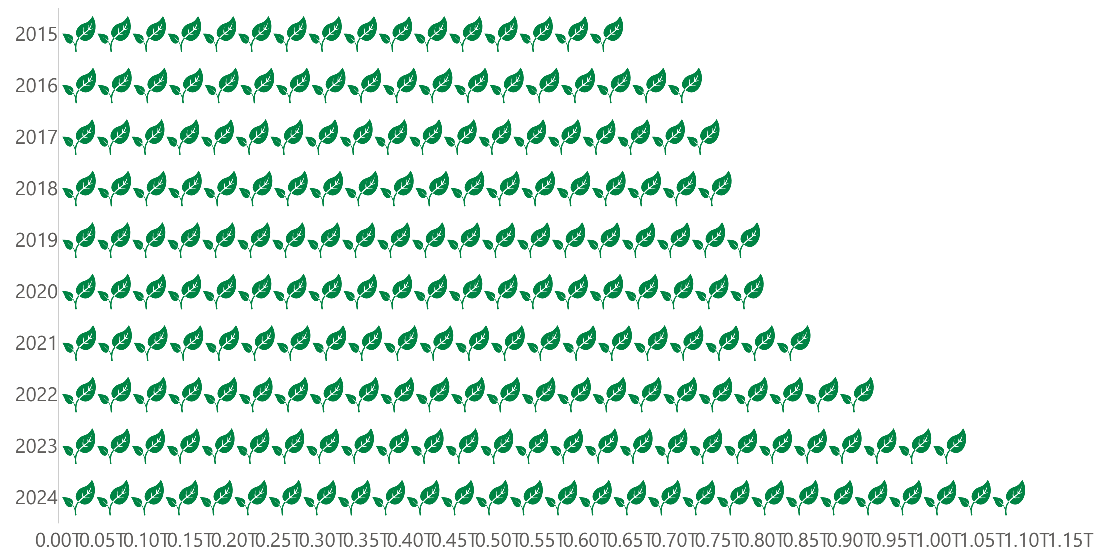
Agricultural vulnerability and food insecurity in northern Nigeria

During the projected period, food availability though may remain stable, will continue to be threatened by insecurity and low stock supplies both at the households and global market levels, spurred by reduced food production activities resulting from low access to farmland and high financial implication for farm inputs (certified seeds, fertilizers, labour wages, irrigation facilities) which will reduce the number of farmers participating in 2024/2025 dry season activities (FAO, 2025).

In Sierra Leone, domestic food production is insufficient, especially for the staple crop rice, which supplies over 60.0 percent of caloric intake. The country produces about 60.0 percent to 70.0 percent of its rice needs in a good year and the deficit is filled by imports. However, agricultural productivity remains low due to heavy reliance on rain-fed farming; limited use of improved seeds, fertilizers, and mechanisation; poor rural infrastructure and post-harvest losses; and underutilisation of fisheries and horticulture for domestic nutrition. The implication is that food is present, but not sufficiently or reliably produced locally, making the country vulnerable to external shocks.

In Togo, between 2015 and 2024, agricultural value added recorded a continuous and sustained increase, from about 644 billion CFA francs to more than 1,101 billion CFA francs, an increase of more than 70.0 percent over the entire period. This dynamic reflects an overall strengthening of the agricultural sector's contribution to the national economy, reflecting the extension of agricultural activities, the gradual improvement in production and the effects of policies to support the sector.

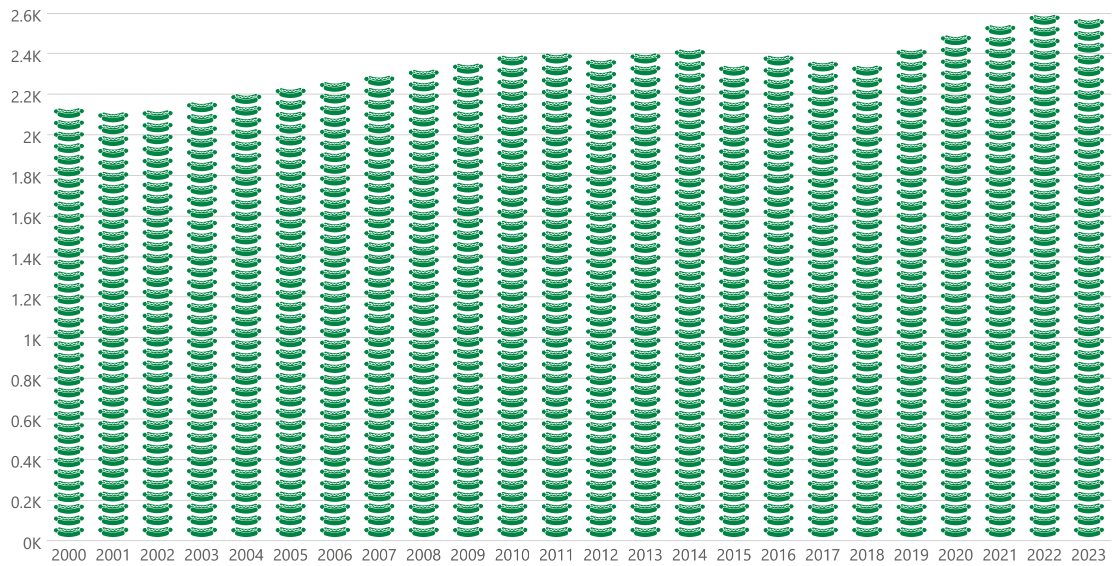
Figure 69: **Agricultural Value Added in Togo from 2015 to 2024**



Source: Togo's Performance Report on the Progress Made in the Implementation of the Malabo Declaration of June 2014 (RPTPDM), 2025

It can be seen from the graph below that caloric rations in Togo have increased from 2145 kcal/person/day in 2000 to 2414 kcal/person/day in 2010 and 2497 kcal/person/day in 2020, above the 2400 kcal/person/day recommended by the FAO. It is, therefore, since 2019 and continuously until 2023 that the FAO standard has been reached, i.e. 2586 kcal/person/day.

Figure 70: Food Availability in Togo from 2000 to 2023 (Kcal/person/day)



Source: Faostat, 2024

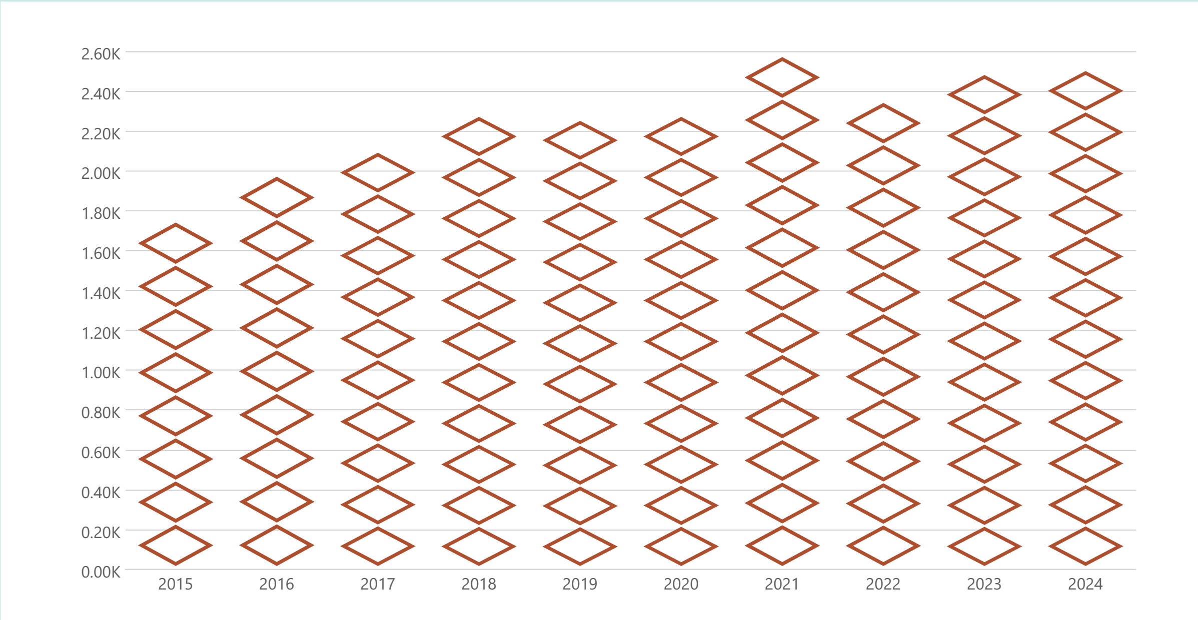
3.4.2. Food Access

Food access is defined as the ability of individuals and households to obtain sufficient food for an active and healthy life, which can be affected by economic and resource limitation. Food access can either be assessed by its physical presence or through the economic means using an individual or household income. While physical access occurs when food is produced at home by the members of the household, the economic access is when food is purchased from outside the home using one's income (FAO, 1997). The physical access process might be through agriculture practice at domestic level and commercial level. The economic access is through the use of one's income to make food available at home. Food access through the economic means is influenced by the interaction of incomes and food prices.

In the face of rising food prices, Benin took strict measures to ensure accessibility of food by its citizens. Regulations, stemming from an interministerial decree dated June 7, 2024, prohibit the export of basic food products from the territory. The soaring prices are justified by the fact that "Many producers and traders are inclined to satisfy the demand for food products from foreign countries to the detriment of the national market". During the first half of 2021, a sharp increase in the retail price of maize was observed. At the end of the first week of February 2021, the price was 245, while it reached 308 at the end of the second week of June of the same year, an increase of 25.7 percent. This observation has led the government authorities of Benin to take measures to ban maize exports to neighbouring countries.

In Ghana, per capita income rose gradually from 2015 to 2021, before falling sharply during the macroeconomic crisis in 2022. Although there has been some recovery in 2023 to 2024, per capita dollar GDP has yet to return to its pre-2022 peak of US$2,579 (Figure 71).

Figure 71: **GDP Per Capita for Ghana from 2015 to 2024 (Current US Dollars)**

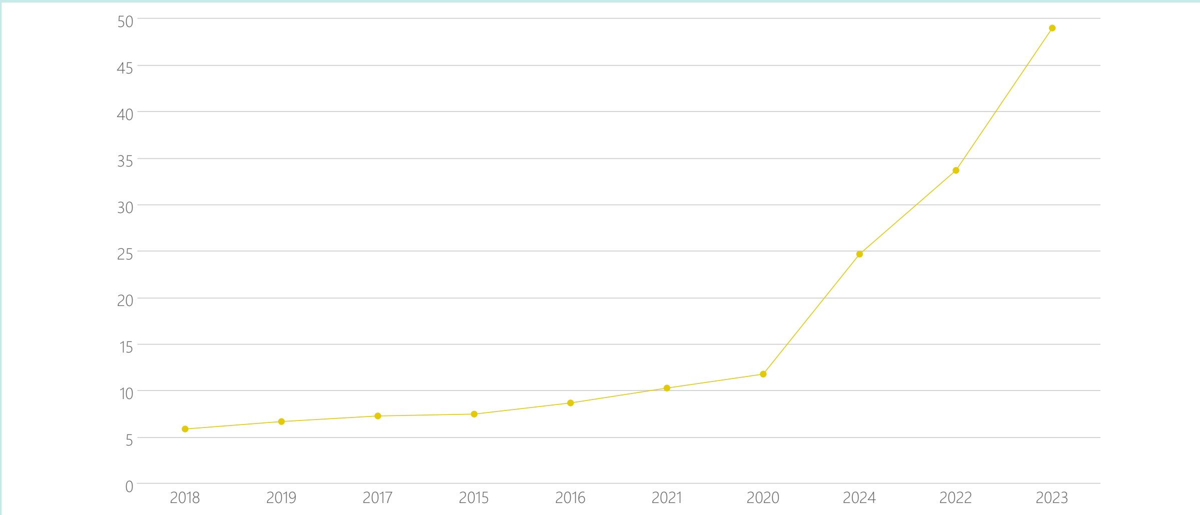


Source: Ghana Statistical Service, March 2025

Furthermore, while food price inflation was relatively stable in 2015 to 2019, it began to accelerate during the COVID-19 pandemic in 2020 and further worsened drastically from 2022 onwards. Thus, food price inflation has been a key barrier to food access in recent years.

Rising food price inflation in ECOWAS region

Figure 72: Average Food Price Inflation in Ghana from 2015 to 2024 (Percent)



Source: Ghana Statistical Service, January 2025

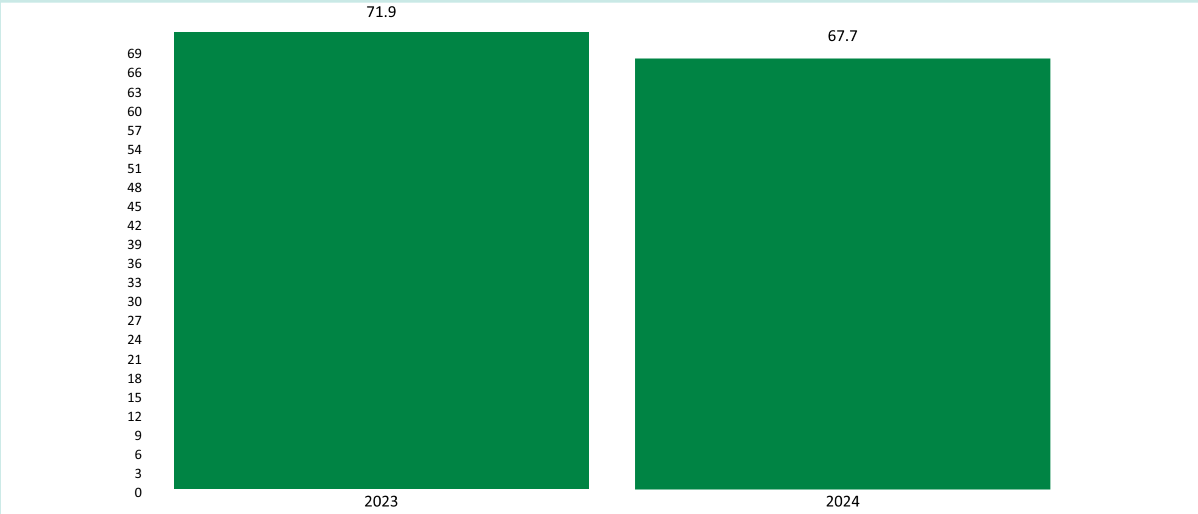
Figure 72 shows that food price inflation was in single digits in 2015 to 2019, but climbed into double digits from 2020 onwards. This upward trend peaked at 49.0 percent in 2023, before easing to 24.7 percent in 2024. Despite this easing, food price inflation remained far above pre-2022 levels. This considerably eroded real incomes and heightened the vulnerability of low-income households to food insecurity.

Comparing the daily cost of a healthy diet (CoHD) to the daily minimum wage underscores the threat high food inflation poses to food access. The CoHD is the minimum cost of foods needed to meet daily nutritional goals recommended in Ghana's food-based dietary guidelines (MoFA, 2025a).

Rising food price inflation

In 2023, the CoHD accounted for 71.9 percent of the minimum wage, and though it fell modestly to 67.7 percent in 2024, the ratio remains critically high (Figure 73). When the cost of meeting basic nutrient requirements consumes most of the daily wage, low-income households are forced to shift toward cheaper, less nutritious foods or reduce food consumption altogether.

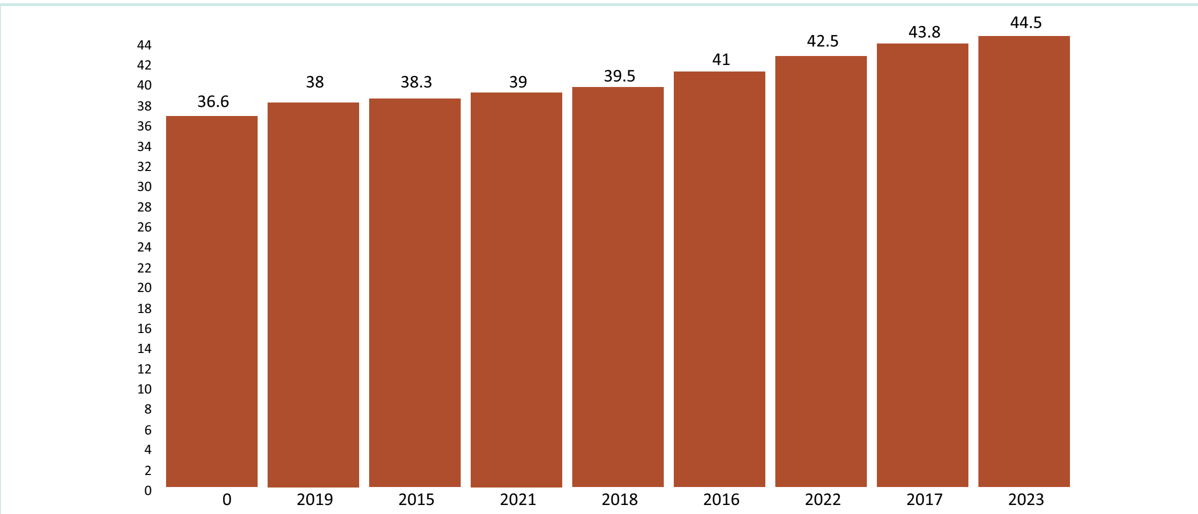
Figure 73: Daily Cost of a Healthy Diet as a Ratio of Daily Minimum Wage in Ghana in 2023 and 2024 (Percent)



Source: Ministry of Food and Agriculture, 2025, Ministry of Finance, 2025

Figure 74 suggests that these developments have driven food insecurity higher in the past few years. After falling in 2018 to 2020, the prevalence of moderate or severe food insecurity rose sharply in 2021 to 2023, affecting 44.5 percent of the population by the end of the period.

Figure 74: Prevalence of Moderate or Severe Food Insecurity in Ghana from 2015 to 2023 (Percent of Population)



Source: FAO, June 2025

In Nigeria, food inflation remained close to 40.0 percent for much of 2024, reducing household purchasing power and widening nutrition gaps, especially among vulnerable populations. In recognition of the severity of the challenge, the President declared a state of emergency on food security in July 2023, placing food access under national security oversight and calling for urgent measures to stabilise supply and ensure affordability. This situation highlights the critical need to reinforce Nigeria's food security architecture. Given Nigeria's central role in regional agricultural trade, particularly within ECOWAS, any prolonged food supply disruptions will not only heighten domestic socio-economic pressures but could also weaken regional food systems and integration efforts.

Despite gains in availability, Nigeria continued to face persistent food access challenges. The proportion of the population living below the food poverty line rose from 44.6 percent in 2021 to 47.7 percent in 2024 while undernourishment increased from 18.0 percent in 2021 to 19.0 percent in 2024. These figures underscore the need for targeted interventions to improve affordability, expand market infrastructure, and enhance income-generating opportunities for vulnerable populations, particularly women, youth, and rural households.

Table 8: **Food Accessibility Trends in Nigeria from 2021 to 2024**

Year	Undernourishment (percent)	Food Poverty Rate	Agricultural Product Price Index	Consumer Price Index (CPI)
2021	18.0	44.6	125.1	354.3
2022	17.0	43.3	141.4	421.1
2023	18.0	45.9	119.8	524.9
2024	19.0	47.7	115.3	452.1

Source: FAO, 2025

Low productivity and limited access to food in Senegal stem primarily from an unfavourable environment: high Sahelian climate variability, unstable and poorly coordinated public policies, and underinvestment throughout value chains. In this context, predominantly rural poverty reduces access to inputs, services, and markets, hindering yields and incomes. Vulnerability worsens, and the country is moving towards an export-oriented food economy (dependent on imports, inputs, and external financing). This export orientation increases exposure to international shocks (crises, price volatility, logistical disruptions), raises food costs, and weakens the competitiveness of local producers, perpetuating a vicious cycle of underinvestment and poor performance. Simultaneously, the institutional architecture remains fragmented:

coordination is primarily reactive (meetings during crises or for isolated projects), and inclusive dialogue platforms are rare and largely ineffective. This limits risk anticipation, policy alignment, and the ability to mobilise private investment at scale.

In Sierra Leone, over 50.0 percent of the population lives below the national poverty line and which poses a considerable economic barrier to food access. Food prices are high and volatile, driven by exchange rate depreciation, global food and fuel price shocks, high transport cost, import dependence. A large share of household income (60.0 to70.0 percent) is spent on food. Thus, even when food is available in markets, millions cannot afford it consistently.

3.4.3. Food Utilisation

Food utilisation (by households in specific population groups) refers to the use that households make of the food to which they have access and individuals' ability to absorb and metabolise the nutrients and the conversion efficiency of the body. Food utilisation depends on: the ways in which food is stored, processed and prepared (including the water and cooking fuel available, and hygiene practices); feeding practices, particularly for individuals with special needs such as young children, infants, the elderly, sick people, and pregnant and lactating women; the sharing of food within the household and the extent to which this corresponds to individuals' nutritional needs – growth, pregnancy, lactation, the elderly, etc.; the health status of each member of the household.

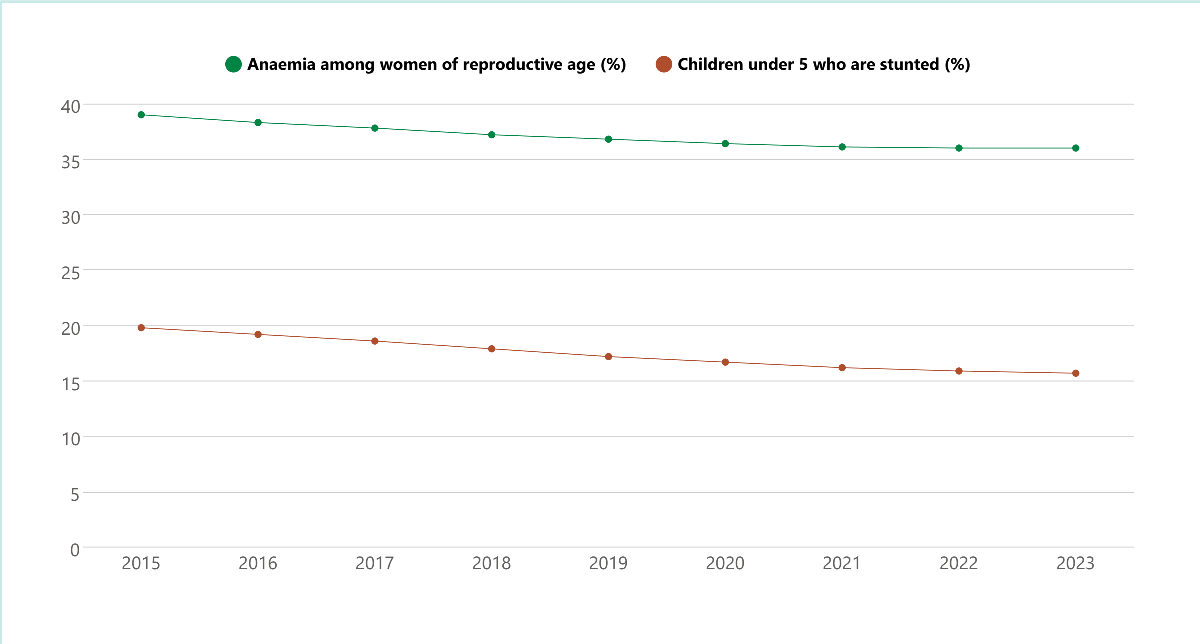
In Côte d'Ivoire, the main constraints to food utilisation (nutritional security) are poverty, social inequalities and socio-cultural pressures, the limited implementation of nutrition education programmes, and the weakness of the institutional mechanism for controlling food safety. Poverty, the primary determinant of nutritional insecurity, hinders access to quality food, leading to low levels of nutritious and balanced diets. Indeed, according to FAO, 25.0 percent of the population in Côte d'Ivoire lacks access to nutritious food, while 70.0 percent lacks access to healthy food based on food expenditure (FAO, 2020).

Furthermore, difficulties in accessing quality food economically limit dietary diversification. Indeed, the analysis of household dietary diversity in the Agricultural Season and Food Vulnerability (SAVA) survey shows that two (2) out of three (3) households have a diet dominated by a high consumption of cereals and tubers at the expense of dairy products, animal proteins, fruits and vegetables (FAO, 2022). One of the major consequences of this low dietary diversity among women and children is malnutrition due to micronutrient deficiencies.


Poor food utilisation practice in ECOWAS Region

In Ghana, despite steady progress, considerable challenges remain regarding the quality of diets, nutrient absorption, and the health environment that enables people to effectively use the food they consume. Women and young children are key nutritionally vulnerable groups that are especially prone to suffer poor food utilisation, driven by factors including inadequate dietary quality, poor health, and poor sanitation.

Figure 75: Prevalence of Stunting and Anaemia in Ghana from 2015 to 2023 (Percent)



Source: FAO, June 2025

Figure 75 offers insights into these challenges by showing that despite both indicators falling over time, the prevalence of stunting among children and the prevalence of anaemia among women of reproductive age remain high. With regard to stunting, a form of chronic undernutrition in children that results in low height for their age, its prevalence among children less than five years old fell from 19.8 percent in 2015 to 15.6 percent in 2023. Notwithstanding this fall, the 15.6 percent prevalence rate is high and suggests that dietary quality remains inadequate for many households.

The prevalence of anaemia among women aged 15 to 49 has also remained elevated, despite a small improvement from 39.1 percent in 2015 to 36.0 percent in 2023. High anaemia levels reflect challenges in dietary quality, particularly deficiencies in iron, folic acid, and other essential micronutrients. Persistent anaemia undermines women's health, increases maternal mortality risks, and negatively affects birth outcomes.

In Guinea, the National Multisectoral Strategic Plan for Nutrition, 2018 has been signed. This was followed by the development of a nutrition and food policy (1994 revised in 2005), the national early childhood policy (1996), the national agricultural investment and food security plan (2013) and the school feeding policy (2013).

Nutrition services are organised for an integrated holistic management of malnutrition, including prevention, active screening, awareness, and management community. Care structures are organised according to the three levels of the health system such as Outpatient Nutritional Recovery Centre for Moderate Individuals (CRENAM), Ambulatory Nutritional Recovery Centre for Severe Patients (CRENAS), and Inpatient Nutritional Recovery Centre (Hospitalisation) (CRENI).

Nigeria made notable progress in food utilisation, with the food diversification index rising from 117.3 percent in 2021 to 123.6 percent in 2024, indicating broader access to varied food groups. However, the prevalence of stunting in children under five remains high at 34.5 percent in 2021 to 36.9 percent in 2024, suggesting that improvements in food variety have not yet translated into widespread nutritional gains. Bridging this gap requires integrated efforts in nutrition education, maternal and child health, water and sanitation, and behaviour change communication.

Table 9: **Food Utilization Trends in Nigeria from 2021 to 2024**

Year	Consumer Price Index (CPI)	Food Diversification	Stunting in Children (%)
2021	354.3	117.3	34.5
2022	421.1	119.9	34.1
2023	524.9	118.5	35.2
2024	452.1	123.6	36.9

Source: FAO, 2025

Table 9 highlights key indicators of food utilisation in Nigeria between 2021 and 2024. The Consumer Price Index (CPI) rose sharply from 354.3 in 2021 to 421.1 in 2022 and further to 524.9 in 2023, indicating sustained inflationary pressure on household consumption, particularly food. Although the CPI declined to 452.1 in 2024, it remained significantly above its 2021 level, suggesting that food affordability challenges persisted despite some easing of price pressures. High food prices during the period likely constrained household access to a balanced diet, especially for low-income groups. The Food Diversification Index showed a generally improving trend, increasing from 117.3 in 2021 to 119.9 in 2022, dipping slightly to 118.5 in 2023, and rising to 123.6 in 2024. This pattern points to a gradual broadening of dietary choices over the period, with the strongest improvement recorded in 2024. However, the modest fluctuations suggest that gains in dietary diversity were uneven and potentially sensitive to price and income conditions.

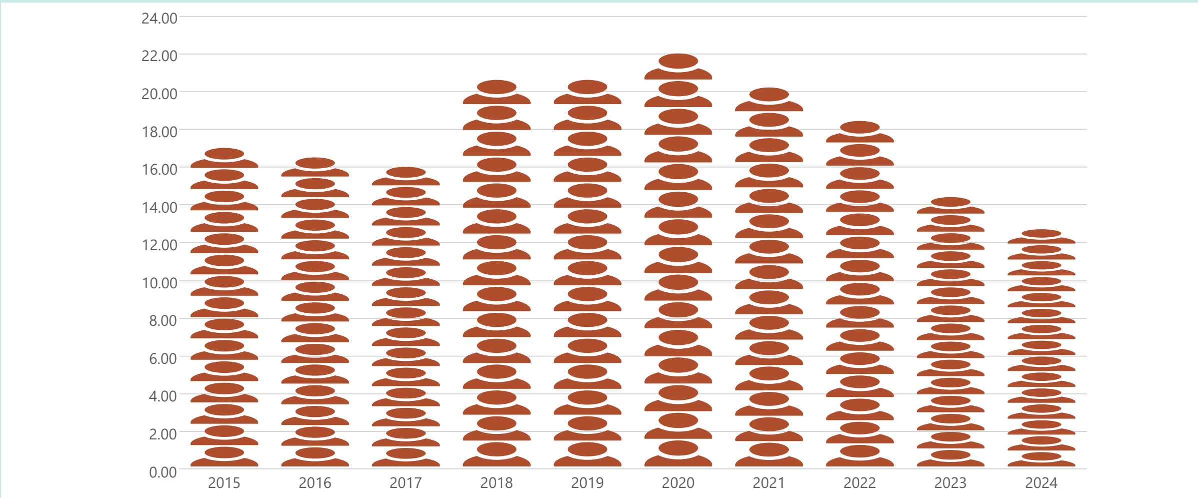
In contrast, stunting among children exhibited a worsening trend in the latter years. After a marginal decline from 34.5 percent in 2021 to 34.1 percent in 2022, the rate increased to 35.2 percent in 2023 and rose further to 36.9 percent in 2024. This upward movement signals a deterioration in child nutrition outcomes, despite improvements in dietary diversity at the aggregate level. The divergence between rising food diversification and increasing stunting underscores persistent challenges in nutrient adequacy, food quality, and effective utilisation, particularly among vulnerable households. The data suggest that while some progress was made in expanding dietary diversity by 2024, high food prices and declining child nutrition outcomes point to continued weaknesses in food utilisation. These trends highlight the need for stronger alignment between food affordability, diet quality, and nutrition outcomes, especially for children and other at-risk groups.

In Sierra Leone, diets are nutritionally inadequate and highly monotonous. Malnutrition remains high, particularly among children under five. Stunting affects roughly 30.0 percent of children under five. Wasting and micronutrient deficiencies (iron, vitamin A) are common due to poor access to safe drinking water, sanitation, hygiene, and quality healthcare. Also, food preparation and storage practices are constrained by energy access and poverty. As a result, calories do not translate into nutritional well-being, especially for children, pregnant women, and lactating mothers.

In Togo, over the period 2015 to 2017, the proportion of the undernourished population improved slightly from 17.1 percent to 16.1 percent, reflecting the initial effects of food security actions. However, between 2018 and 2020, the indicator increased significantly, reaching 22.1 percent in 2020, in a context marked by multiple shocks, including climate, economic and health shocks, which increased household vulnerability. The proportion of the population undernourished has fallen from 20.3 percent in 2021 to 12.8 percent in 2024, a decrease of more than 7.0 percentage points over four years. This positive development reflects the strengthening of interventions in agricultural production, household resilience and access to food.

A view of a children affected by malnutrition

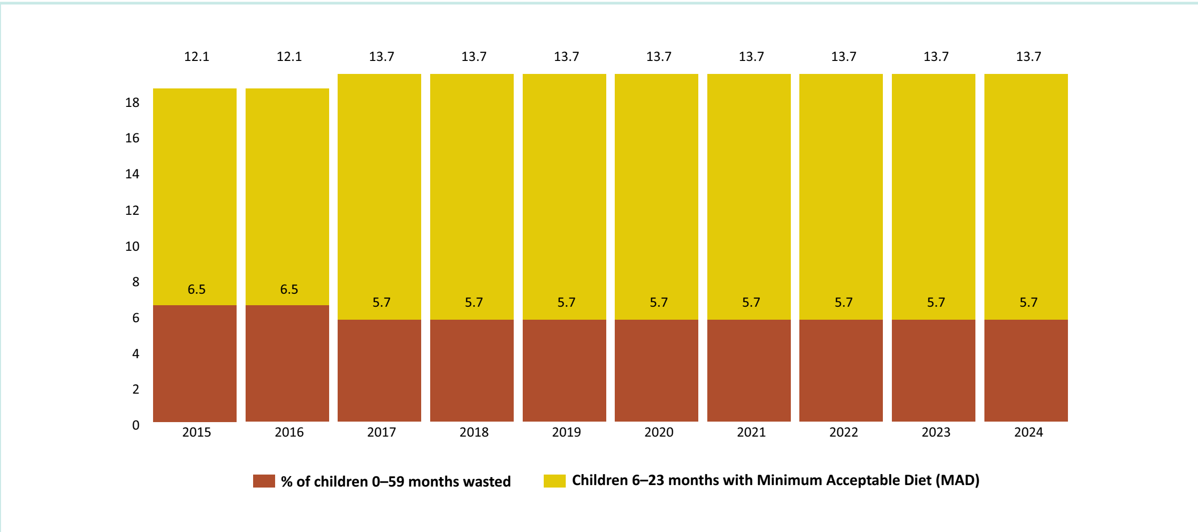
Figure 76: Percentage of Undernourished Population in Togo from 2015 to 2024



Source: RPTPDM, 2025

Overall, these results indicate that, despite periods of increased vulnerability, the efforts undertaken have made it possible to make significant progress in the recent period. Over the period 2015 to 2024, the proportion of children aged 6 to 23 months receiving a minimum acceptable diet (MAD) remains low, although a slight improvement is observed from 2017 onwards. The indicator rose from 12.1 percent in 2015 and 2016 to 13.7 percent in 2017, a level that will remain stable until 2024.

Figure 77: Minimum Acceptable Diet in Togo from 2015 to 2024



Source: RPTPDM, 2025

This suggests that efforts in child nutrition have made modest progress, but this progress is still insufficient to lead to a considerable structural improvement in the quality of young children's diets. The long-term stagnation highlights the persistence of constraints related to economic and nutritional access to diversified and adequate diets.

3.4.4. Food Stability

The concept of food stability refers to the constancy of the other three dimensions of food security that is, the consistency and reliability in food supplies/availability, access, and utilisation; households should not risk losing access to food as a consequence of sudden shocks or cyclical events. Hence, stability involves reducing the risks of adverse effects on the other dimensions of food security. It refers to the temporal dimension of food security and inclusivity; that is, the timeframe during which food security is being considered to the entire given population. Examples include the stability of prices and government policies, constant physical access to markets and agricultural inputs to all.

In The Gambia, the structural and cyclical impacts on food security deepens as years passes. These impacts limit the country's progress toward sustainable agricultural growth and stable food supply. For the structural challenge, agriculture is still highly dependent on rainfed farming and arable land. Food and Agriculture Organisation (FAO, 2023) shows that the irrigated land is less than 5.0 percent of the cultivated land, making a large amount of agriculture production dependent on rainfall which is characterised by variability and frequent dry spells. Low productivity further worsens this situation due to dependence on traditional tools, limited adoption of improved seed varieties and limited fertilizer use. Thus, the yields from key crops such as rice and groundnuts still remain well below regional averages (World Bank, 2022).

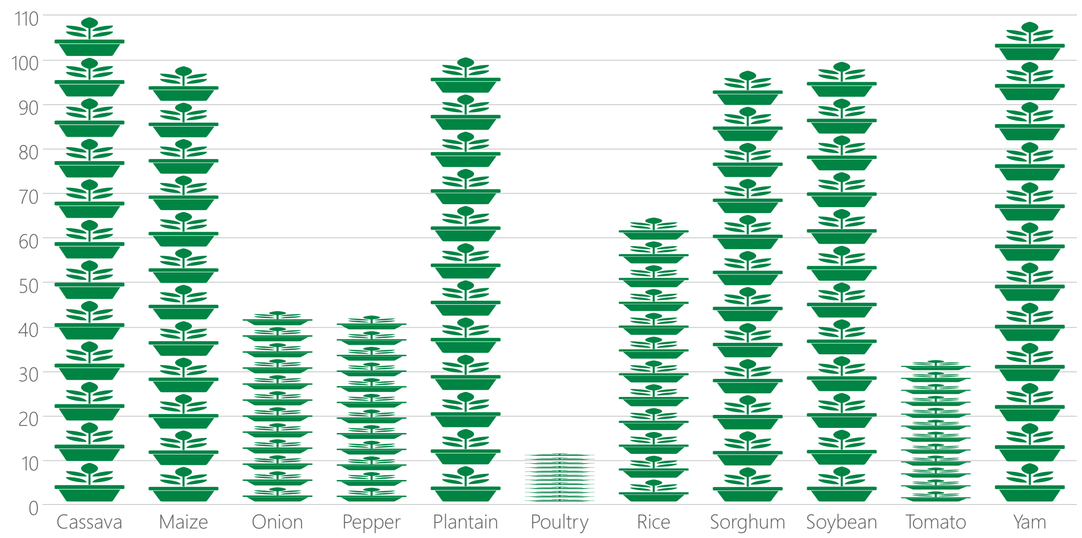
Weak infrastructure is one of the factors that affect food insecurity in the region. International Fund for Agricultural Development (IFAD, 2021) suggest that poor road networks especially in the rural areas and inadequate storage facilities cause high post-harvest losses, reducing the volume of food available in local markets. Farmers suffer from limited access to finance, as commercial banks often view agriculture as a high-risk sector, lowering investment in modern inputs and technology. Furthermore, public spending on agriculture consistently falls below the 10.0 percent Maputo and Malabo target, while coordination and implementation of agricultural strategies such as the Gambia National Agricultural Investment Plan II (2019 to 2026) remain inconsistent (AUDA-NEPAD, 2021).

Rainfed agriculture in ECOWAS region

Other factors that undermine food security is the Cyclical factor. Climate shocks such as erratic rainfall patterns, floods, and droughts frequently hinder crop cycles and damage harvests. These weather-related shock causes food scarcity and high price volatility, especially in rural areas were subsistence farming is prevalent. The country's dependence on imported food, particularly rice, makes it vulnerable to global price fluctuations. Events such as the COVID-19 pandemic and the Russia–Ukraine war triggered price spikes that directly affected domestic food affordability (IMF, 2023).

In Ghana, a number of indicators suggest that food stability is vulnerable to both domestic structural constraints and external shocks. These indicators include food self-sufficiency ratios, cereal import dependency, irrigation coverage, and the rate of land degradation. Food self-sufficiency, which measures the extent to which the country can satisfy its food needs from its own production, varies across the main commodities and products consumed. Figure 78 shows that self-sufficiency ratios for root and tuber crops, such as cassava, yam, and plantain, exceed 100 percent, indicating robust domestic production. In contrast, cereals such as rice, as well as horticultural crops like onions, tomatoes, and peppers, show significantly lower self-sufficiency levels. Poultry self-sufficiency is also low, reflecting a heavy reliance on imported frozen chicken. Low food self-sufficiency drives imports, thereby increasing exposure to global supply disruptions and price and exchange rate volatility.

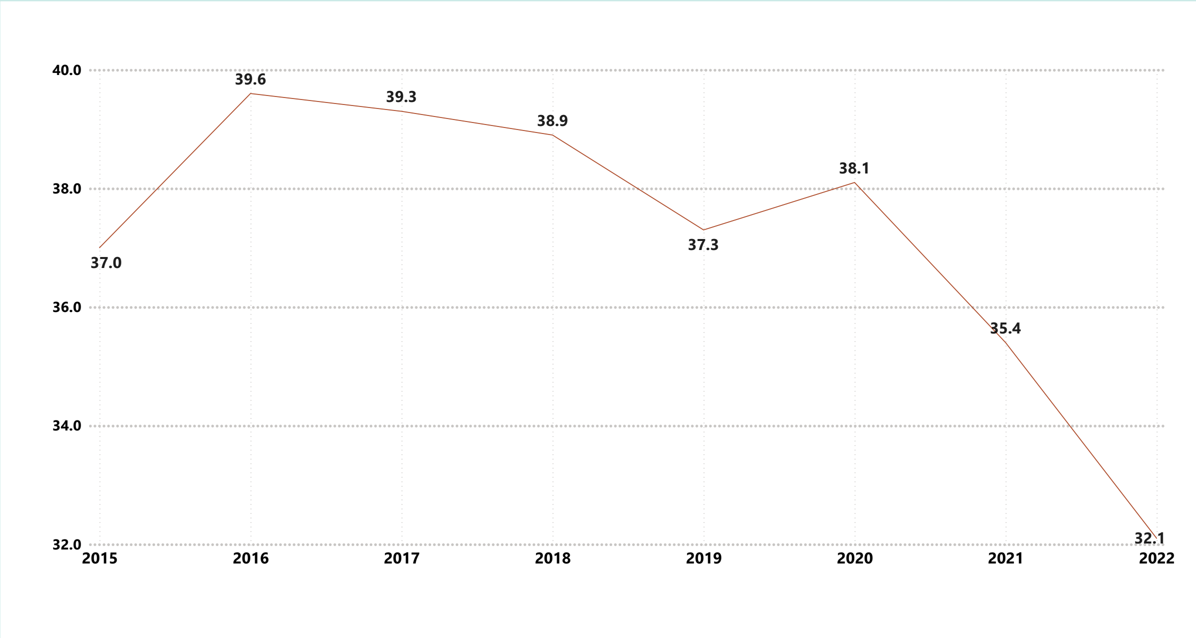
Figure 78: Self-sufficiency Ratios for Key Food Commodities and Products in Ghana in 2024 (Percent)



Source: Ministry of Food and Agriculture, March 2025

Driven by rice imports, the cereal import dependency ratio has been above 30.0 percent since 2015, though it improved from 35.4 percent in 2020 to 32.1 percent in 2022, driven by the post-pandemic global inflation crisis that reduced imports (Figure 79). The high cereal import dependency demonstrates that despite investments under PFJ and related programmes, Ghana has not sufficiently expanded cereal production to keep pace with consumption.

Figure 79: Cereal Import Dependency Ratio in Ghana from 2015 to 2022 (Percent)



Source: FAO, June 2025

Low irrigation coverage at 3.3 percent of cultivated land from 2022 to 2024 (MoFA, 2025b), also puts food stability at risk, since it means that agriculture is overwhelmingly rainfall-dependent. This presents a risk to production stability because rainfall variability causes output variability. In addition, it precludes dry-season production and deepens exposure to climatic shocks (e.g., droughts or delayed rains). Indeed, the dry spell that curtailed growth in crop production in the country in 2024 exemplifies the dangers of excessive rainfall dependence in agriculture.

Accelerating land degradation also points to vulnerable food stability. Between 2015 and 2019, the degraded proportion of Ghana's total land area increased from 3.5 percent to 16.6 percent, indicating a rapid deterioration in soil and land quality (United Nations Convention to Combat Desertification, 2023). Land degradation undermines food stability by reducing the productive capacity of agricultural land, raising the long-term risks of yield decline and food shortages.

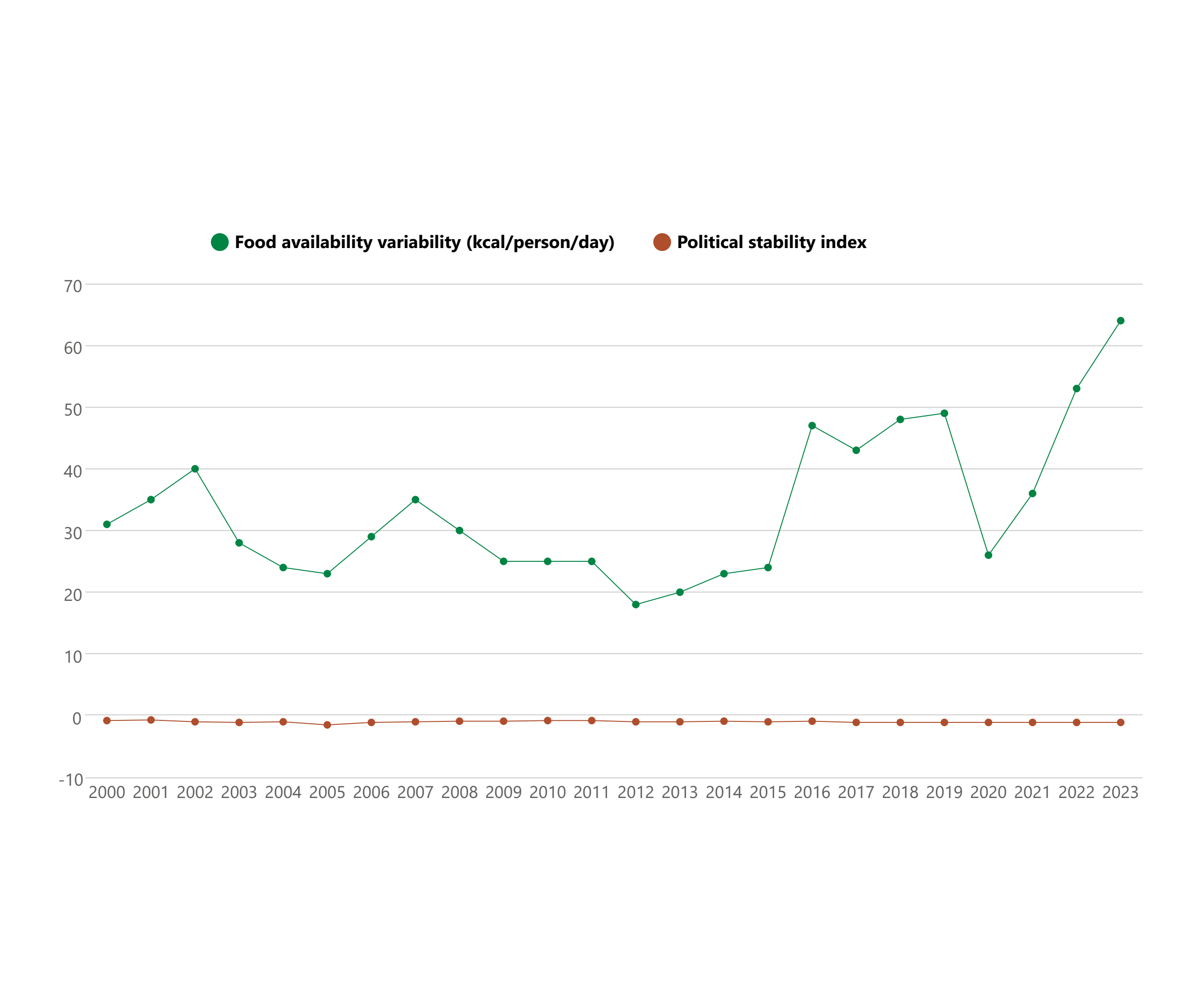
The rising land degradation reflects pressures from deforestation, illegal mining, unsustainable farming practices, and expanding settlement patterns. Regarding illegal mining, its expansion accounted for a large portion of the 160,000 hectares of vegetation that were lost nationally between

2005 and 2019 (Earth Observatory, 2021). Illegal mining's effects include stripping away topsoil, destroying biodiversity, reducing surface and groundwater quality, and generally rendering land unfit for cultivation.

In Togo, the assessment of food stability made use of indicators of output variability, price volatility, and political instability. The variability of per capita food production is very unstable over the study period. Indeed, it was US$5.7 in 2000 and US$7.9 in 2016. On the other hand, between 2005 and 2008, this variability is very small and is around US$2. Togo therefore has a less unstable food situation over this period. In terms of kilo calories consumed, there is a downward trend. This variability fell from 27 to 6 kcal/person/day over the period from 2000 to 2013.

Political stability and absence of violence measure perceptions of the likelihood that the government will be destabilised or overthrown by unconstitutional or violent means, including politically motivated violence and terrorism. It is relatively low over the observation period except for the year 2005.

Figure 80: **Shock Indicators of Food Accessibility in Togo**

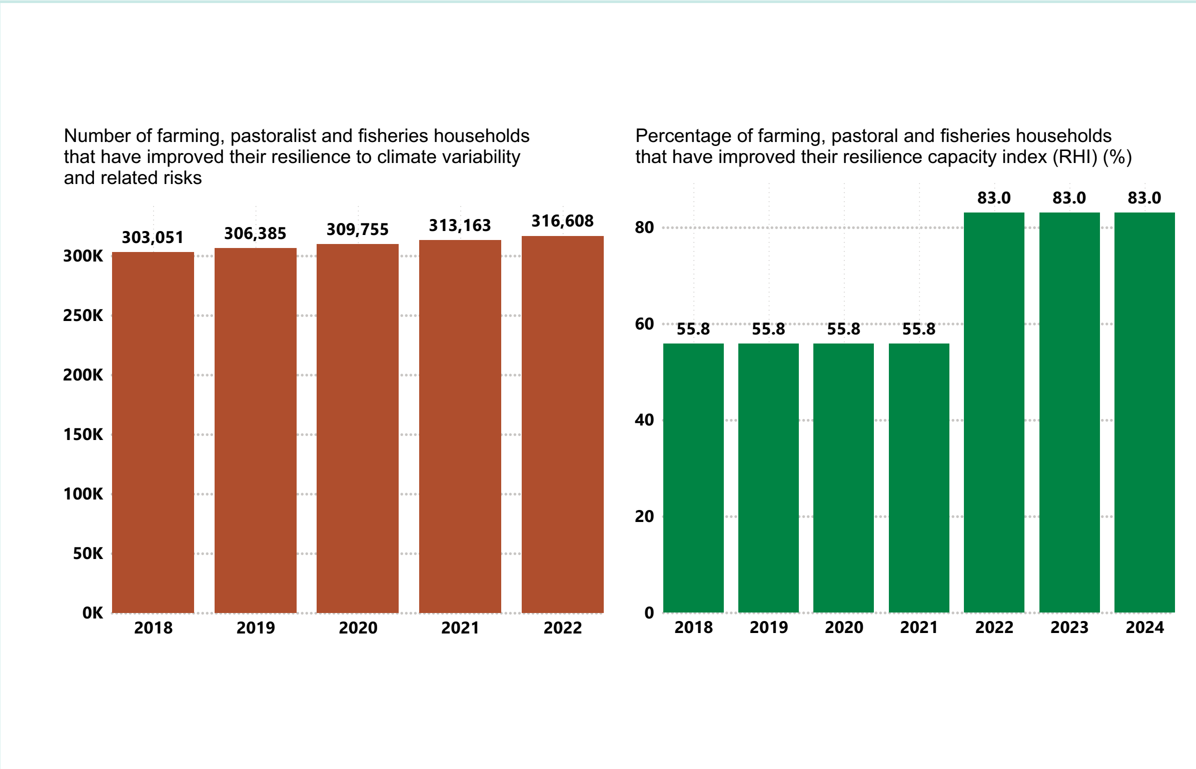


Source: FAOSTAT data, 2025

The data show a steady increase in the number of farming, pastoral and fisheries households that have strengthened their resilience to climate variability. Between 2018 and 2022, this number increased from 303,051 to 316,608 households, reflecting the positive and cumulative impact of the interventions implemented in climate adaptation, risk management and livelihood building.

At the same time, the percentage of households that improved their resilience capacity index (RCI) remained stable at 55.8 percent between 2018 and 2021, before experiencing a significant improvement from 2022 onwards, reaching 83.0 percent, a level that will remain until 2024. This development suggests a marked qualitative strengthening of the effectiveness of the actions undertaken, beyond the mere increase in the number of beneficiaries.

Figure 81: Resilience of Agricultural, Pastoral and Fisheries Households in Togo in the Face of Climate Variability and Related Risks



Source: RPTPDM, 2025

Overall, these results indicate that the policies and programmes deployed have not only gradually expanded the coverage of beneficiary households, but also substantially improved the intensity and sustainability of climate resilience gains, thus contributing to the strengthening of food security and rural livelihoods.

In Senegal, several structural and cyclical factors hinder the achievement of food security and hence food stability. Structurally, the production system remains predominantly rainfed and poorly mechanised, resulting in heterogeneous yields, a consistently negative cereal balance, and high post-harvest losses.

Recent assessments also highlight soil degradation. (approximately 60.0 percent of arable land affected), dependence on rainfall, and insufficient rural infrastructure (storage, roads, refrigeration), all hinder productivity and supply stability. On the demand side, dependence on international markets for staple foods remains high, with 60.0 to 65.0 percent of rice consumption imported (broken rice from India, Thailand, Brazil, and Pakistan), and total food purchases increasing to US$1.9 billion in 2023. While this openness helps bridge the supply-demand gap, it also rapidly transmits price and freight shocks to households. Beyond these factors, threats of instability are economic in nature, including global financial crises, falling international prices for export commodities, and rising global prices for food and energy products (Senegal, 2024) .

Conjunctural factors have, in turn, accentuated these vulnerabilities. The repeated and unprecedented floods in the north and east have affected people, submerged thousands of hectares (irrigated rice, onions, millet/sorghum) and degraded roads, water points and warehouses; these shocks have fuelled the seasonal increase in the need for assistance and disrupted the intra-national flow of harvests. The combination of a rainfed production system (degraded soils, limited post-harvest infrastructure), high dependence on imports (particularly rice), persistent nutritional vulnerabilities, and climate shocks (droughts, floods) keep food security under strain; even when general inflation falls, the balance remains precarious and liable to deteriorate rapidly due to a climatic hazard or a tightening of import conditions.

3.5. CHALLENGES OF FOOD SECURITY IN ECOWAS REGION

Despite progress in agricultural policy and outcomes, the region's food systems face persistent challenges that threaten the availability, accessibility, utilisation, and stability of food supplies. This subsection identifies and analyses the key challenges and threats to food security in ECOWAS region. Poor agricultural infrastructure is a major constraint to making the region food secured. Inadequate rural roads and storage facilities increase transaction costs and cause extensive post-harvest losses. Similarly, the paucity of cold storage and warehousing infrastructure hinders effective food preservation and regional redistribution.

Low access to modern irrigation also remains a critical bottleneck. Dependence on rainfed systems leaves farmers highly exposed to weather variability. Weak transport links between production zones (particularly the north) and urban consumption centres further constrain market integration and exacerbate regional disparities in food availability and prices. Improving logistics and infrastructure is thus essential for ensuring both food stability and affordability. Weak infrastructure is one of the factors that affect food insecurity in the region. International Fund for Agricultural Development (IFAD, 2021) suggest that poor road networks especially in the rural areas and inadequate storage facilities cause high post-harvest losses, reducing the volume of food available in local markets. Farmers suffer from limited access to finance, as commercial banks often view agriculture as a high-risk sector, lowering investment in modern inputs and technology.

Another structural threat to food security is dependence on imported food staples, particularly rice, wheat, poultry, and edible oils. This dependence exposes the region to global supply disruptions and foreign exchange pressures. The Russia–Ukraine war vividly demonstrated this vulnerability, as disruptions in grain, edible oil, and fertilizer supplies led to sharp domestic price hikes. While most government initiatives aim to promote domestic rice self-sufficiency, implementation has been hampered by low public investment, high production costs, and limited milling capacity.

Episodes of high inflation, currency depreciation, and fiscal stress directly affect the affordability and availability of food. Currency depreciation also raised the cost of imported inputs such as fertilizers, pesticides, and machinery, reducing farmers' access to essential production resources. Persistent fiscal constraints curtail government capacity to finance agricultural subsidies and social protection programmes. This disrupted input supply chains and reduced farmers' confidence in the programme. Together with high inflation, these fiscal challenges underline the interdependence between macroeconomic stability and food system resilience. Unless the region achieves sustained macroeconomic stability through prudent fiscal management, diversified exports, and stable exchange rates; periodic price shocks will continue to erode household purchasing power and aggravate food insecurity, especially among poor populations.

While urbanisation can stimulate agribusiness development and market demand, it also heightens dependence on food imports and raises the risk of urban food insecurity. The cost-of-living crisis experienced across the region, revealed how urban poor households are particularly vulnerable to food price inflation, with rising transportation and rent costs compounding affordability issues. Moreover, the expansion of urban settlements often leads to the conversion of fertile agricultural lands around major cities for housing and industrial purposes. This trend threatens peri-urban food production and reduces the land available for vegetable and grain cultivation.

Russian-Ukraine War

Rising temperatures, erratic rainfall, and increasing frequency of droughts and floods disrupted agricultural cycles. Average annual temperatures rose from 26.6°C in the 1960s to 27.4°C in 2006 to 2015, with rainfall patterns becoming increasingly unpredictable. Climate-induced stresses have the potential to reduce yields for most staple crops, including maize, millet, sorghum, and rice. Also linked to climate change are flooding events which destroy farmlands and displace farming communities in the region. Likewise, prolonged dry spells intensify desertification and soil infertility. Without considerable adaptation measures like improved irrigation, drought-resistant seed varieties, and climate-smart agriculture, the productivity of rain-fed agriculture, which accounts for over 90 percent of farms, will decline.

Environmental degradation also poses serious threats. Deforestation, driven by logging, charcoal production, and illegal mining, accelerated land erosion and reduced water availability for farming. Illegal mining, in particular, has expanded and taken over farmlands, threatening food production. It has worsened contamination of rivers, compromising water quality for farming and livestock production. Furthermore, it has drawn youth labour in many rural communities away from farming. If left unchecked, this crisis could weaken the region's agricultural potential and long-term food security.

Insecurity in the Sahel poses additional threats in the region. Cross-border conflicts disrupt trade and displace populations into Benin, Côte d'Ivoire, Ghana, Senegal and Togo, placing further strain on local food systems. These threats indicate the need for regional coordination under ECOWAS to strengthen early warning systems, maintain food reserves, and ensure free movement of essential commodities during crises.

Furthermore, public spending on agriculture consistently falls below the 10.0 percent Maputo and Malabo target, while coordination and implementation of agricultural strategies such as the Gambia National Agricultural Investment Plan II (2019 to 2026) remain inconsistent (AUDA-NEPAD, 2021).

Deforestation in Côte d'Ivoire

3.6. EFFECTS OF FOOD SECURITY CHALLENGES ON ECOWAS INTEGRATION

Food security and regional integration are closely interlinked. ECOWAP positioned food security as a foundation for economic cooperation and political stability. Consequently, the region's food security challenges have important implications for trade, macroeconomic convergence, and policy coordination.

Regional food trade and market integration involve reducing trade barriers (tariffs, non-tariff, and regulatory hurdles) among Member States to foster a more unified and efficient regional market. This enhances food security by smoothing supply fluctuations, reducing price volatility, strengthening regional value chains, and promoting economic growth through increased intra-regional trade. One of ECOWAS's core objectives is to promote a common market through the free movement of goods, including agricultural products. However, domestic food insecurity has often led to restrictive trade practices that hinder regional integration.

A key restriction is export bans in some ECOWAS Member States during domestic food shortages and/or increasing food price inflation. For instance, in 2021 and 2022, when domestic food availability came under pressure from global supply chain problems and the Russia–Ukraine war, some ECOWAS Member States imposed export bans on key staples like maize, rice, and soybeans. For instance, Nigeria's land border closure in August 2019 to curb smuggling and boost local production caused high food inflation and economic hardship, leading to a shift towards stricter, tech-driven border monitoring.

Similarly, in 2022, the Bank of Ghana announced restrictions on foreign exchange market intervention for the importation of certain goods, including rice, poultry, vegetable oil, pasta, and fruit juice. The restrictions were aimed at preserving scarce foreign currency and stimulating domestic production. Nevertheless, such protectionist measures, however well-intended, undermine ECOWAS's goal of a unified regional food market.

Severe food price inflation in the region affects macroeconomic convergence within ECOWAS. With food accounting for a large share of household expenditures, particularly among poor and vulnerable groups, rapid inflation triggers macroeconomic disturbances, reduces real GDP growth, and erodes real incomes. This complicates macroeconomic policy coordination with neighbouring countries.

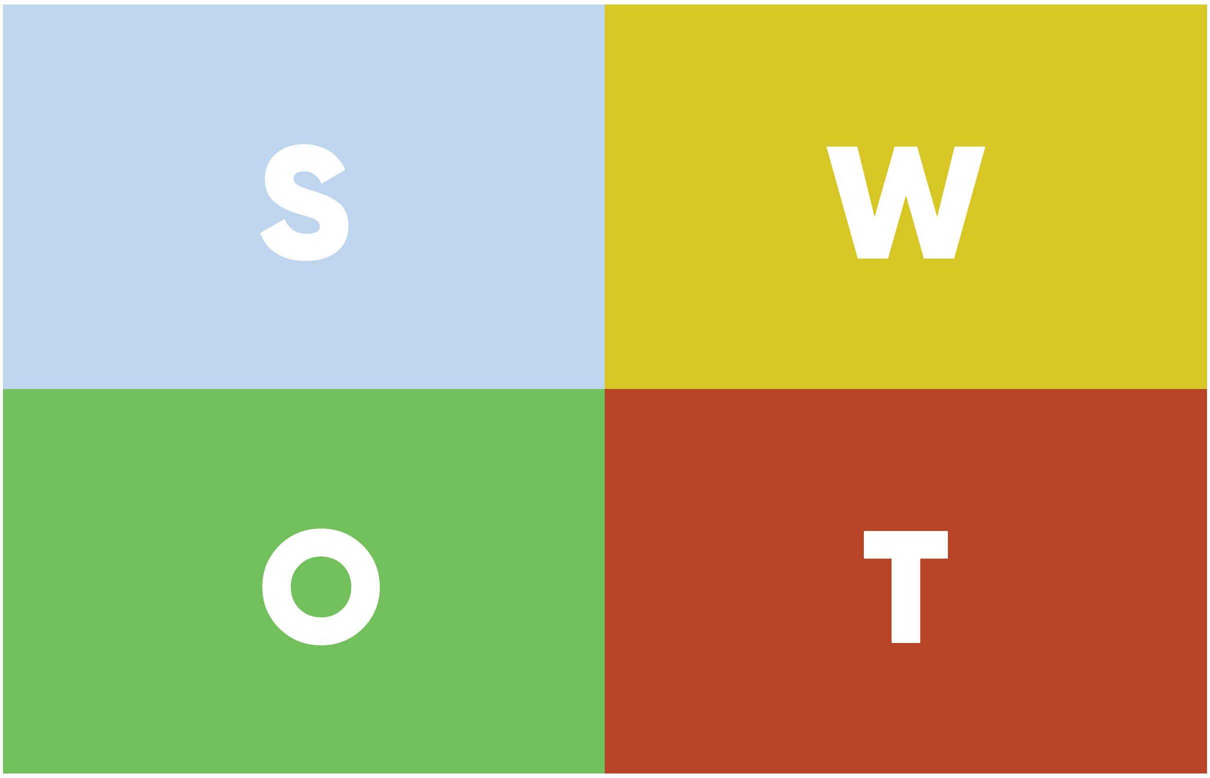
For example, in 2022, when inflationary pressure in the region was very high, only one out of twelve Member States met the convergence criterion on inflation. However, as the region's inflationary pressure eased, the number of Member States that met the criterion on inflation rose from 3 in 2023 to 6 in 2024. During this period (2022 to 2024), many Member States failed to meet other macroeconomic convergence criteria. For instance, the number of Member States that met the criterion on the budget deficit increased from three (Cabo Verde, Guinea and Liberia) in 2023 to four (Benin, Cabo Verde, Guinea and Liberia) in 2024. This implies that in 2023, only three Member States met the criterion on budget deficit. This was due to the high inflationary pressure in 2023. Ghana, for instance, missed all six regional macroeconomic convergence criteria, a deterioration from 2021, when the country met three criteria (WAMA, 2023). Thus, ECOWAS's ambition to achieve macroeconomic convergence is undermined when major economies like Ghana experience persistent, food-driven inflationary pressures.

A key ECOWAS initiative to address collective food insecurity is the Regional Food Security Reserve (RFSR), operationalised in 2013. The Reserve provides emergency food assistance in response to localised crises while complementing national reserves. A good number of Member States have actively participated in this initiative, hosting national food stock facilities and contributing data to the ECOWAS Regional Agricultural Information System (ECOAGRIS).

Participation in the RFSR has enhanced Member States' institutional alignment with ECOWAS standards for food security monitoring, data harmonisation, and crisis management. The integration of the National Food Buffer Stock Company (NAFCO) in Ghana, which hold Member States' food reserves, into the framework is an example of this policy convergence. However, domestic food constraints limit Member States' ability to contribute meaningfully to the regional reserve. For instance, during 2021 and 2022, internal shortages of maize and rice made it difficult for Member States to meet their commitments to the RFSR.

The ECOWAS agricultural integration framework emphasises policy convergence among Member States through ECOWAP and the Malabo Declaration commitments. In principle, Member States' national agricultural investment plans were aligned with ECOWAP's principles of food sovereignty, market integration, and resilience. However, in practice, policy coordination has been weak. National programmes in Member States have focused primarily on domestic production, with limited attention to regional supply chains. This inward orientation, though justifiable from a national food security perspective, reduces opportunities for economies of scale and specialisation across ECOWAS. Moreover, low agricultural investment constrains Member States' ability to drive regional agricultural transformation.

Drought-affected farmland highlighting threats to food production



3.7. SWOT ANALYSIS OF THE FOOD SECURITY POLICY AND INSTITUTIONAL ARCHITECTURE

The SWOT analysis of the food security architecture in the ECOWAS region shows that the region:

a. Possesses significant assets and strengths, particularly in terms of productive resources: arable land, irrigation potential, the diversity and complementarity of agroecological zones between the dry northern fringes (Desert and Sahel) and the more humid Sudanese and subtropical zones of the South; a vast market with increasing purchasing power due to the rising purchasing power of a growing segment of consumers; and consensus-based policy choices (ECOWAP).

b. Address a number of constraints (structural weaknesses), including infrastructure and support facilities for the ASPH sector's development; high logistics costs; persistent non-tariff barriers; low productivity; market instability; low levels of product processing; and insufficient price-quality competitiveness of local products in domestic markets.

c. Develop innovative strategies to capitalize on opportunities for strengthening domestic food systems: digitalization, AfCFTA, other external markets for local products, potential access to climate funds, promotion of climate-smart agriculture.

d. Prevent or effectively address numerous threats: insecurity, climate change, and the growing imperfections of international markets.

Table 10: SWOT Analysis of the Agricultural Sector and Food Security in the ECOWAS Region

Strengths	Weaknesses
• Availability of arable land • Room for productivity improvement, • Availability of water resources • Great diversity and complementarity of agroecological zones • Existence of a market of nearly half a billion consumers • Existence of a Common Agricultural Policy (ECOWAP) • Existence of regulations promoting the free movement of production factors and agri-food products • Increased capacity of research to generate technological innovations • Existence of financing mechanisms and schemes for the agri-food sector • Rise of regional agri-food companies • The existence of a robust tool for assessing vulnerability to food and nutrition security: the harmonized framework.	• Inadequate infrastructure and support facilities for the development of the public health sector, • High logistics and transaction costs • Persistence of non-tariff barriers and other anomalous practices that drive up production costs • Low productivity in the agrosilvopastoral and fisheries sectors, • Instability of agri-food markets (fluctuation and volatility of agricultural products) • Limited processing, standardization, and certification of products • Insufficient price-quality competitiveness of local products in domestic markets
Opportunities	**Threats**
• The growing digitalization of many activities • The emergence of the AfCFTA • Expansion of non-African markets for products (AGOA, China, etc.) • Potential access to climate, green, and adaptation funds, etc. • Promotion of climate-smart agriculture to improve productivity and risk management • Growing interest from private investors in the West African agri-food sector	• The spread of insecurity, • Climate change, • Growing imperfections in international markets; • The stalemate in international trade negotiations on agriculture;

3.8. CONCLUSION

Analysis of the different dimensions of food security in all ECOWAS Member States indicates an improvement in the “availability” dimension due to national efforts to develop food value chains and the intensification of intra-regional agricultural trade, which supplies local markets. However, an examination of the “economic accessibility and utilisation” dimensions reveals a prevalence of food insecurity among poor households. Therefore, programmes aimed at strengthening social inclusion and reducing multidimensional poverty, including food poverty, should complement policies for developing food value chains to achieve full food security.

CHAPTER **04**

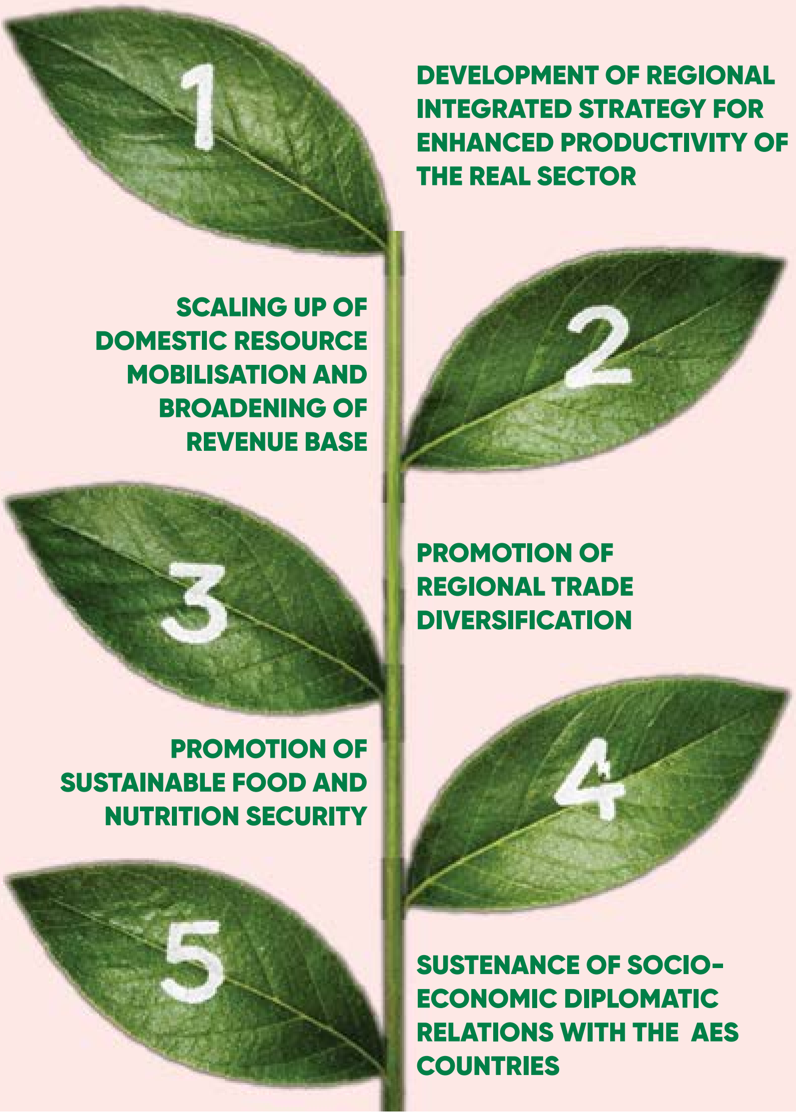
GENERAL CONCLUSION AND RECOMMENDATIONS

4.1. GENERAL CONCLUSION

The analysis of recent economic performance from global and regional perspective shows that the global economy demonstrates a better GDP growth and easing of inflationary pressure. At ECOWAS region, the economic performance of Member States varied as a result of differences in policy choices, sectoral structures, exposure to climate and security shocks, and reliance on external financing. Indeed, economic prospects is positive, with improved economic development projection. This will be driven by increased infrastructural investment, the recovery of real sector performance and energy production. In terms of food security in ECOWAS Member States, the improvement in the "availability" dimension is the result of national efforts to develop food value chains and the intensification of intra-regional agricultural trade, which supplies local markets. However, an examination of the "economic accessibility and utilisation" dimensions reveals a prevalence of food insecurity among poor households.

Based on these findings, the following recommendations are made:

4.2. RECOMMENDATIONS



DEVELOPMENT OF REGIONAL INTEGRATED STRATEGY FOR ENHANCED PRODUCTIVITY OF THE REAL SECTOR

ECOWAS Commission should:

i. Promote a sustainable positive GDP growth rate through promotion of agri-business, industrial and digital transformation strategies;

ii. Encourage Member States to accelerate the implementation of regional strategies including ECOWAP, ECOWAS Common Industrial Policy (ECOCIP) and ECOWAS Digital Sector Development Strategy and the ECOWAS Regional Climate Strategy 2022-2030 through technical and financial supports;

iii. Promote vertical and horizontal value chains through the development of comprehensive regional strategies;

iv. Develop digital business information portal for enterprises development;

v. Develop an automated regional commodity market, linking all commodity markets in ECOWAS Member States.

Member States should:

i. Strengthen existing industrial parks to develop agri-business, industrial and digital transformation;

ii. Increase allocation of resources for effective implementation of regional strategies especially the ECOWAP, ECOCIP and digital transformation;

iii. Develop digital business information portal for the promotion of regional value chain;

iv. Accelerate the industrial processing of agricultural commodities and promote trade diversification through full implementing of the AfCFTA and the Trade Liberalisation Scheme (TLS);

v. Establish or Strengthen the functionality of commodity market.

SCALING UP OF DOMESTIC RESOURCE MOBILISATION AND BROADENING OF REVENUE BASE

Member States should:

i. Accelerate the formalization of the informal sector;

ii. Enhance domestic resource mobilisation by tightening tax compliance, eliminating loopholes, and optimising the administration of exemptions and waivers;

iii. Broadening the property tax base through land registry modernisation and digitisation;

iv. Improve the efficiency of public expenditure by complying with fiscal rules and aligning with national priorities.

PROMOTION OF REGIONAL TRADE DIVERSIFICATION

ECOWAS Commission should:

i. Develop regional mitigation strategies promoting the reorientation of regional trade towards other regional markets within the framework of the AfCFTA;

ii. Encourage Member States to develop both fiscal and financial buffers for the management of internal and external shocks;

iii. Develop regional strategy to boost the capacity of Member States in the management of external shocks;

iv. Promote technology transfer and knowledge sharing among Member States to enhance productivity, innovation, and inclusive socio-economic development.

Member States should:

i. Diversify export markets and promote local production to strengthen economic resilience against trade disruptions;

ii. Scale up investment in agro-processing to drive value addition and position agricultural products competitively in global markets;

iii. Provide targeted support to SMEs to improve compliance with international trade standards and facilitate access to global markets;

iv. Prioritize technology transfer and knowledge sharing among Member States to enhance productivity, innovation, and inclusive socio-economic development.

PROMOTION OF SUSTAINABLE FOOD AND NUTRITION SECURITY

ECOWAS Commission should:

i. Encourage Member States to honour the commitment of allocation of 10 percent of annual budget to agriculture and rural development;

ii. Strengthen the mechanism of monitoring the transparency and accountability of budgeted fund to agriculture and rural development;

iii. Encourage Member States by providing support in the implementation of Lome Declaration on fertilizer and soil health.

PROMOTION OF SUSTAINABLE FOOD AND NUTRITION SECURITY

Member States should:

i. Scale up the allocation of 10 percent of national budget to agriculture and rural development in accordance with the Kampala Declaration;

ii. Encourage both public and private investment for the rehabilitation of hydro-agricultural infrastructure and the development of agro-industrial hubs;

iii. Promote a blended approach that integrates agro-ecology with climate-smart agriculture and appropriate technologies;

iv. Strengthen inclusive agricultural systems by improving land governance through secure tenure and digital registries;

v. Expand access to blended finance, promoting farmer cooperatives and aggregation models, and introducing risk-sharing mechanisms to enhance smallholder access to credit, inputs, and markets;

vi. Strengthen the capacity of national committees and laboratories to certify compliance with international Sanitary and Phytosanitary (SPS) standards for food production;

vii. Provide storage and conservation facilities and technical support to minimise post harvest loss.

SUSTENANCE OF SOCIO-ECONOMIC DIPLOMATIC RELATIONS WITH THE AES COUNTRIES

ECOWAS Commission should:

i. Enhance regional infrastructure connecting the ECOWAS Member States to AES countries by strengthening maritime and land routes;

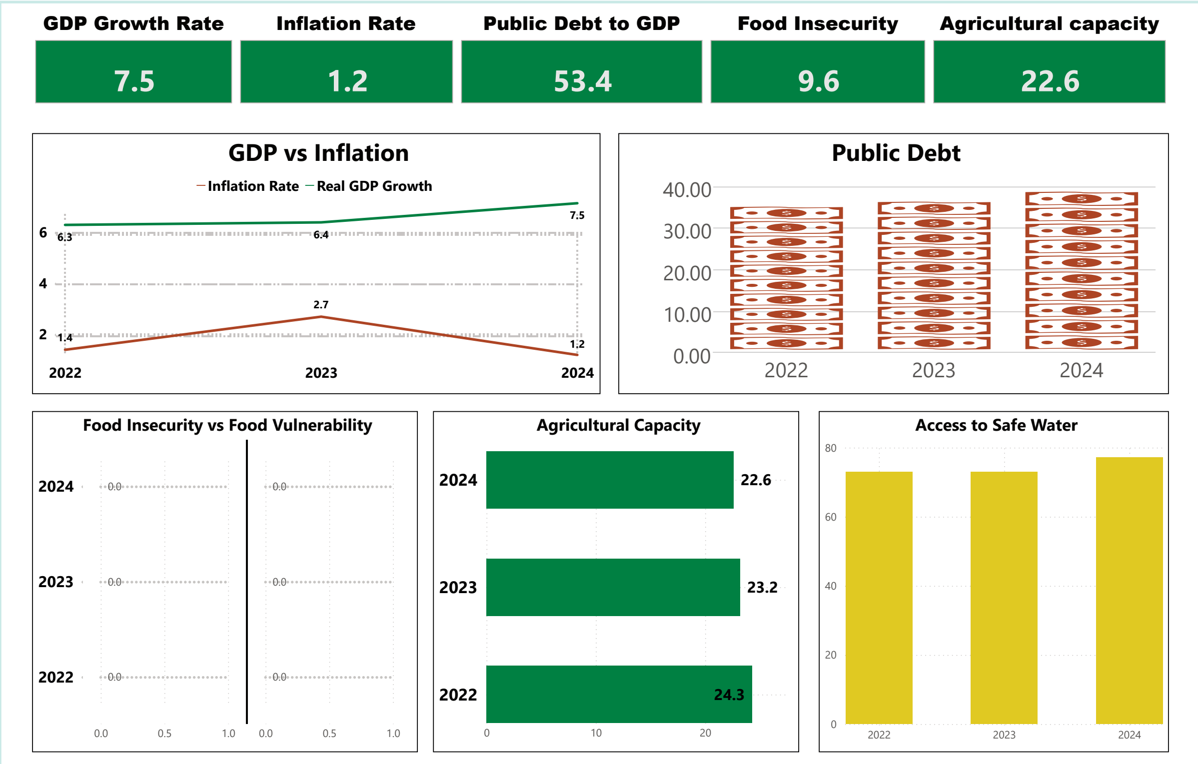
ii. Continue to strengthen economic diplomacy with AES countries to maintain protocols on the free movement of goods and people;

iii. Strengthen social, economic and political cooperation among ECOWAS Member States and AES countries with a view to improving the security situation and cross-border trade;

iv. Undertake high level political engagement leveraging on WAMU and the AfCFTA framework, to facilitate the reversal of the 15.0 percent tariff on cocoa and various agricultural products imposed by the AES countries.

MEMBER STATE NOTES

Benin



Economic Performance

Benin's economic growth increased from 6.3 percent in 2022 to 6.4 percent in 2023 and 7.5 percent in 2024, driven mainly by tertiary sector activities. On the demand side, higher net exports, strong private consumption, and private investment supported growth. Supply-side expansion was led by the agri-food and manufacturing industries.

Inflation rose from 1.4 percent in 2022 to 2.7 percent in 2023 before dropping to 1.2 percent in 2024, aided by robust agricultural performance. Export services, particularly tourism, surged from 0.9 percent in 2023 to 8.0 percent in 2024, bolstering economic resilience.

Total revenue to GDP including grants rose from 14.3 percent in 2022 to 15.0 percent in 2023 and 2024, reflecting stronger tax collection and base broadening. Total expenditure to GDP declined from 19.8 percent in 2022 to 19.2 percent in 2023 and 18.0 percent in 2024 due to expenditure rationalisation and recurrent spending control, while capital spending remained supportive of growth. Public debt to GDP increased slightly from 54.0 percent in 2022 to 54.5 percent in 2023 before declining to 53.4 percent in 2024, reflecting moderated fiscal deficits, improved growth, and prudent debt management.

Economic Outlook

Real GDP growth is projected at 7.5 percent in 2025, 2026 and 2027. Inflation is expected at 1.2 percent in 2025, rising to 2.0 percent in 2026 and 2027. Secondary sector growth is forecast at 9.0 percent, driven by construction and agro-industry, while services benefit from trade, tourism, and telecommunications expansion. The primary sector is expected to grow 5.5 percent through productivity reforms, supporting broad-based poverty reduction. Fiscal deficits are projected to remain below the 3.0 percent of GDP WAEMU benchmark through 2027, slowing debt accumulation.

Downside risks include the temporary suspension of USAID funding, potentially affecting health, education, agriculture, and governance projects, which could weaken productivity and investor confidence. Global tariff hikes may reduce export competitiveness, disrupt supply chains, increase import costs, and exert inflationary pressures, though they may also encourage diversification. At the Port of Cotonou, the closure of borders with Niger and ECOWAS sanctions are reported to have affected transit traffic, which was largely destined for that country. In 2023, overall cargo traffic recorded a decline of 20.4 percent. This decrease is also explained by a significant drop (over 50 percent) in transshipment activities, linked to the evolving activity dynamics at the Lekki Port.

Food Security

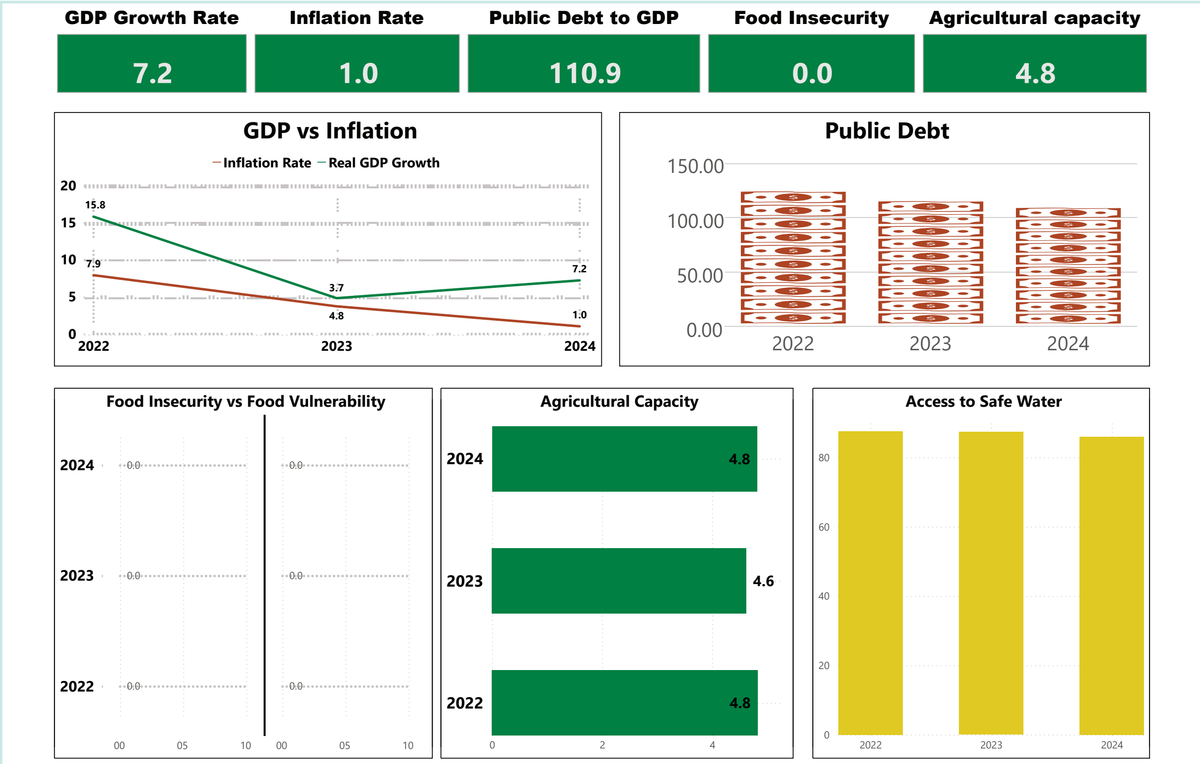
Food security remains constrained by reliance on subsistence agriculture and structural vulnerabilities to climate shocks and price volatility. Rural populations face higher insecurity due to poverty, low education, limited market access, and production risks from land degradation, flooding, and drought. Overall food security improved modestly from 89.0 percent in 2013 to 90.4 percent, yet 9.6 percent of the population remains food insecure, including 0.7 percent (≈80,000 people) severely food insecure. Gains reflect a 10.0 percent rise in acceptable consumption relative to 2013, but household resilience has weakened as over 65.0 percent of budgets are spent on food, prompting crisis or emergency coping strategies. Nutrition quality remains low, with a dietary diversity score of 46.3 over 2022 to 2024.

Government measures include trade controls, such as the July 2021 grain export ban and the June 2024 suspension of basic food product exports amid rising prices and cross-border demand. Maize prices rose 25.7 percent between February and June 2021 (from 245 to 308 FCFA/kg), highlighting the need for stronger stabilisation measures alongside market monitoring.

Recommendations

1. Expand irrigation and water-control infrastructure, promote climate-smart agriculture, and invest in research, technology transfer, and farmer training.
2. Accelerate mechanisation via subsidies, shared equipment, cooperatives, and public–private partnerships; strengthen agro-processing, certification, and agribusiness development.
3. Improve storage, cold-chain systems, rural infrastructure, and feeder roads; foster regional market integration to reduce post-harvest losses and enhance trade efficiency.

Cabo Verde



Economic Performance

Cabo Verde recorded a volatile yet resilient growth path from 2022 to 2024, with real GDP growth of 15.8 percent in 2022, moderating to 5.4 percent in 2023, and rising to 7.3 percent in 2024. Average annual inflation fell from 5.3 percent in 2022 to 3.7 percent in 2023 and 1.0 percent in 2024, reflecting lower international food and energy prices.

Demand-side growth was supported by robust private consumption, improved real incomes, higher social transfers, and recovering tourist demand. Supply-side expansion was anchored in services, with accommodation and food services up 27.2 percent, transport 11.9 percent, and real estate 6.6 percent, highlighting tourism-linked activity as central to output.

Total revenue to GDP increased from 22.4 percent in 2022 to 25.1 percent in 2023 and eased to 24.6 percent in 2024, reflecting moderated growth in other revenues and grants. Total expenditure declined from 26.6 percent in 2022 to 25.4 percent in 2023 before rising slightly to 25.7 percent in 2024, reflecting higher current spending and non-financial asset expenditure. Public debt to GDP fell from 133.1 percent in 2022 to 114.5 percent in 2023 and 109.2 percent in 2024, as growth and debt management outweighed nominal debt increases due to exchange-rate effects and investment program financing.

Economic Outlook

Real GDP growth is projected at 4.4 percent in 2025, 4.8 percent in 2026, and 5.0 percent in 2027, anchored by private consumption, net export recovery, and sustained private investment. Inflation is expected to remain low at 1.0 to 2.0 percent, supporting domestic demand. Fiscal consolidation is expected to continue, with the fiscal deficit at 0.8 percent of GDP and public debt declining toward 96.3 percent by 2026.

Downside risks include global economic uncertainty and trade tensions, potentially weakening external demand and tourism activity. Securing external financing may become challenging if global financial conditions tighten, given import reliance and external inflows. The current account is projected to return to a deficit of 1.3 percent in 2025 and widen to 2.4 percent in 2026 if tourism growth slows. Domestically, rising infrastructure and climate adaptation spending needs could constrain public consumption and investment, complicating fiscal consolidation.

Food Security

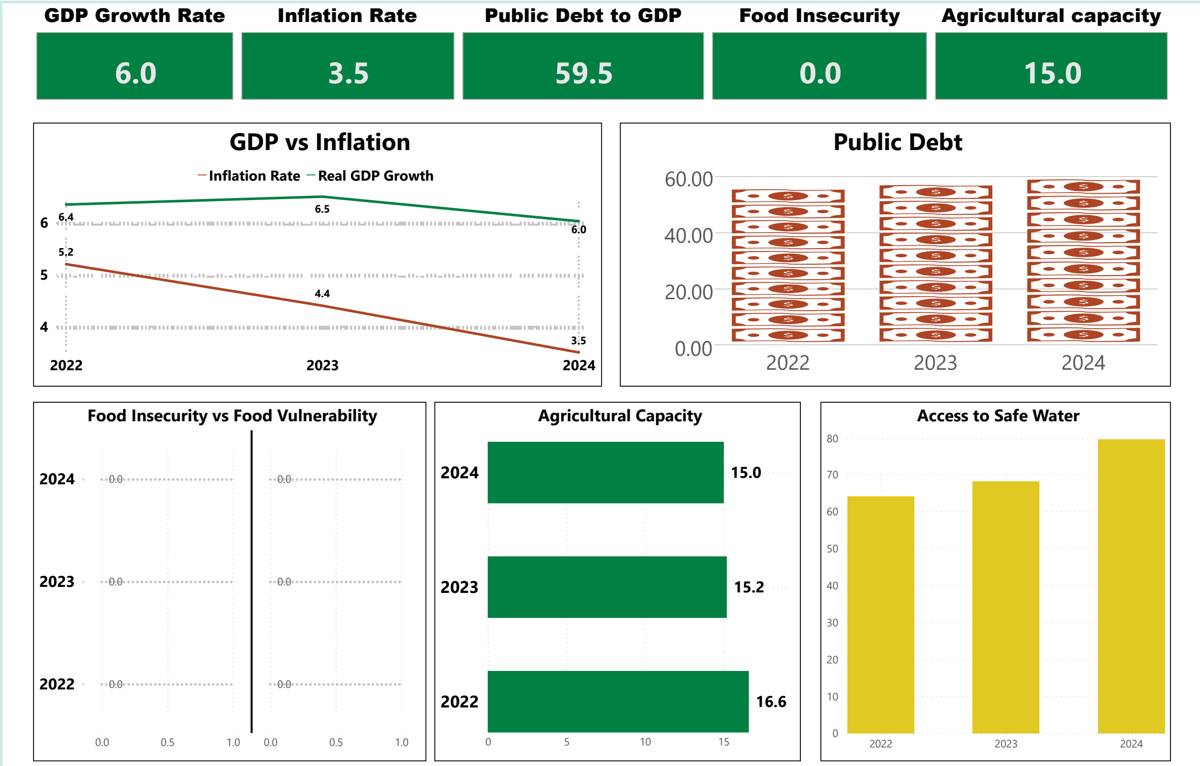
Food security governance is coordinated by the National Council for Food and Nutritional Security and supported by a decentralized SAN Network. Between 2022 and 2025, these structures supported broadly positive trends across 22 municipalities.

Despite improvements, 10.0 percent of the population suffered chronic malnutrition in 2022. By late 2025, about 7.3 percent (~37,000 people) were in crisis, reflecting access and affordability constraints. Food availability has relied heavily on imports, making the country sensitive to global price fluctuations. The 2025 to 2026 agricultural season remains challenging due to irregular rainfall affecting maize cycles, though crisis numbers are expected to decline to ~33,538 by August 2026, aided by tourism recovery and increased irrigated production. High living costs and climate vulnerability of local crops remain key risks, making continued strengthening of SAN monitoring and climate-resilient production critical through 2027.

Recommendations

1. Deliver urgent food assistance to households in crisis and targeted recovery support, rein-forcing resilience among vulnerable peri-urban families.
2. Support the ongoing agricultural campaign, expand fodder storage, and strengthen SAN monitoring systems for early warning, targeting, and coordination.
3. Safeguard macroeconomic stability, sustain low inflation, maintain fiscal consolidation, and monitor external vulnerabilities, particularly tourism shocks.
4. Prioritize efficient infrastructure and climate adaptation investments, and strengthen pro-duction of timely, high-quality agricultural and fisheries statistics to inform evidence-based food security policies.

Côte d'Ivoire



Economic Performance

Côte d'Ivoire's GDP growth from 2022 to 2024 was 6.4 percent in 2022, 6.5 percent in 2023, and 6.0 percent in 2024. Supply-side expansion was led by tertiary and primary sectors, while demand was supported by public infrastructure projects and strong private investment, particularly in agribusiness and energy. Inflation fell from 4.4 percent in 2023 to 3.5 percent in 2024, reflecting improved macroeconomic stability.

The public finance situation improved, with a gradual reduction in the budget deficit from 6.7 percent of GDP in 2022 to 5.2 percent in 2023 and 4.0 percent in 2024, supported by stronger revenue mobilization and expenditure rationalization. Total revenue to GDP rose from 15.1 percent in 2022 to 16.1 percent in 2023 and 16.4 percent in 2024, reflecting improved tax administration and sustained activity in services and industry. Total expenditure to GDP declined from 21.9 percent in 2022 to 21.3 percent in 2023 and further to 20.4 percent in 2024, reflecting tighter control of current spending alongside continued infrastructure and social sector investment. Public debt to GDP rose from 56.0 percent in 2022 to 57.5 percent in 2023 and 59.5 percent in 2024, remaining below the 70.0 percent community threshold despite rising external financing needs. External debt increased from 34.1 percent in 2022 to 37.8 percent in 2024 due to the State's intention to diversify sources and financing instruments in order to effectively meet its financial needs.

Economic Outlook

Medium-term growth is projected at 6.3 percent in 2025 and 2026, and 7.5 percent in 2027, anchored by the 2026 to 2030

National Development Plan, focusing on industrial transformation, agropoles development, and expansion of "Baleine" oil and gas extraction. Inflation is expected to converge to the 3.0 percent regional threshold in 2025 and ease further from 2026 onwards, supported by improved domestic supply and moderated external price pressures. The external position is expected to strengthen through better terms of trade, while fiscal space should expand as revenue growth outpaces expenditure.

Downside risks include reduced development assistance, notably USAID programme suspensions, affecting priority social sectors, particularly HIV prevention and treatment. Tariff-related trade uncertainty may impact cocoa and cashew exports, while regional AES countries' withdrawals could disrupt intra-ECOWAS trade, which accounts for 65.0 percent of Côte d'Ivoire's regional exports. Climate change and global geopolitical tensions remain ongoing risks, potentially affecting agricultural output, food prices, and social resilience.

Food Security

Food security remains constrained by Food security shows strong availability but persistent access and nutrition challenges. National food energy availability averaged 2,264 kcal/person/day in 2023, consistent with WHO benchmarks. However, 10.9 percent of households were food insecure, including 0.1 percent severely, while mild food insecurity was widespread. Rural areas and female-headed households experienced higher vulnerability.

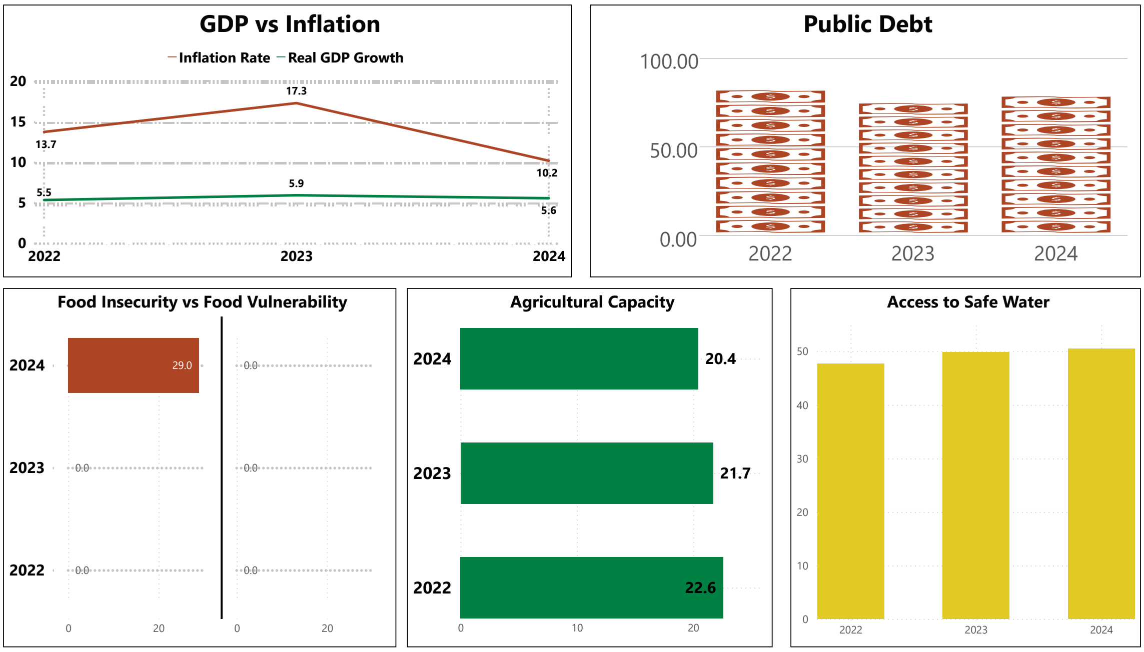
Despite increases in domestic staple production, import dependence persists for cereals and animal protein. In 2024, meat imports totaled 164,269 tonnes carcass equivalent, covering ~51.0 percent of national consumption. Nutrition remains constrained, with diets dominated by cereals and tubers, limiting dietary diversity and raising micronutrient deficiency risks.

Recommendations

1. Continue reforms aimed at the structural transformation of the economy as outlined in the 2026–2030 National Development Plan (PND), with emphasis on agricultural modernisation and transformation, industrial competitiveness, and the strengthening of productivity-enhancing infrastructure.
2. Continue strengthening resilient agricultural value chains through agropoles, improved logistics, and processing capacities; diversify partners and reinforce intra-African trade through the AfCFTA.
3. Strengthen domestic revenue mobilisation and public expenditure efficiency in order to sustain fiscal consolidation.

The Gambia

GDP Growth Rate	Inflation Rate	Public Debt to GDP	Food Insecurity	Agricultural capacity
5.6	10.2	79.5	29.0	20.4



Economic Performance

Economic growth in The Gambia remained broadly steady, at 5.5 percent in 2022, 5.9 percent in 2023, and 5.6 percent in 2024, supported by services and improved agricultural yields. Overall inflation rose from 13.7 percent in 2022 to 17.3 percent in 2023 before falling to 10.2 percent in 2024, reflecting easing price pressures.

Fiscal conditions remained tight, with the overall deficit widening to 4.2 percent of GDP in 2024 due to a high wage bill and debt service. Public debt rose to 81.0 percent of GDP in 2024 from 74.4 percent in 2023. The external position improved, as the current account deficit narrowed to 2.9 percent of GDP in 2024 from 5.2 percent in 2023, supported by higher tourism receipts and remittances.

Total revenue to GDP increased from 19.3 percent in 2022 to 21.1 percent in 2023 and 22.0 percent in 2024, reflecting stronger tax collection from services. Total expenditure to GDP rose from 24.6 percent in 2022 to 24.9 percent in 2023 and 25.3 percent in 2024, driven by recurrent spending on wages, interest, and social and infrastructure needs. Public debt to GDP declined slightly from 83.9 percent in 2022 to 79.5 percent in 2024, aided by improved growth, debt reprofiling, and fiscal narrowing, despite ongoing reliance on domestic and external borrowing.

Economic Outlook

Medium-term growth is projected at 5.9 percent in 2025, 5.5 percent in 2026, and 5.6 percent in 2027, underpinned by agriculture, tourism, and communications, alongside stabilizing inflation and exchange rates. Inflation is expected to fall from 10.3 percent in 2025 to 6.7 percent in 2027. Fiscal consolidation is expected to improve the overall balance from −4.2 percent of GDP in 2024 to −1.5 percent in 2025 and near zero by 2027, with public debt gradually declining to ~63.0 percent by 2027. The external current account is expected to remain in deficit but manageable, supported by tourism and remittances offsetting merchandise trade deficits.

Downside risks include external shocks and domestic constraints. A temporary suspension of USAID funding in early 2025 could disrupt health, education, and justice programmes, and delay energy and social interventions, including the US$25 million Millennium Challenge threshold program linked to electricity reform. Global trade tensions and potential US tariff escalations could raise imported inflation in this import-dependent economy, while tighter financial conditions may constrain investment. Regionally, ECOWAS withdrawals by Burkina Faso, Mali, and Niger are increasing trade uncertainty.

Food Security

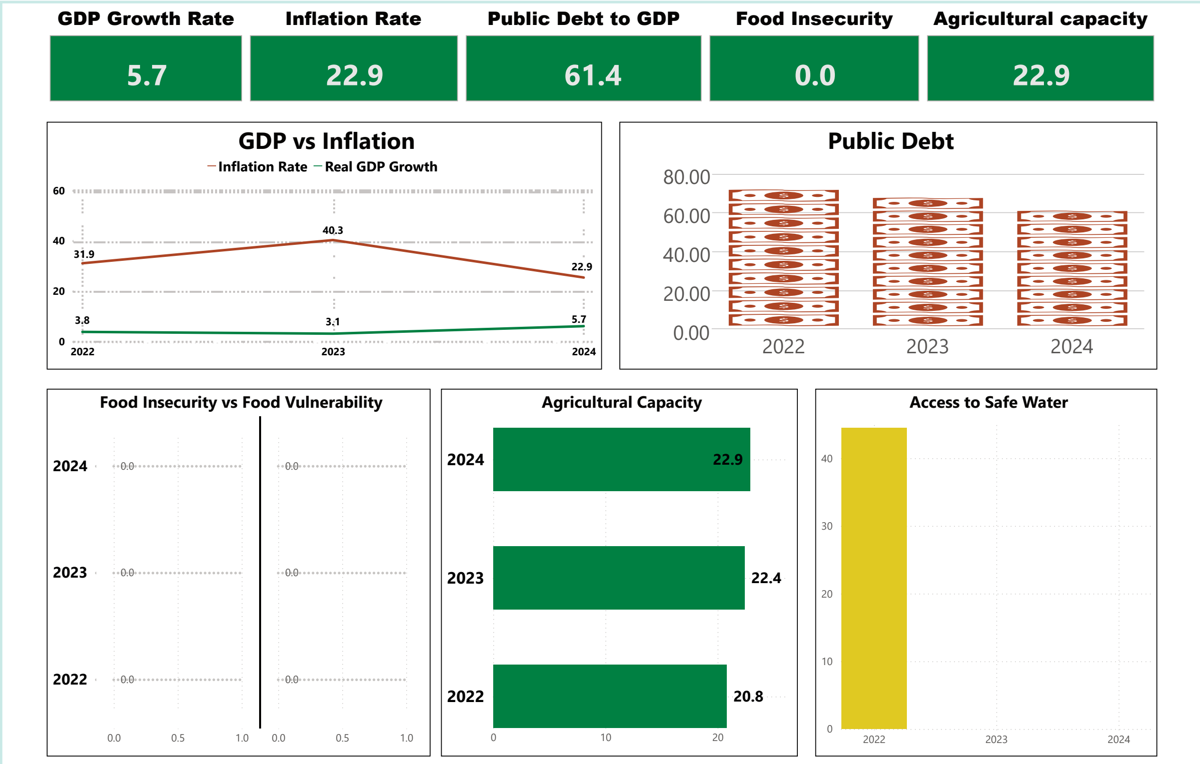
Food insecurity remains a structural constraint. National surveys indicate 29.0 percent of households are food insecure, with the highest prevalence in Basse, Janjanbureh, and Kuntaur, and lower rates in Kanifing, Brikama, and Banjul. Dependence on rain-fed agriculture and imported staples, especially rice, exposes households to price shocks and exchange-rate volatility.

Structural constraints, including low mechanization, limited irrigation, and post-harvest losses, suppress yields. Climate shocks, notably floods and droughts, continue to damage crops, homes, and infrastructure, with over 60.0 percent of citizens reliant on agriculture. Repeated shocks, including COVID-19 and global price surges, alongside limited fiscal space, have constrained progress toward improved nutrition and household food access.

Recommendations

1. Safeguard pro-poor and nutrition-sensitive spending via targeted safety nets, while supporting youth employment and skills development to strengthen household purchasing power.
2. Expand irrigation, improve extension services, and increase access to quality inputs to reduce reliance on rain-fed agriculture.
3. Support staple value chains, particularly rice, through storage, local processing, and market incentives.

Ghana



Economic Performance

Ghana's economy showed gradual recovery from macroeconomic stress over 2022 to 2024. GDP growth slowed from 3.8 percent in 2022 to 3.1 percent in 2023 before rebounding to 5.7 percent in 2024, driven by industrial recovery and continued services expansion despite weaker agriculture. Inflation remained elevated, rising from 31.9 percent in 2022 to 40.3 percent in 2023, before easing to 22.9 percent in 2024 due to tight monetary policy, exchange rate pressures, and high food prices.

Growth in 2024 was supported by higher public consumption and a turnaround in gross fixed capital formation, while private consumption moderated.

Total revenue to GDP declined from 15.7 percent in 2022 to 15.3 percent in 2023 before rising to 15.9 percent in 2024, reflecting exchange-rate stabilisation, higher non-oil tax receipts, and improved compliance. Total expenditure to GDP fell from 27.5 percent in 2022 to 18.9 percent in 2023 due to expenditure controls and arrears clearance, then rose to 22.7 percent in 2024 due to interest costs, energy obligations, and election-year spending. Public debt declined from 72.9 percent in 2022 to 68.7 percent in 2023 and 61.4 percent in 2024, driven by debt restructuring, exchange-rate appreciation, and improved nominal GDP growth.

Economic Outlook

Medium-term growth is projected at ~4.8 percent annually for 2025 to 2027, supported by agricultural recovery, continued services activity, and improved macroeconomic stability. Inflation is expected to decline to the 8 ± 2 percent target band over the medium term, aided by tight monetary policy, easing food prices, and fiscal consolidation. The fiscal deficit is projected to shrink substantially from 2025 onward, anchored in expenditure restraint and strengthened fiscal rules. The external position is expected to remain relatively strong, with gold exports supporting foreign exchange buffers, even as import demand gradually recovers.

Downside risks include sharper-than-expected fiscal consolidation, which could dampen private investment and growth. Persistently high inflation may reduce household purchasing power, while cuts to USAID funding could disrupt health, agriculture, and education programmes, disproportionately affecting poorer regions. US tariff increases may modestly affect non-traditional export sectors. Regionally, ECOWAS disruptions due to the Alliance of Sahel States' withdrawal could raise trade, transit, and security costs. Climate variability and environmental degradation remain persistent threats to agricultural output, food prices, and rural livelihoods.

Food Security

Food security remains a structural challenge. Availability has improved with higher output of key staples, particularly roots and tubers, but yield gaps persist due to low mechanisation, limited irrigation, weak extension services, and climate stress. Access has worsened due to high food inflation and declining real incomes; in 2023 to 2024, a healthy diet cost two-thirds to three-quarters of the daily minimum wage.

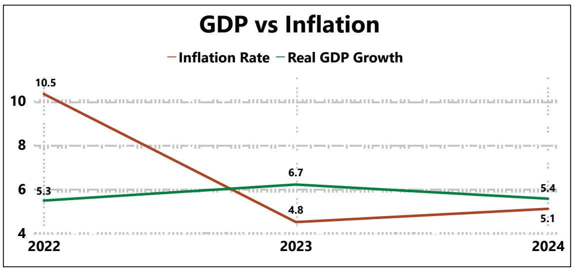
Moderate or severe food insecurity reached ~44.5 percent of the population in 2023. Nutrition outcomes are slowly improving but remain inadequate, with persistent child stunting and anaemia among women. Low self-sufficiency in cereals and horticultural crops, import dependence, limited irrigation, and land degradation from deforestation and illegal mining increase vulnerability to climate shocks, global price volatility, and exchange-rate pressures, while limiting Ghana's role in regional food trade.

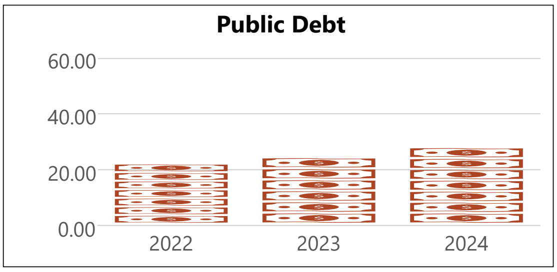
Recommendations

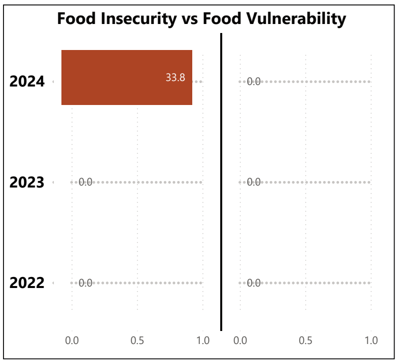
1. Increase public agricultural investment, focusing on irrigation, mechanisation, and extension services.
2. Strengthen domestic production of import-dependent foods such as rice, vegetables, and poultry via targeted value-chain support.
3. Reduce food price volatility by improving rural feeder roads, storage, and buffer stock capacity.

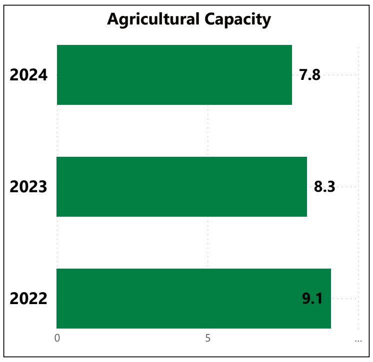
Guinea

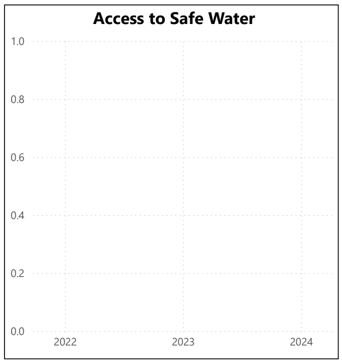
GDP Growth Rate	Inflation Rate	Public Debt to GDP	Food Insecurity	Agricultural capacity
5.4	5.1	28.8	33.8	7.8











Economic Performance

Guinea's economy remained robust over 2022 to 2024, supported by non-mining activity and large-scale investments. GDP growth stood at 5.3 percent in 2022, accelerated to 6.7 percent in 2023, and moderated to 5.4 percent in 2024, reflecting resilience despite political transition and external shocks, including the Conakry fuel depot explosion. Growth was mainly driven by the primary sector, particularly agriculture, which has strongly contributed to economic momentum, supported by strong performance in both food and export value chains. Inflation declined from 10.5 percent in 2022 to 4.8 percent in 2023 and 5.1 percent in 2024, aided by improved macroeconomic management. Growth was supported by strong investment in infrastructure and the Simandou project, alongside rising consumption.

Total revenue to GDP rose from 8.5 percent in 2022 to 8.4 percent in 2023 and 10.4 percent in 2024, driven by higher mining receipts, stronger customs performance, and tax-base broadening. Total expenditure to GDP increased from 8.5 percent in 2022 to 11.3 percent in 2023 and 13.8 percent in 2024, reflecting capital spending on infrastructure, energy, and mining projects, plus higher security and social outlays. Public debt rose from 21.8 percent in 2022 to 24.3 percent in 2023 and 28.8 percent in 2024 due to expanded borrowing for capital projects, remaining low relative to regional peers.

Economic Outlook

Medium-term growth is projected at 6.9 percent in 2025, accelerating to 9.5 percent in 2026 and 10.3 percent in 2027, driven by mining-related infrastructure and the anticipated start of Simandou iron ore operations. Growth is expected to remain anchored in secondary and tertiary sectors, with spillovers to construction, transport, energy, and services, while agriculture benefits from improved inputs and agropastoral campaigns. Inflation is expected to ease to 3.1 percent in 2025, rising to 3.5 percent in 2026 and 3.7 percent in 2027.

Downside risks include external shocks, such as global tariff escalation, reduced mineral demand, particularly from China, and higher imported energy and food costs. Domestic risks include large fuel and construction imports, election-related and capital expenditure pressures, and potential disruptions from suspended mining permits. Climate variability threatens agricultural output and food prices, while social pressures linked to employment, poverty, and political transition could affect macroeconomic stability. Fiscal balances are expected to remain under pressure, though improved revenue mobilization and governance may partially offset spending. The external position may remain fragile during investment scaling but should improve as export capacity rises.

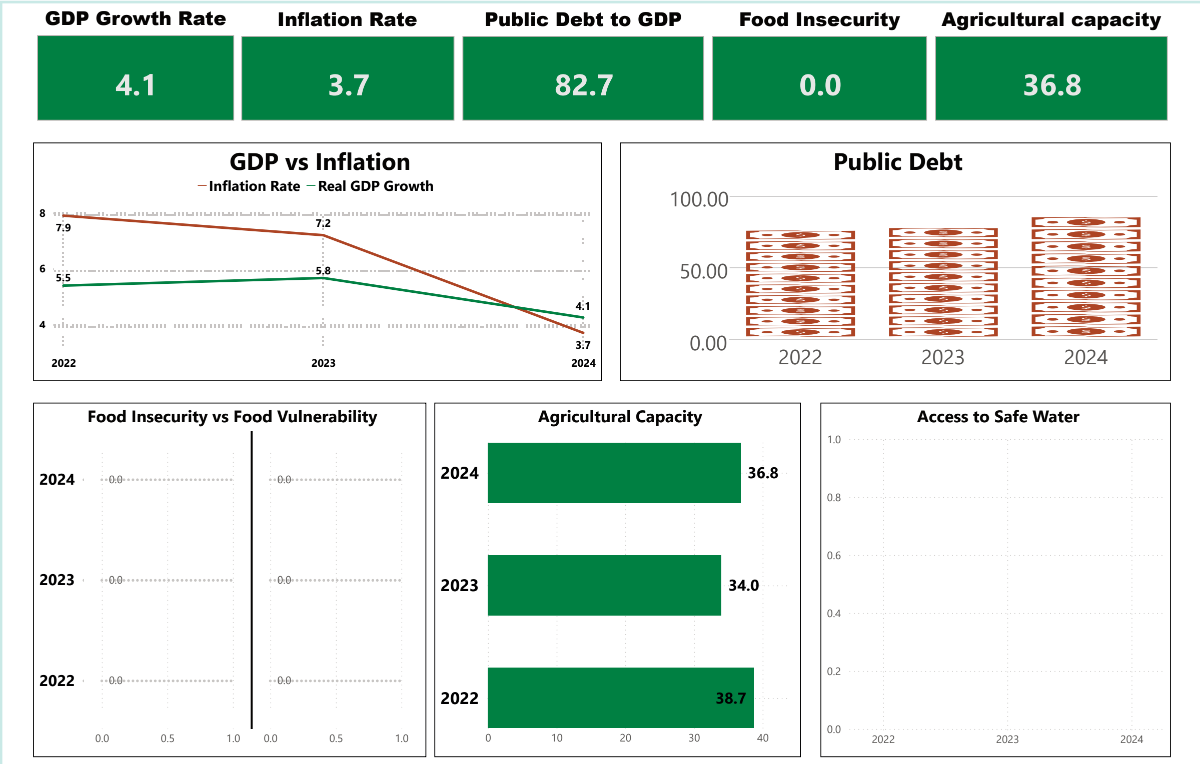
Food Security

In Guinea, the 2024 AGVSAN reveals a significant deterioration in food security: 35.8% of households, representing nearly 4.85 million people, are food insecure, compared with 21.8% in 2018. The regions of Faranah and N'Zérékoré are the most affected. The situation is particularly severe in rural areas, where households depend on low-productivity subsistence agriculture and limited food stocks. Poverty, climatic and economic shocks, inadequate infrastructure, as well as limited access to healthcare, are exacerbating vulnerability. Despite several public strategies, their implementation continues to be constrained by insufficient funding.

Recommendations

1. Expand irrigation, mechanization, input distribution, and rural infrastructure to boost productivity and reduce import dependence.
2. Link agricultural policies with targeted social protection and nutrition-sensitive pro-grammes to strengthen food security.
3. Promote economic diversification beyond mining through agro-industry, manufacturing, and services with strong employment potential.
4. Enhance export diversification and regional trade integration to reduce vulnerability to commodity price and external demand shocks.

Guinea-Bissau



Economic Performance

Guinea-Bissau's economic growth rose from 5.5 percent in 2022 to 5.8 percent in 2023 before easing to 4.1 percent in 2024. Inflation fell from 7.9 percent in 2022 to 7.2 percent in 2023 and 3.7 percent in 2024. On the supply side, the primary sector contribution to GDP increased from 1.4 percent in 2022 to 4.5 percent in 2023, driven by a 4.2 percentage point rise in cashew nut production (7.8 percent in 2022 to 12.0 percent in 2023). The secondary sector declined from 12.8 percent in 2023 to 8.0 percent in 2024 due to contractions in electricity, water, and construction. The tertiary sector grew from 1.3 percent in 2023 to 4.2 percent in 2024, largely supported by trade and repair services (0.3 percent in 2023 to 6.5 percent in 2024).

Total revenue to GDP fell from 14.1 percent in 2022 to 12.8 percent in 2023, stabilising at 12.9 percent in 2024 due to government measures including new taxes, urban property registration, and fisheries compensation. Total expenditure rose from 20.5 percent in 2022 to 21.2 percent in 2023 before easing to 21.0 percent in 2024. Public debt increased from 76.5 percent in 2022 to 82.7 percent in 2024.

Economic Outlook

Economic growth is projected at 5.5 percent in 2025, 5.6 percent in 2026 and 2027, supported by increased cashew production and a reference price of 410 FCFA per kg, boosting household incomes and consumption. Fisheries and subsistence agriculture are also expected to improve. Inflation is projected to rise modestly from

0.4 percent in 2025 to 1.6 percent in 2026, easing to 1.4 percent in 2027, reflecting production shocks from rainfall, winds, and flooding.

Total revenue to GDP is expected to decline gradually from 14.4 percent in 2025 to 14.0 percent in 2027, while total expenditure is projected to fall from 19.2 percent in 2025 to 17.6 percent in 2026. Public debt is anticipated to decrease from 80.5 percent in 2025 to 78.8 percent in 2026. The outlook faces potential constraints from external shocks and structural risks, including heavy reliance on cashew exports (95 percent of total exports), susceptibility to climatic shocks and pests, and dependence on imported food and fuel. Temporary suspension of USAID support may affect social and governance programmes, while fiscal deficits and political fragility could limit reform implementation.

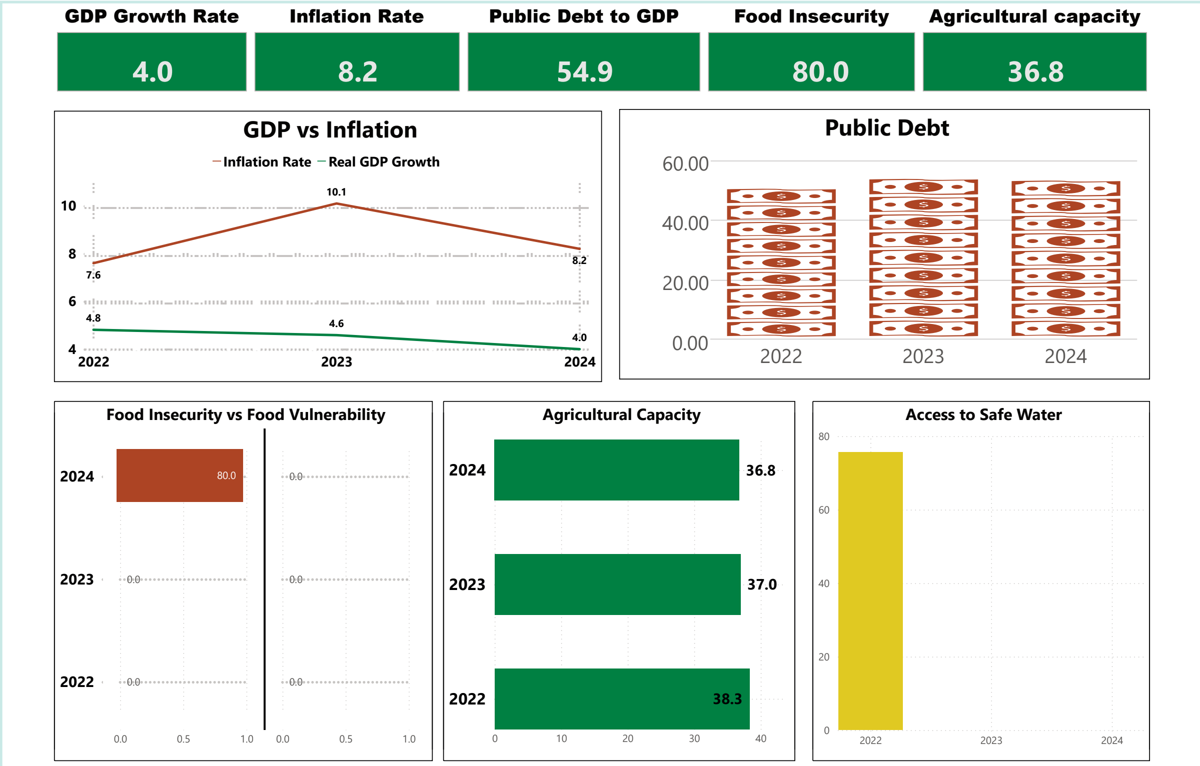
Food Security

Food insecurity remains severe, linked to poverty, external shocks, and low agricultural productivity. Between 2022 and 2023, the share of food-insecure households rose from 14 percent to 22 percent, particularly affecting women, children, and pregnant women in regions such as Oio, Bafatá, and Quinara. Cashew production declines, flooding of cereal fields, and pests in 2024 further limited availability. Despite rising household incomes in 2025, low incomes, structural poverty, and import dependence continue to constrain access, leaving the population highly vulnerable to shocks.

Recommendations

1. Diversify the Economic Base: Reduce overdependence on raw cashew exports through local processing and value addition.
2. Strengthen Agricultural Productivity and Climate Resilience: Expand irrigation, mechanisation, input distribution, and extension services.
3. Improve Food System Resilience: Build strategic reserves, enhance storage, market infrastructure, and post-harvest handling.
4. Enhance Fiscal and Debt Sustainability: Broaden the tax base, improve collection efficiency, and protect vulnerable households.
5. Invest in Rural Infrastructure: Improve roads, storage, and market access to reduce post-harvest losses.

Liberia



Economic Performance

Liberia's economic growth declined from 4.8 percent in 2022 to 4.6 percent in 2023 and furthered declined to 4.0 percent in 2024, falling short of the 5.3 percent projection for the year by 1.3 percentage points. The uptick was primarily driven by gains in agriculture and fisheries, while growth in other sectors remained subdued. Inflation rose from 7.6 percent in 2022 to 10.1 percent in 2023, then moderated to 8.2 percent in 2024, aided by relative foreign exchange stability and price moderation in household goods, transport, clothing, and utilities.

Sectorally, the primary sector grew to 4.0 percent in 2024, up from 2.5 percent in 2023, driven by agriculture and fisheries, with mining moderating to 5.0 percent due to weaker diamond output.

The secondary sector slowed to 7.3 percent in 2024, reflecting a base effect in cement, though beverage production surged nearly 59.0 percent with new entrants, and the tertiary sector growth eases to 5.6 percent, mainly due to weaker financial services, but utility output improved, electricity generation rose by 9.7 percent to 515.3 million kWh, extending access nationwide.

Total revenue to GDP decreased from 20.3 percent in 2022 to 18.1 percent in 2023 and 15.6 percent in 2024. Total expenditure fell from 20.3 percent in 2022 to 17.3 percent in 2023 and 15.4 percent in 2024. Public debt increased from 51.0 percent in 2022 to 54.9 percent in 2024, reflecting new disbursements from IDA, AfDB, and IFAD for infrastructure, agriculture, and social protection.

Economic Outlook

Economic growth is projected at 5.1 percent in 2025 and 2026 and later rise to 5.4 percent in 2027, supported by expected expansion in mining and agriculture activities, as well as ongoing infrastructure projects in energy, trade, transport, and financial services. Inflation is expected to increase to 8.5 percent in 2025, decline slightly to 8.0 percent in 2026 and 6.1 percent in 2027. Total revenue to GDP is forecast to increase from 17.1 percent in 2025 to 20.1 percent in 2026 and 34.9 percent in 2027, while total expenditure is expected to rise from 17.1 percent in 2025 to 22.6 percent in 2026. Public debt is projected at 52.2 percent in 2025, 54.2 percent in 2026, and 54.1 percent in 2027.

The outlook faces downside pressures from external and structural risks. Temporary suspension of USAID activities may disrupt healthcare, education, agriculture, governance, and reform funding. US tariff hikes, 10.0 percent on Liberian exports, up from 3.3 percent, threaten preferential access under AGOA, affecting key exports like rubber (US$72.5 million in 2024). Regionally, ECOWAS disruptions from Burkina Faso, Mali, and Niger's withdrawal increase uncertainty in trade, security, and economic integration. Combined with reliance on natural resources, governance constraints, climate vulnerability, and exposure to global commodity fluctuations, these factors could temper medium-term growth.

Food Security

Food insecurity remains a major concern, linked to structural agricultural weaknesses, poverty, and external shocks. Liberia relies heavily on imported rice, exposing households to global price and exchange rate fluctuations. Agriculture employs over 40.0 percent of the population, yet over 50.0 percent of Liberians are multidimensionally poor, 80.0 percent face moderate or severe food insecurity, 93.0 percent cannot afford a healthy diet, 416,000 people require urgent assistance, and child stunting stands at 26.6 percent. Nutrition remains at "Alert/ Stress" levels, leaving the population vulnerable to shocks.

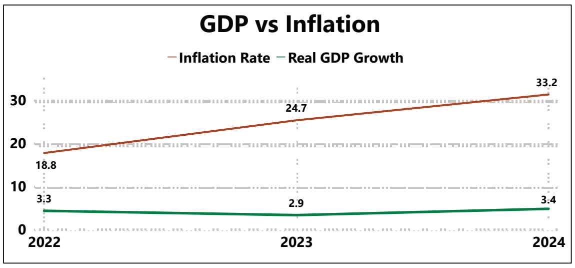
The government has launched the National Agriculture Development Plan (NADP) 2024 to 2030 under the "Liberians Feed Yourselves Agenda" to boost productivity, self-sufficiency, job creation, and exports through technology and cooperative approaches. Strategies align with ECOWAS frameworks, promoting sustainable practices and value chain development, though challenges remain in mobilizing partners and building expertise for effective public-private partnerships.

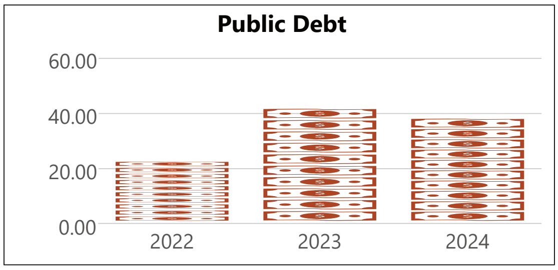
Recommendations

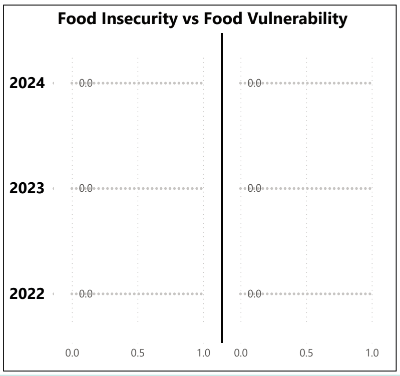
1. Strengthen Agricultural Transformation: Expand domestic production, particularly rice.
2. Reduce Import Dependence: Promote self-sufficiency and value addition.

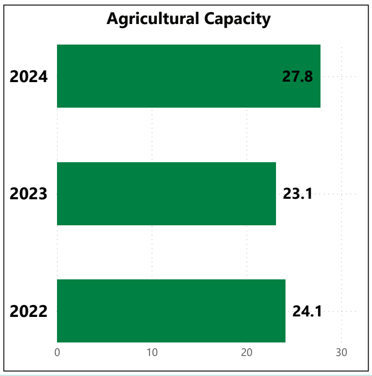
Nigeria

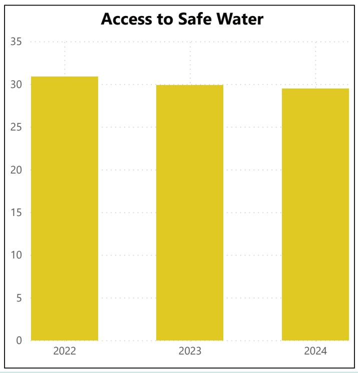
GDP Growth Rate	Inflation Rate	Public Debt to GDP	Food Insecurity	Agricultural capacity
3.4	33.2	38.8	0.0	27.8











Economic Performance

Nigeria's economic growth slowed down from 3.3 percent in 2022 to 2.9 percent in 2023, before rising to 3.4 percent in 2024, despite supply chain disruptions, inflationary pressures, and insecurity. Sectoral composition shifted, with services expanding to 53.1 percent of GDP, agriculture to 25.8 percent, and industry declining to 22.1 percent. Inflation rose steadily from 18.8 percent in 2022 to 24.7 percent in 2023 and 33.2 percent in 2024, reflecting exchange rate pass-through and food price pressures. Stabilization in 2024 followed major policy reforms, including fuel subsidy removal and exchange rate unification.

Total revenue to GDP rose from 6.6 percent in 2022 to 7.0 percent in 2023 and 7.7 percent in 2024. Total expenditure increased from 6.6 percent in 2022 to 7.7 percent in 2023 but fell to 6.7 percent in 2024. Public debt to GDP grew from 22.9 percent in 2022 to 41.5 percent in 2023 and 38.8 percent in 2024.

Economic Outlook

Economic growth is projected to decline from 4.6 percent in 2025 to 4.4 percent in 2026 and rise to 5.5 percent in 2027, supported by structural reforms, higher oil output, stronger non-oil performance, and enhanced investor confidence. Inflation is expected to decline from 15.8 percent in 2025 to 14.2 percent in 2026 and 10.1 percent in 2027. Total revenue to GDP is forecast to decrease from 4.0 percent in 2025 to 3.1 percent in 2026 and rise to 5.6 percent in 2027, while total expenditure is projected to decrease from 14.1 percent in 2025 to 11.9 percent in 2026 and 11.2 percent in 2027. Public debt to GDP is expected to increase from 32.9 percent in 2025 to 35.0 percent in 2026.

Downside risks could temper medium-term prospects. Structural challenges, insecurity, and limited fiscal space, exacerbated by high debt-service obligations, could constrain investment in infrastructure and human capital. Policy reforms, while necessary for fiscal sustainability, may have short-term social costs, heightening the importance of targeted protection. External shocks, including US tariff increases, withdrawal of USAID aid, and ECOWAS disruptions from the exit of three Sahel States, could weaken trade flows, increase import costs, and amplify inflationary pressures. Climate shocks and systemic food vulnerabilities also threaten household welfare and economic stability.

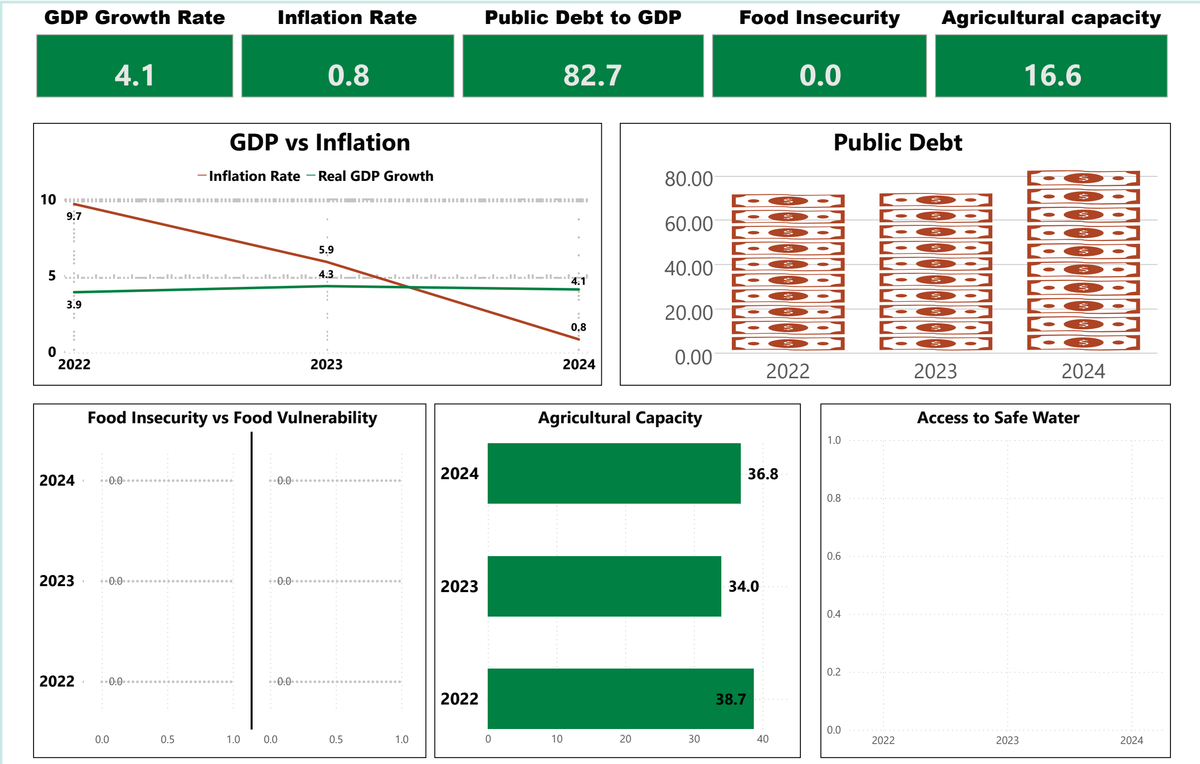
Food Security

Food insecurity remains critical. Despite modest gains in domestic production, climate shocks, insecurity, and infrastructural deficits limit access, affordability, and utilization. Vulnerable populations face significant food insecurity, with formal social safety nets insufficient. Agriculture contributes roughly one-quarter of GDP and employs nearly half the labour force, with smallholders dominating production. Crop production remains primary, while livestock, fishing, and forestry play smaller roles. Staple production of rice, yam, and maize has grown, but cashew and cocoa have declined. Reliance on imports and low productivity exacerbate food access challenges, with households exposed to price volatility and exchange rate shifts. Food banks are recommended to complement existing social protection programs, enhance nutrition, and provide emergency support.

Recommendations

1. Macroeconomic Stabilization: Consolidate fiscal reforms, fully implement PMS subsidy removal, and redirect savings to infrastructure, social protection, and human capital.
2. Revenue Mobilization and Debt Sustainability: Broaden non-oil revenue, optimize debt structures, contain debt-service costs, and maintain borrowing within the 3 percent fiscal deficit ceiling.
3. Agriculture and Food Security: Expand climate-resilient agriculture, irrigation, mechanization, and post-harvest infrastructure. Strengthen social safety nets, including cash transfers, and institutionalize food bank networks.
4. Regional Trade and Integration: Leverage ECOWAS and AfCFTA to diversify trade, promote value addition, reduce dependence on AES countries, and improve infrastructure along alternative corridors.

Senegal



Economic Performance

Senegal's economic growth increased from 3.9 percent in 2022 to 4.3 percent in 2023, then slowed to 4.1 percent in 2024. Inflation declined from 9.7 percent in 2022 to 5.9 percent in 2023 and 0.8 percent in 2024. The secondary sector (+18.7 percent), driven by oil production, and the tertiary sector (+3.4 percent) supported growth, while the primary sector contracted by 3.0 percent, largely due to reduced agricultural output caused by floods and prolonged dry spells. Livestock and fisheries mitigated some losses. Services slowed, particularly trade, accommodation, food, information, communication, and technical services.

Total revenue to GDP remained at 20.3 percent from 2022 to 2024. Total expenditure declined from 36.1 percent in 2022 to 35.5 percent in 2023 and 33.5 percent in 2024. Public debt to GDP rose from 76.5 percent in 2022 to 77.2 percent in 2023 and 82.7 percent in 2024.

Economic Outlook

Economic growth is projected to fall from 7.8 percent in 2025 to 5.0 percent in 2026 and 5.5 percent in 2027. Inflation is expected to rise from 1.0 percent in 2025 to 2.0 percent in 2026. The primary sector is expected to recover, with agricultural output benefiting from favourable weather and government support, alongside anticipated growth in livestock and fisheries. Primary sector activity is projected to increase 6.6 percent in 2025, following a 3.0 percent decline in 2024. The secondary sector will sustain momentum via hydrocarbons and the commissioning of a new cement plant. Services are expected to benefit from accommodation, food services, information, communication, and financial and insurance services.

Total revenue to GDP is projected to increase from 21.6 percent in 2025 to 24.4 percent in 2026 and 20.7 percent in 2027, while total expenditure rises from 29.4 percent to 29.8 percent. Public debt to GDP is expected to decrease to 80.5 percent in 2025 and 78.8 percent in 2026.

Downside risks include potential gaps in US-funded projects, such as the Second Compact MCA Senegal electricity project (40.8 percent disbursed by 2024), AADEPA water and sanitation project, Health and Nutrition Program 2021 to 2025, and RELIT education project. US tariffs on exports are relatively limited, with Senegal's exports to the US accounting for 3.4 percent in 2024, but careful diversification and bilateral cooperation remain critical. Trade disruptions from ECOWAS exits of Mali or other AES countries are unlikely in the short term, given WAEMU membership, but strengthening bilateral mechanisms is advised.

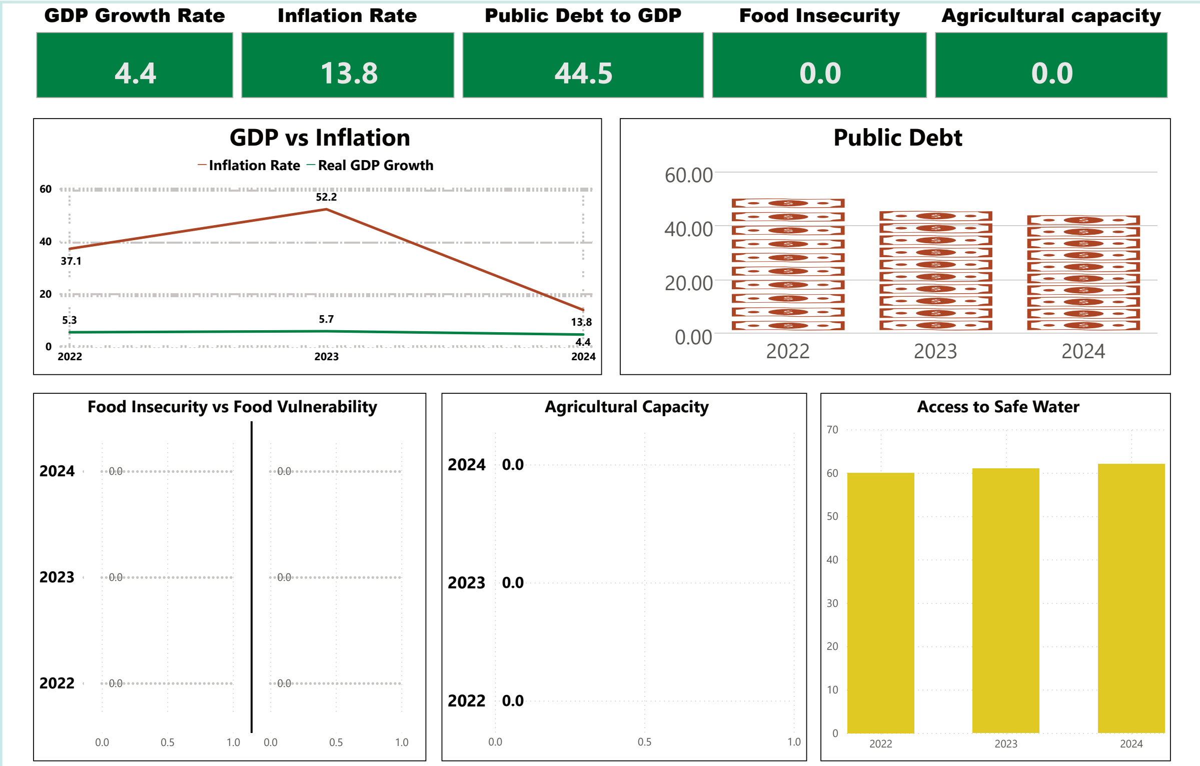
Food Security

Food security in Senegal remains fragile, shaped by production systems, markets, and social structures. Agriculture contributes 17 to 18 percent of value added but faces climate variability, low productivity, underinvestment, weak governance, limited inclusion of women and youth, and high dependence on food imports (~70 percent of national needs). Inflation averaged 2.3 percent over the past decade, spiking to 9.7 and 5.9 percent during the Russo-Ukrainian conflict before easing to 0.8 percent in 2024. Rural poverty, fragmented coordination, and reliance on imports expose the country to global shocks, limiting competitiveness.

Recommendations

1. Invest in irrigation, storage, processing, and rural infrastructure, improving agricultural spending efficiency.
2. Reduce dependence on imported rice by diversifying diets toward local products (millet, sorghum, cassava) and strengthen fisheries governance.
3. Enhance adaptive social safety nets capable of rapid response to shocks and integrate regional mechanisms via ECOWAS to stabilize markets.
4. Align national strategies with the Kampala Declaration to integrate sustainability, nutrition, climate adaptation, and food systems transformation, making food security central to socio-economic development by 2035.

Sierra Leone



Economic Performance

Sierra Leone's economic growth rose from 5.3 percent in 2022 to 5.7 percent in 2023, then declined to 4.4 percent in 2024, driven by agriculture and services. Inflation increased from 37.1 percent in 2022 to 52.2 percent in 2023, then fell to 13.8 percent in 2024 due to tight monetary policy, exchange rate stability, lower fuel prices, fiscal consolidation, and improved domestic food supply.

Total revenue to GDP steadily increased from 10.9 percent of GDP in 2022 to 11.2 percent of GDP in 2023 and 13.3 percent of GDP in 2024. The impressive performance was due to enhanced enforcement, tax administration reform, supported by digitization efforts, and payment of arrears. Total expenditure increased from 16.5 percent of GDP in 2022 to 16.4 percent of GDP in 2023 before falling to 16.3 percent of GDP in 2024, driven by higher capital spending and interest payments. Public debt to GDP declined from 51.5 percent of GDP in 2022 to 46.6 percent of GDP in 2023 and declined to 44.5 percent of GDP in 2024 due to the accumulation of debt.

Economic Outlook

Growth is projected at 5.3 percent in 2025, 5.2 percent in 2026, and 5.5 percent in 2027, supported by expansion in agriculture under the Feed Salone programme, mining, services including tourism, stable macroeconomic conditions, and a favourable global economic outlook. Inflation is expected to moderate to 4.3 percent in 2025, increase to 5.2 percent in 2026, and 8.2 percent in 2027, reflecting tight monetary policy, fiscal consolidation, stable exchange rates, moderation in international food and energy prices, and higher domestic food production.

Total revenue to GDP is expected at 12.0 percent in 2025 and 2026, and 13.9 percent in 2027, reflecting increased economic activity and efficiency gains from technology adoption under the Medium-term Revenue Strategy (MTRS) 2023 to 2027. Total expenditure to GDP is projected to decline to 17.1 percent in 2025, 14.2 percent in 2026 and rise to 15.0 percent in 2027. Public debt to GDP is expected at 43.2 percent in 2025, 38.6 percent in 2026, and 34.8 percent in 2027.

Macroeconomic risks include high domestic interest rates (average 41.5 percent by mid-2024), exchange rate pressures, adverse terms of trade, inflationary threats, and contingent liabilities from state-owned enterprises. Reliance on short-term domestic debt increases borrowing costs and fiscal pressures. External shocks or policy slippages could raise the local currency cost of imported fuel, food, and external debt servicing, while fluctuating rice and iron ore prices may reduce revenues and increase spending.

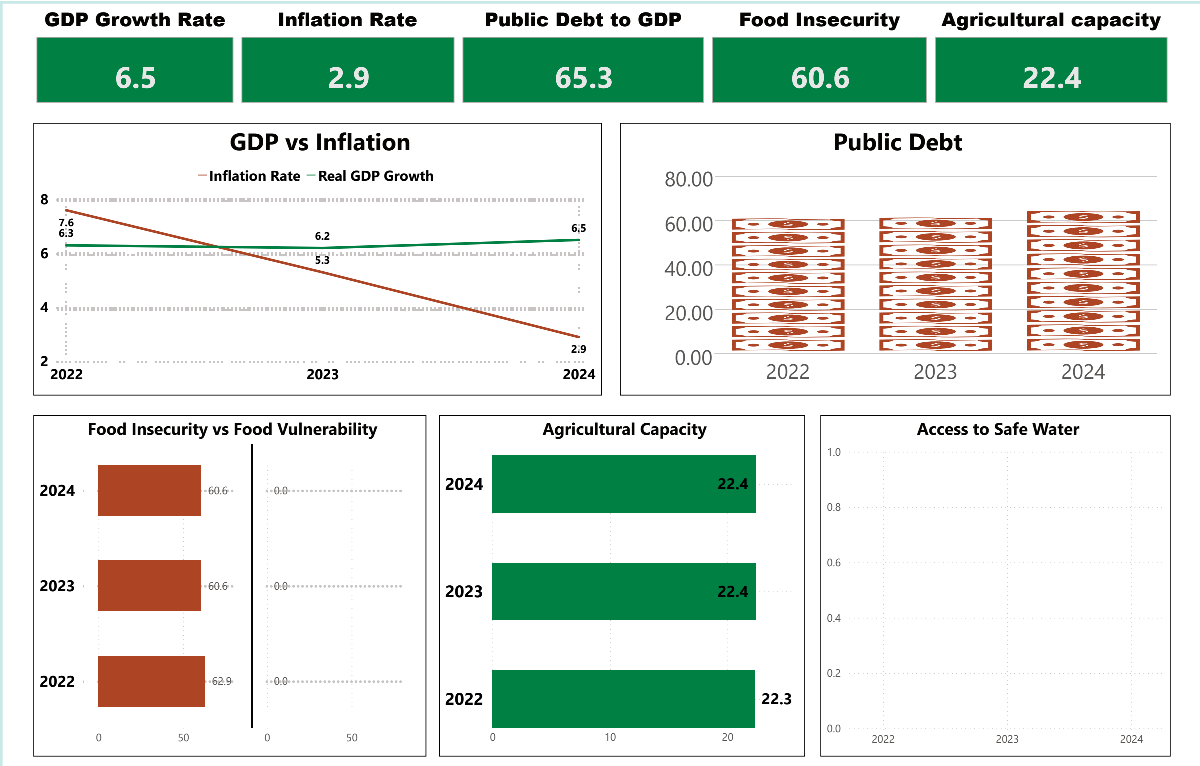
Food Security

Food insecurity remains widespread and multi-dimensional, driven by poverty, high prices, low agricultural productivity, and vulnerability to shocks. Rice accounts for over 60 percent of caloric intake, yet domestic production meets only 60 to 70 percent of needs in good years, with imports covering deficits. Rain-fed farming, limited inputs, weak infrastructure, and post-harvest losses exacerbate vulnerability. Over half the population lives below the poverty line, spending 60 to 70 percent of income on food. Malnutrition is high, with 30 percent of children under five stunted, widespread micronutrient deficiencies, and poor diets. Seasonal lean periods, climate shocks, global price volatility, and import dependence threaten food stability.

Recommendations

1. Scale up targeted social protection: Expand cash transfers and school feeding programs, link support to nutrition interventions, and use digital payments for rapid delivery.
2. Invest in irrigation, mechanization, and storage: Promote small-scale irrigation, establish pay-per-use mechanization hubs, and develop community storage to reduce post-harvest losses.
3. Develop value chains and domestic markets: Expand rice milling, cassava and poultry processing, support farmer cooperatives, aggregation centers, and fair contract farming to increase incomes, reduce imports, and create jobs.
4. Enhance governance and public investment efficiency: Track agricultural spending transparently, set measurable food security targets, and align donor and private sector financing with national strategies.

Togo



Economic Performance

Togo's economic growth was 6.3 percent in 2022, 6.2 percent in 2023, and 6.5 percent in 2024, driven by dynamism across all sectors. Inflation fell from 7.6 percent in 2022 to 5.3 percent in 2023 and 2.9 percent in 2024. The primary sector grew by 6.0 percent in 2024, the secondary sector 7.4 percent, and services 6.1 percent.

Total revenue to GDP rose from 16.6 percent in 2022 to 18.4 percent in 2023, before falling to 17.4 percent in 2024. Total expenditure represented 24.4 % of GDP in 2022, 24.6% in 2023, and then decreased to 22.3% in 2024, driven by lower spending on goods and services (-16.6 percent), debt interest (-4.5 percent), and donations (-20.2 percent), partially offset by higher personnel expenses (+13.5 percent). Public debt to GDP rose from 61.9 percent in 2022 to 62.3 percent in 2023 and 65.3 percent in 2024.

Economic Outlook

Growth is projected at 6.2 percent in 2025, 6.5 percent in 2026, and 6.6 percent in 2027, driven by agriculture, industry, services, and sustained domestic demand. Inflation is expected to decline to 1.2 percent in 2025, 2.0 percent in 2026, and 2.0 percent in 2027.

Total revenue to GDP is expected at 18.6 percent in 2025, 17.9 percent in 2026, and 17.0 percent in 2027, while total expenditure is projected at 21.3 percent in 2025, 20.6 percent in 2026 and 11.9 percent in 2027. Public debt to GDP is expected to fall from 62.6 percent in 2025 to 60.3 percent in 2026 and 58.0 percent in 2027. The medium-term outlook remains positive, underpinned by fiscal discipline, structural transformation, investment, and efforts to strengthen resilience and inclusive growth.

Downside risks include the temporary suspension of USAID activities, which threatens financing for health, nutrition, education, and social cohesion programmes, particularly in northern regions affected by insecurity. A potential global tariff war could weaken export competitiveness and reduce foreign exchange earnings, while the withdrawal of Burkina Faso, Mali, and Niger may disrupt trade corridors and intra-ECOWAS flows. Persistent food insecurity, climate variability, and rising living costs could heighten social vulnerability, constraining fiscal space and complicating macroeconomic stability.

Food Security

Food security has improved due to agricultural reforms under ECOWAP and the National Agricultural Investment and Food and Nutrition Security Programme (PNIASAN). Key interventions include expanded irrigated areas, agricultural development zones, improved seed and fertilizer distribution, mechanization, and solar irrigation, which enhanced productivity and reduced rainfall dependence. Storage capacity and national food security stocks managed by ANSAT stabilized markets and mitigated price volatility, while agropoles, agro-processing units, and value chains strengthened domestic processing and reduced post-harvest losses. Social protection programmes, including school feeding, cash transfers, and drought insurance, improved resilience.

Challenges remain, including climate vulnerability, low mechanization, and persistent rural poverty. Sustained improvements require further investment in climate-resilient infrastructure, productivity gains, and stronger private sector participation.

Recommendations

1. Modernize Agriculture: Accelerate the rollout of agropoles and irrigated agriculture, increase mechanization to meet targets, and scale up climate-smart and agroecological practices.
2. Strengthen Agro-Industrial Transformation: Expand value addition and processing to reduce post-harvest losses, improve export readiness through quality certification and laboratory support, and enhance producer-processor-export linkages.
3. Enhance Private Sector Participation and Financing: Operationalize the Agricultural Development Fund under ProMAT (2025 to 2034), expand risk-sharing financing mechanisms such as MIFA, and digitize agricultural finance and payment systems to increase inclusion.

ANNEX

Annex 1: Regional Validation Workshop Participants: EREO 2025

ECOWAS COMMISSION
COMMISSION DE LA CEDEAO
COMISSÃO DA CEDEAO

REGIONAL VALIDATION WORKSHOP OF THE ECOWAS REGIONAL ECONOMIC OUTLOOK (EREO): 2025 TO 2027 FROM 23 TO 27 MARCH 2026

PARTICPANTS LIST FOR VALIDATION

S/N	Name Of Participants	Country	Signature
1.	Mr. Gbénanhon Chédrack **YELOUASSI**	Benin	
2.	Mrs. Marie Jose **KOUASSI**	Cote D'Ivoire	
3.	Mr. Mamadou **KONE**		
4.	Mr. Mamadou **BARRY**	The Gambia	
5.	Mr. Hamdallah **FUSEINI**	Ghana	
6.	Mr. Alioune **DIALLO**	Guinea	
7.	Mr. Edwin **PUWOGAR**	Liberia	
8.	Mr. Ali Malik **YAKUBU**	Nigeria	
9.	Mr. Youssoupha Sakrya **DIAGNE**	Senegal	
10.	Mr. Stephen Patrick **MEDO**	Sierra Leone	
11.	Mr. Kossi Ayefoumi **SABI**	Togo	

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

	2019	2020	2021	2022	2023	2024	2025
CFA	585.90	575.44	554.44	623.44	606.68	606.48	582.19
Escudo	98.53	96.77	93.24	104.84	102.02	101.99	97.87
Cedi	5.21	5.60	5.80	8.31	11.00	14.17	12.59
GNF	9,178.99	9,565.47	9,766.18	8,695.71	8,511.01	8,538.92	8,637.10
$LIB	186.30	191.45	166.22	152.91	174.85	191.33	192.98
Naira	306.42	358.81	408.96	423.21	645.79	1,480.46	1,518.06
Dalasi	50.10	50.91	51.15	55.40	60.65	67.64	71.10
Leone	9.00	9.83	10.36	14.02	21.33	22.59	22.66

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

Annex 4: Gravity Model Analysis of Trade Effects of Three Major Developments of 2025 on ECOWAS Region

Following Yotov et al. (2016), the Structural Gravity Model with Trade Policy Variables was employed to forecast ECOWAS trade flows. This model allows for integrating both macroeconomic fundamentals (such as GDP and distance) and policy-specific variables (such as tariffs). The model was used because it is suitable for counterfactual scenarios (what-if analysis with different scenarios). It is useful to forecast future exports subject to new trade dynamics. The Poisson Pseudo-Maximum Likelihood (PPML) estimation was employed to guarantee robustness against heteroscedasticity and zero trade flows (Silva & Tenreyro, 2006). For each scenario, the values of the coefficients and variables (including manipulated variables) of the estimated Gravity Model for ECOWAS member states and their 10 major trade partners were plugged in, to compute the predicted trade flows.

Table 1: Scenario Simulations

Scenario	**Description**	**Key Variable(s) Manipulated**	**Objective**
Scenario 0: Baseline (Status Quo)	None of the three shocks applied	None	Serve as basis of the simulations
Scenario 1: Escalated Tariff War	Increase average global tariffs by 15%	Tariff_ij,t, TariffShock_t	Estimate trade contraction and diversion patterns
Scenario 2: Total USAID Withdrawal	Set USAID flows to zero for all affected member states in 2025	Aid_it, AidShock_it	Assess aid dependency risks on trade and growth.
Scenario 3: Full Disintegration	Assume a complete exit of Burkina Faso, Mali, and Niger	Set ECOWAS_ij,t = 0 for all dyads involving exiting countries	Simulate effects on intra-ECOWAS trade volume and cohesion
Scenario 4: Intra-ECOWAS Substitution Surge	Model a compensatory policy push for intra-regional trade – zero tariff on Intra-ECOWAS trade	Introduce a positive ECOWAS policy shock dummy	Explore the potential of regional resilience mechanisms

2.1. Model Specification

The gravity model traditionally explains trade flows between countries based on their economic sizes and distance. The gravity model suggests that exports from country to country are proportional to the "economic mass" of each country (usually GDPs) and inversely related to the "distance" between them (geographic, policy, or cultural frictions). The gravity model posits that the bilateral trade flows, T_{ij}, between two distinct countries, i and j, is directly proportional to the economic sizes, M_i and M_j, while being inversely proportional to the distance, D_{ij}, separating them. The model also has a gravitational constant (G), and its basic equation is expressed as:

Annex 4: Continued

$$T_{ij} = G\frac{M_i M_j}{D_{ij}} \quad (1)$$

Equation (1) indicates that trade partners' economic size and distance are directly and inversely proportional to their trade flows, respectively. Distance, which determines transaction costs, is a critical factor in the gravity model

To make equation (1) estimate, it is transformed to a log-linear form by expressing it in natural logarithms:

$$\ln(T_{ij}) = \ln(G) + \ln(M_i) + \ln(M_j) - \ln(D_i) \quad (2)$$

To enable econometric estimation and account for other factors affecting trade (such as common border, common official language, and membership of the same regional economic communities), equation (2) is augmented as follows:

$$\ln logtrade_{ijt} = \beta_0 + \beta_1 \log GDP_{it} + \beta_2 \log GDP_{jt} - \beta_3 \log Distance_{it} + \beta_4 Border_{ijt} + \beta_5 Colony_{ij} + \beta_6 LCommolanguage_{ij} + \beta_7 ECOWASmembership_{ij} + \beta_8 Politicalstability_{it} + \beta_9 Tariff_{it} + \beta_{10} Tariff_{jt} + \beta_{11} USAID_{it} + \beta_{12} ECOWASexit + \beta_{13} Aidshock_{it} + \beta_{14} Tariffshock_{it} + \beta_{15} ECOWASTariffshock_{it} + \mu + \gamma + \varepsilon_{ijt}$$
(3)

Where: $Trade_{ij,t}$: Trade flow between country *i* and *j at time t ;* logGDP: log of GDP of country *i* or *j ;* $Distance_{ij}$: Geographic distance between country capitals; $Border_{ij}$ (Dummy = 1 if countries share a border and 0 otherwise); $ECOWASmembership_{ij}$ (Dummy = 1 if both are in ECOWAS and 0 otherwise); $Tariff_{ij}$: Applied tariff rate on bilateral trade; $USAID_i$: USAID received by country *i* (to test USAID effect); Political $Stability_i$: WGI index for stability; Tariff Shock_t: Dummy = 1 for 2025 onward; $ECOWASExit\_{ij,t}$: Dummy = 1 if either i or j is Burkina Faso, Mali, or Niger post-2025; $AidShock_{it}$: Dummy = 1 in 2025 for countries with high USAID dependence, and $ECOWASTariffshock\_{ij,t}$: Interaction term to capture compound effects (TariffShock × $ECOWAS\_{ij,t}$).

The analysis covers the period between 2010 and 2025, while the base year (Status quo) for forecasting is 2024. Ten major trading partners to ECOWAS member countries, which accounted for more than seventy percent (70%) of ECOWAS trade flows, were selected. Bilateral trade data were obtained from the International Trade Centre (ITC) database; Economic Indicators, Institutional Quality, and Tariffs are derived from World Bank World Development Indicators (WDI); Foreign Aid is from USAID Foreign Aid Explorer; and CEPII Gravity Dataset. CEPII is the source of distance, border, common language, and colonial ties.

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