

2012 ANNUAL REPORT (UPDATED)

“Integration and Political Stability in West Africa”

Abuja, May 2013

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ABBREVIATIONS AND ACRONYMS

ACP	African, Caribbean and Pacific Group of States
ACBF	African Capacity Building Foundation
AfDB	African Development Bank
AFRISTAT	African Statistical Observatory Office (Bamako)
AIF	Inter-governmental Agency of the Francophonie
BCEAO	Central Bank of West African States
BOAD	West African Development Bank
CAADP	Comprehensive African Agricultural Development Programme (of NEPAD)
CCC	Community Computer Centre
CET	Common External Tariff
CIDA	Canadian International Development Agency
CILSS	Inter-State Committee on Drought Control in the Sahel
C-IMCI	Community Integrated Management of Childhood Illness
CODI	Committee on Development Information
CORAF	West and Central African Council on Agricultural Research
CSD	United Nations Commission on Sustainable Development
CSOs	Civil Society Organisations
DANIDA	Danish International Development Agency
DfID	Department for International Development
EBID	ECOWAS Bank for Investment and Development
ECCAS	Economic Community of Central African States
ECOFEST	ECOWAS Cultural Festival
ECOFEST	ECOWAS Festival of Arts & Culture
ECOMAC	ECOWAS Common Statistics Database System for Multilateral Surveillance
ECOSAP	ECOWAS Small Arms Control Programme
ECOWAP	ECOWAS Agricultural Policy
ECOWARN	ECOWAS-wide Warning and Response Network
EDF	European Development Fund
EIB	European Investment Bank
EPA	Economic Partnership Agreement
ERDF	ECOWAS Regional Development Fund
ERIB	ECOWAS Regional Investment Bank
ETLS	ECOWAS Trade Liberalisation Scheme
EU	European Union
EUROSTAT	European Statistical Office (Luxembourg)
EUROTRACE	ECOWAS Software for Compilation of External Trade Statistics
FAO	Food and Agriculture Organisation
FARE	Forum of Associations Recognised by ECOWAS
FASDEV	Development Forum for Africa
FTA	Free Trade Area
GIABA	Inter-governmental Action Group against Money Laundering in Africa
HIPC	Highly-indebted Poor Country
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
ICT	Information and Communications Technology
IDA	International Development Association (World Bank)
IDB	Islamic Development Bank
IFDC	International Fertilizer Development Corporation

IGOs	Inter-governmental Organisations
IMF	International Monetary Fund
IPPF	Infrastructural Project Preparation Facility (NEPAD Facility)
I-PRSP	Interim Poverty Reduction Strategy Paper
ISRT	Inter-State road transit (ECOWAS convention)
ITNs	Insecticide treated bed nets
ITU	International Telecommunications Union
KAIPTC	Kofi Annan International Peacekeeping Training Centre
LDCs	Least Developed Countries
LLINs	Long Lasting Insecticide Nets
MAP	Multi-sectoral Approach in Aids Programme
MDGs	Millennium Development Goals
NEEDS	National Economic Empowerment and Development Strategy
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OMC	Observation and Monitoring Centre (ECOWAS facility)
OMVG	Organisation for Development of the Gambia Basin
ONUCI	United Nations Peace-keeping Operation in Côte d'Ivoire
PACE	Pan-African Programme for the Control of Epizootics
PCASED	Programme of Coordination and Assistance for Security and Development
PDIU	Project Development and Implementation Unit (ECOWAS facility)
PLWHA	People living with HIV AIDS
PMTCT	Parent Mother Transmission Community
PPDU	Project Preparation and Development Unit
PPP	Public Private Partnership
PRAFAD	Regional Programme of Action on the Fight against Desertification
PRIA	Regional Agricultural Investment Programme
PRSPs	Poverty reduction strategy papers
RBM	Roll-back Malaria
RECs	Regional Economic Communities
RTIS	Regional Trade Information System
SIDA	Swedish International Development Agency
SIGTEL	Computerised Management of Telecommunication Information System
UAIBAR	Union African Inter-African Bureau for Animal Resources
UEMOA	West African Economic and Monetary Union
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNHCR	United Nations High Commission for Refugees
UNIDO	United Nations Industrial Development Organisation
UNMIL	United Nations Mission in Liberia
UNMSL	United Nations Mission in Sierra Leone
USAID	United States Agency for International Development
USI	Universal Salt Iodisation
WABA	West African Bankers Association
WAEC	West African Examination Council
WAEN	West African Enterprise Network

WAGP	West African Gas Pipeline
WAHO	West African Health Organisation
WAIFEM	West African Institute for Financial and Economic Management
WAIPS	West African Inter-bank Payments Systems
WAMA	West African Monetary Agency
WAMI	West African Monetary Institute
WAMZ	West African Monetary Zone
WAPP	West African Power Pool
WARN	West African Regional Network
WHO	World Health Organisation
WTO	World Trade Organisation

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The updated 2012 Report of the ECOWAS Commission was prepared in line with the directives and guidelines of the President of the Commission and under the supervision of Dr. Ibrahim Bocar Ba, Commissioner for Macroeconomic Policy at the ECOWAS Commission.

The Report was prepared by a team from the Department of Macroeconomic Policy made up of the following officials: Nelson Magbagbeola (Ag. Director of Multilateral Surveillance), Peter Kofi Dadzie (Principal Programme Officer), Simeon Koffi (Principal Programme Officer), Gideon Gbappy (Programme Officer), Amadou Diouf, Abdoulaye Zonon and Guevera Yao (Community Development Programme Experts), Mohamed Jalloh (Expert in the Economic Policy Analysis Unit), Kouenkoun Millogo and Degol Mendes (Macroeconomists in the Directorate of Multilateral Surveillance).

The editorial team would like to take this opportunity to thank all Commissioners and Directors of the Commission as well as other Community Institutions for their important contributions to this annual report.

MESSAGE FROM THE PRESIDENT OF THE ECOWAS COMMISSION

The year 2012 confirmed the renewed dynamism experienced by the West African economy, with a growth rate of 6.6% in 2012 compared to 5.9% in 2011. This remarkable increase in activity is mainly attributable to the discovery of oil and solid mineral resources in some of the ECOWAS Member States. Thus, the region has the potential of being financially-resourced to address the challenges hampering its economic and social development. However, the year 2012 was also marked by constitutional crises in Mali and Guinea Bissau as a result of military coup d'état. After the political crises in Niger and Côte d'Ivoire, which were later resolved in 2011 through the concerted efforts of the Authority of Heads of State and Government of the region and the international community, the Commission planned to put more emphasis on economic development agenda, which is its primary mandate.

The year 2012 equally witnessed the inauguration of the new management team of the Commission in February. The team under my leadership subsequently presented the vision, objectives and key activities to be pursued during its tenure. In this context, four key programme areas were identified as priority areas for urgent implementation:

1. Consolidation of peace, security, democracy and human rights;
2. Acceleration of economic and monetary integration in the region ;
3. Promotion of economic prosperity by establishing a viable regional environment that enhances investment and entrepreneurship; and
4. Building of relationships and mutually beneficial partnerships with all other parts of Africa and the world in order to take advantage of the opportunities that they offer.

To support actions to be undertaken within the context of these four priority areas, our Community needs strong and efficient institutions led by qualified and dedicated people. Hence, there is a need for further institutional reforms to involve all stakeholders in the integration and development efforts.

In a world where power reigns and desperation seems to prevail over hope, it is our duty as leaders of the institutions in our community to work towards strengthening the sense of belonging and solidarity among the people of our Community in line with Vision 2020, which is dear to hearts of our Heads of State and Government.

The West African people aspire to live in a peaceful, stable and democratic region, free of the scourges of poverty, ignorance and disease; in other words, a prosperous region. ECOWAS intends to be a locomotive, along with Member States, to meet the hopes and expectations of our people.

With respect to the theme of the 2012 report, "Political Stability and Economic Integration in West Africa", our intention is to examine and remove the potential barriers to our integration process, often caused by frequent crises in the region. In this regard, we would like to take this opportunity to acknowledge the concerted efforts of our highest Authorities for actions taken to resolve these conflicts. Undoubtedly, efforts made by ECOWAS have contributed to addressing the security and political crises and in promoting a free and crisis-free political space in our Member States.

In the case of Mali and Guinea Bissau which are the key challenges , in a spirit of regional solidarity, the Authority of Heads of State and Government, supported by regional institutions and partners, has devoted a lot of energy and spared no efforts for the return of peace and constitutional order in both countries.

The economic difficulties faced by these countries following the political crises shows a clear link between political stability and development. Clearly, there is no stability without respect for democratic principles, good governance and respect for human rights and universal values. We shall, as a matter of duty to our Community, continue to work relentlessly to promote the culture of democracy in our community. People deserve respect for their Constitution and the right to choose their leaders freely. In this regard, we wish to reaffirm ECOWAS' strong commitment to the Protocols of Democracy and Good Governance as well as prevention of conflicts and conflict resolution mechanisms.

I would also like to convey the sense of pride and gratitude of our Community to its Chairman, His Excellency Alassane OUATTARA, and to the entire leadership of West Africa, including members of the Council of Ministers for the excellent ways in which they have been providing both policy and political direction and mediation to all the Community Institutions and Member States. This commendation is necessary as a show of appreciation for the spirit of solidarity and commitment of the Community leadership shown towards peace and regional stability, especially for the preservation of the territorial integrity of Mali and the return to constitutional order in Guinea Bissau.

We are confident that these continuous efforts of our leaders will prove fruitful and allow our Community to focus on the implementation of economic programmes and build a prosperous region. While political instability has the potential to hamper economic development and wealth creation, it is equally true that poverty and unemployment are fertile ground for insecurity and instability. Hence, we are determined to continue to promote and accelerate the establishment of a conducive environment for economic development through the regional integration process.

It is my wish also to acknowledge the outstanding contributions made by all Management and staff of all ECOWAS institutions to the significant success achieved over the years in fostering regional integration and economic development. I wish to encourage them, within the framework of collegiality principle, to pursue the noble ideals of the founding fathers of our Community.

Finally, may I also, on behalf of all the institutions of our Community, express our deep gratitude to all our development partners for their technical and financial support and their willingness to support the region in its fight against poverty.

I cannot complete this message without recalling the enormous potential of the West African region which remains to be exploited. I am confident that under the leadership of the Summit of Heads of State and Government, the Council of Ministers, and with the commitment of all, this challenge shall be overcome to the benefit of present and future generations.

Long live the ECOWAS.

H.E. Kadré Désiré Ouédraogo
President

EXECUTIVE SUMMARY

- i. The ECOWAS Annual Report is prepared by the ECOWAS Commission to provide a comprehensive account of the status of implementation of the Community Work Programme in the period under review and to outline key prospects for the following year. Thus, the 2012 ECOWAS Annual Report was prepared following a similar approach, under the theme "***Political Stability and Economic Integration in West Africa***", with a view to highlighting the effects of the risks associated with the political crises on the processes of economic integration in the West African region.
- ii. This Report, based on contributions from the various Departments of the Commission and other Community Institutions, is on the implementation of their activities in 2012. These activities were carried out in an environment characterised by relative improvement in national economic governance, and the political will of the ECOWAS policy makers to accelerate regional integration and development, in spite of the sluggish global economic recovery and high oil prices.
- iii. The year was marked by the socio-political crises in Mali and Guinea Bissau caused by the coups d'état, the election of H.E. Alassane Ouattara, President of the Republic of Côte d'Ivoire, as Chairman of the Authority of ECOWAS Heads of State and Government and the appointment of H.E. Kadré Désiré Ouédraogo, former Prime Minister and Ambassador of Burkina Faso to Brussels, as President of the ECOWAS Commission as well as the inauguration of the new commissioners.
- iv. Progress made in the implementation of the priority programmes is presented in this Annual Report, which is structured into four (4) major chapters. Chapter I reviews the recent economic trajectory of the region within the context of the global economic environment. Chapter II highlights the status of implementation of the 2012 Work Programme of the Community as approved by the Council of Ministers and endorsed by the Authority of Heads of State and Government. Chapter III provides a critical analysis of the theme of the report "Political Stability and Economic Integration in West Africa" while Chapter IV reviews the activities of the other ECOWAS Institutions, namely, ECOWAS Parliament, ECOWAS Court of Justice, ECOWAS Bank for Investment and Development, Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA) and the West African Health Organization (WAHO).
- v. **In terms of economic performance**, economic growth in West Africa was projected to grow from 5.9 percent in 2011 to 6.6 percent in 2012, notwithstanding the deceleration of the global economy from 3.8 percent in 2011 to 3.3 percent in 2012. This remarkable growth rate is partly attributed to the economic performance of Sierra Leone (17.9%), the recovery in Côte d'Ivoire (9.8% as against -4.7% in 2011) and the sharp increase of the growth in Niger (10.8% as against 2.3% in 2011).
- vi. Indeed, provisional estimates show that eight ECOWAS Member States recorded growth rates of not less than 5 percent in 2012. The countries and the projected growth rates for 2012 are as follows: Togo (5.9%), Burkina Faso (8.0%), Nigeria (6.5%), Côte d'Ivoire (9.8%), Ghana (7.1 %), Liberia (8.7.0%), Niger (10.8%), and Sierra Leone (17.9 %). Some of the

countries achieved growth rates exceeding 7% which is required for sustainable poverty reduction.

- vii. **Regarding the status of implementation of the Community's Work Programme in 2012**, the Commission and other community institutions recorded considerable progress in all spheres of planned activities for 2012, including the consolidation of regional peace and security. In particular, the following achievements were recorded in the implementation of activities programmed in the various intervention areas of the Community:
- viii. **Monetary Integration:** significant progress was made in the implementation of the Roadmap for the establishment of an ECOWAS-wide single currency in 2020 through the following activities:
- Monitoring and evaluation of economic performance in Member States in order to assess the overall status of macroeconomic convergence in the region.
 - Conduct of studies on harmonisation of public finance statistics and accounting frameworks, public procurement regulation and public debt management.
 - Establishment and effective operation of the institutional organs of the multilateral surveillance mechanism, through strengthening of technical and financial capacity of National Coordinating Committees (NCCs) in Member States.
 - Management of ECOMAC database.
 - Strengthening of cooperation with UEMOA Commission, West African Monetary Institute (WAMI), West African Monetary Agency (WAMA) and ECOWAS Bank for Investment and Development (EBID) within the framework of the multilateral surveillance of economic and financial policies among Members States.
- ix. **Lastly**, it is worth noting that in conformity with the Roadmap for the ECOWAS single currency, the single currency (ECO) of the West African Monetary Zone comprising The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone is expected to be launched on 1st January 2015 after successive postponements in 2003, 2005 and 2009. The Commission shall continue to strengthen its collaboration with the West African Monetary Institute (WAMI) to ensure the achievement of this important project.
- x. **Private Sector:** The Commission continued to develop Investment and Promotion Services through the completion of the investment climate study field mission in the 15 Member States. In addition, it launched a feasibility study on the establishment of an ECOWAS Investment Guarantee Agency. The Commission also undertook activities relating to the establishment of a Credit Risk database in collaboration with the West African Bankers Association (WABA).
- xi. With respect to Business and Enterprise Promotion, the organisation of the ECOWAS-China Economic and Trade Forum in Accra led to the signing of MOUs on several infrastructure projects for which funding and implementation modalities are being negotiated.
- xii. Moreover, the ECOWAS Policy Framework for Private Sector Development and Enterprise Promotion was drafted and consultative meetings were successfully held with experts from the region.
- xiii. **Research and Statistics:** Key achievements recorded in research and statistics in 2012 include:
- Finalisation of communication strategy for the Regional Poverty Reduction Strategy Paper (RPRSP) and the development of a resource mobilization strategy in collaboration with the UEMOA Commission, EBID and BOAD.

- ECOWAS Regional Research Policy (ECORP) was developed and validated by Ministers in charge of research in the Member States. In addition, a framework for the establishment of a Regional Research Network was completed.
 - Harmonisation of Balance of Payments (BOP) in ECOWAS, harmonisation of national accounts statistics (implementation of SNA 2008) and validation of a Methodological Guide for the compilation of Harmonized Consumer Price Indices (HCPI) in the region.
- xiv. **The ECOWAS Community Development Programme (CDP):** ECOWAS CDP entered its finalization phase in 2012 with the implementation of activities that focused on:
- the formulation of the CDP, leading to the production of a Draft Regional CDP Document, which focuses on diagnostics of development and regional integration in West Africa; definition of a framework for development programmes; an empirical analysis of CDP priority areas; and inventory of programmes and projects in the region.
 - fostering ownership of regional development initiatives through activities carried out by CDP National Committees; finalization of the Draft Civil Society Action Plan for the CDP, private sector contribution to the CDP, with a Memorandum and Plan of Action adopted by representatives of regional private sector organizations in the ECOWAS region and the use of the T21 Model as the main analysis and simulation tool for CDP Phase 3 “Prioritization, Planning and Impact Assessment”.
- xv. **Economic Policy Analysis (EPAU):** In 2012, the Commission undertook a series of in-house research activities in various aspects of regional integration. The main themes included: (i) Deregulation of Financial Market and Economic Growth in ECOWAS Member States, (ii) Exploring the feasibility of a Single Currency in ECOWAS Member States, (iii) Regional Integration in ECOWAS: State of Play in Intra regional Trade and Challenges, (iv) Environmental Challenges, Institutions and Agricultural Export Performance on the ECOWAS region, and (v) The Socio-economic Impact of the Malian Crisis in the ECOWAS region. Selected papers are expected to be published in the first volume of the Journal of West African Integration (JWAI), after external review processes have been completed.
- xvi. **Customs Union:** The activities of the Commission in 2012 in the implementation of the customs union related to the following:
- Consolidation of the free trade area to ensure effective implementation of the ECOWAS Trade Liberalization Scheme by Member States. This was achieved through the validation of approval requests by the National Approval Committees, harmonization of legal texts on intra-regional trade, and creation of a website for ECOWAS Trade Liberalization Scheme;
 - Finalization of the ECOWAS Common External Tariff (CET) and the accompanying safeguard measures developed jointly by ECOWAS and UEMOA;
 - Harmonization of indirect domestic taxes, with technical and financial assistance for the establishment of a Value Added Tax (VAT) regime in The Gambia and Liberia; and
 - Establishment of a programme to support tax reforms in West Africa to minimize the losses in customs revenue as a result of customs dismantling following the EPA implementation.

Industry, Mines and Free Movement

- xvii. **In the case of Industry**, a Ministerial Meeting was held in March 2012 to decide on the priority activities to be undertaken in the context of the West Africa Common Industrial Policy (WACIP). Technical meetings were also held in the same period to formulate the ECOWAS Quality Policy. Moreover, the document on “Model and Procedures for the Development and Adoption of Harmonized Standards” was finalized by national experts.
- xviii. With regard to **Mines and Extractive Industry**, key areas for regional cooperation were outlined at the Consultative Experts Workshop for National Oil and Gas Departments/Agencies hosted by the Commission, with the specific objective of ensuring cooperation in mineral development activities within the context of regional industrial development.
- xix. Under **Free Movement**, the Commission, in collaboration with relevant stakeholders, established at some borders, centres for information and observation on free movement, to sensitize Community citizens, migrants and government officials on the need to implement all ECOWAS texts on free movement of persons, and rights of residence and establishment.

Agriculture, Environment and Water Resources

- xx. **Agriculture**: The ECOWAS Commission undertook three initiatives to make the Regional Agriculture Investment Programme (RAIP) operational. These were validated by the Specialised Technical Committee on Agriculture, Environment and Water Resources (CTSAER) and comprise the following: (i) Regional Offensive for Rice Production, (ii) Zero Hunger in West Africa Initiative, and (iii) Strategy for the creation of a regional food security reserve.
- xxi. The implementation of the first phase of the ECOWAS Regional Agriculture Information System (ECOAGRIS) in seven (7) Member States (Bénin, Burkina Faso, Côte d’Ivoire, Ghana, Mali, Niger and Sénégal) led to the interconnection of national agricultural information systems. The second phase will cover the remaining eight (8) Member States and will commence in 2013.
- xxii. Other activities implemented include:
- validation of the regional regulatory framework for quality control and marketing of fertiliser within ECOWAS;
 - establishment of the Regional Committee on Coherence in Fisheries Policy in West Africa; and
 - adoption of a cooperation strategy for coordinated and harmonised response in the event of food crises within ECOWAS (including Mauritania and Chad).
- xxiii. In the area of animal health, priority diseases were identified revealing the need to prepare two regional reference documents on (i) harmonised laboratory procedures within ECOWAS and (ii) harmonisation of disease monitoring systems within ECOWAS. Moreover, terms of reference were prepared on the basis of Regulation C/REG.22/11/10 relating to community procedures for the management of veterinary medicines. The goal of these terms of reference is to appraise accreditation agencies for veterinary medicines in the following 7 ECOWAS Member States – Cape Verde, The Gambia, Ghana, Guinea, Nigeria, Liberia and Sierra Leone. This appraisal will lead to the establishment of the Regional Veterinary Medicine Committee for the entire region. UEMOA has already put in place a Committee for the 8 other Member States (Benin, Burkina Faso, Côte d’Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo).

- xxiv. **Environment:** The Commission participated in the 7th Meeting of the Steering Committee of the “African Monitoring of the Environment for Sustainable Development (AMESD)” programme in Addis Ababa. At the meeting, ECOWAS was nominated as chair of the Committee for the concluding phase. The next take-off of the programme on “Monitoring of Environment and Security in Africa (MESA)” is envisaged for the period 2013 to 2018.
- xxv. Moreover, it undertook capacity building activities of Member States and National Actors from the Forestry Sector through the holding of ten (10) national validation workshops on reports from ECOWAS Member States (Benin, Cape Verde, Côte d’Ivoire, Ghana, Liberia, Niger, Nigeria, Senegal, Sierra Leone and Togo) and the organisation of a regional meeting of Committee of Directors of Forestry and Wild Life with a view to preparing the Convergence Plan for sustainable management and utilisation of forest ecosystems in West Africa.
- xxvi. Finally, it undertook capacity building of negotiators on the United Nations Convention to Combat Desertification, with the preparation of a progress report on decisions taken at the Conference of the Parties held in South Korea in October 2011.
- xxvii. **Water Resources:** In the area of water resources, the following achievements are recorded;
- The effective start-up of the process of the Bia-Tano-Comoé basin organization with the completion of a feasibility study and organization of a workshop for validation of the results with experts from the four countries concerned (Burkina Faso, Côte d'Ivoire, Ghana and Mali). The workshop resulted in the adoption of a roadmap for the process;
 - the pursuit of the establishment of a Regional Water Observatory with financial assistance from the Swedish International Development Agency (SIDA);
 - the launch of studies relating to the formulation of the Framework Directives on the management of shared water resources in West Africa and the sustainable development of large water infrastructure in West Africa.
- xxviii. **International Cooperation:** With regard to international cooperation, the Commission was actively engaged, during the period under review, in the diversification of partnerships. Thus, actions were undertaken to broaden the scope of cooperation with China, particularly in the transport, trade and investment sectors. A Memorandum of Understanding was signed in October, which will facilitate the mobilization of resources required for the implementation of the regional agenda in the identified areas. Moreover, specific measures were initiated, not only to strengthen the existing partnerships with multilateral donors (EU, ADB, World Bank, UNDP, etc.), but also to engage in new bilateral partnerships to support the funding of Community and capacity building programmes. Moreover, negotiations have advanced, particularly with Sweden, regarding its contribution to the capacity building programme and support to the ECOWAS climate change programme. In addition, new cooperation initiatives are currently being explored with Turkey through the Turkey-Africa Forum, the Japan International Cooperation Agency and the Islamic Development Bank.
- xxix. With respect to cooperation with the European Union, project formulation and identification exercise were conducted for most of the projects under the 10th European Development Fund (EDF) Regional Indicative Programme (RIP) during several consultative meetings. The coordination efforts helped to meet the deadlines set for the identification phase, and thus, anticipate the implementation of projects scheduled for 2013. Moreover, the Commission commenced the programming exercise for the 11th EDF, of which the strategy document will help to identify the focal sectors in which the European Union will provide funding to support the West African integration process.

- xxx. Finally, the Commission continued with initiatives to consolidate the operation of the ECOWAS-UEMOA Joint Technical Secretariat, in order to enhance convergence of the programmes of the two institutions. Within this framework, it convened a meeting of the Presidents of the two commissions on 23 November on the platform of the 9th session of the Joint Technical Secretariat.
- xxxi. **Human Development:** During 2012, significant progress was recorded in the following sectors:
- ***Humanitarian and Social Affairs***
- xxxii. The Humanitarian Policy and Plan of Action developed by the Commission were adopted by Ministers and subsequently approved by the Authority of Heads of State and Government. The Commission, in collaboration with the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) and other humanitarian partners, also crafted an intervention to alleviate the humanitarian situation in the Sahel with exchange of visits and conclusion of a roadmap to promote population resilience.
- xxxiii. A training workshop on International Disaster Response Laws (IDRL) for West African Disaster Managers with the International Federation of Red Cross (IFRC) was organised for the promotion of measures to ensure humanitarian access by foreign relief assistance agencies.
- xxxiv. The Commission supported the development of Disaster Risk Reduction National Platforms in Burkina Faso and Côte d'Ivoire.
- xxxv. Lastly, it supported Cape Verde, Niger, Nigeria and Senegal with financial assistance in response to flood disasters in these countries.
- ***Gender and Child***
- xxxvi. The Commission signed a Grant Agreement with NEPAD for the establishment of Business Incubators for African Women Entrepreneurs, and also hosted in collaboration with the United Nations Entity for Gender Equality and the Empowerment of Women (UNIFEM) the 5th Regional Meeting of the African UNITE Campaign to End Violence Against Women.
- xxxvii. Within the context of the Child Labour Plan of Action, the Commission, in collaboration with international partners, held a validation workshop on the Draft Monitoring and Evaluation Framework for Child Protection System in West Africa.
- xxxviii. Lastly, the Commission gave support including:
- technical and financial support to women engaged in the processing of agricultural and handicraft products;
 - medical support to women and girls suffering from Obstetrics Fistula; and
 - scholarships of Excellence for Girls in Professional and Technical Education in ECOWAS Member States. This activity is targeted specifically at brilliant but needy girls in Member States. In 2012, the number of beneficiaries per country was increased from five to ten and even more in some countries.
- ***Youth and Sports***
- xxxix. Statutes of an ECOWAS Youth Empowerment and Development Fund as well as the Guidelines for the operations of the fund were developed during the period under review.
- xl. In collaboration with the UNDP Dakar Youth Empowerment Programme (YERP), a study relating to ECOWAS Youth Employment Action Plan was conducted. The document aims at

promoting youth self employment and empowerment. The action plan explores the ways and defines the strategies for increasing youth's access to decent jobs in our region.

- xli. The commission participated in the eighth edition of the African Traditional Wrestling Tournament which took place in Niamey, Niger in April 2012 while it organized the fifth edition of the ECOWAS Traditional Wrestling Tournament in Dakar, Senegal in July 2012 and the second edition of the ECOWAS Games in Accra, Ghana in June 2012.

- **Drug Trafficking**

- xlii. In the drive towards eliminating drug trafficking, abuse and organized crime, the Commission, in collaboration with INTERPOL, organised joint simultaneous police operations (Operation ATAKORA) along the Benin/Togo/ Ghana borders where a total of 7, 894.275 kilogrammes of various kinds of drugs were seized.
- xliii. The Commission also empowered Regional Media Experts through a training workshop aimed at the development of skills and acquisition of knowledge to support mobilization, sensitization and advocacy activities at community, national and regional levels in drug control and trafficking, drug abuse and prevention and organized crimes.

- **Education, Culture, Science and Technology**

- ✓ **Education**

- xliv. Within the framework of boosting the ECOWAS Technical and Vocational Education (TVET), about 1000 TVET personnel have benefited from the in-country training sessions on the requirements, skills and competencies for the development and revision of TVET curriculum and instructional materials. As a result, a number of Member States have commenced actual revision of their curriculum and instructional materials, using available resources in the region and open source materials and animations on the internet.

- ✓ **Culture**

- xlv. The Commission commenced an assessment of the copyright situation in The Gambia and Guinea Bissau in 2012. The 3rd Meeting of Observatory organised in Accra, Ghana in April, 2012 recommended the establishment of a sub-committee to develop a holistic anti-piracy approach.

- ✓ **Science and Technology**

- xlvi. An ECOWAS Policy on Science and Technology and its Plan of Action were adopted by the ECOWAS Ministers of Science and Technology in March 2012 in Yamoussoukro (Côte d'Ivoire). The objective of the policy is to develop agriculture, transport and communications, industry, health and safety, energy, education and human resources and the preservation of the environment.

- ✓ **Malaria Elimination Programme**

- xlvii. Following the Ministerial High Level Mission to the Republic of Cuba and the Bolivarian Republic of Venezuela within the framework of the implementation of a Tripartite Agreement on malaria elimination in ECOWAS held in April 2012, a meeting of the tripartite technical working group ECOWAS/CUBA/Venezuela held on 27 and 28 November 2012 in Abidjan. This tripartite technical meeting, among others, examined the status of the feasibility study commissioned by ECOWAS for the construction of production biolarvicides plants and also finalized the Framework Agreement for Implementation of the

Memorandum of Understanding signed in 2009 with Venezuela which provides for the renegotiation of \$20 million loan and the creation of a multilateral development fund.

Infrastructure

- xlvi. **Infrastructure:** the following achievements were recorded under infrastructure development:
- xlix. With respect to the **Transport and Transit Facilitation Programme**, physical progress was made in the construction works on the Joint Border Posts (JBP) in Seme (Nigeria/Benin): 35% and in Noepe (Ghana/Togo): 60%. A draft Supplementary Act was also validated to guide the operation of the JBP.
- I. Under the West Africa Rail Master Plan, a study was launched for the detailed engineering studies of the highest ranking link (i.e. the Kaya-Dory-Niamey link connecting the Abidjan-Ouagadougou railway line to the Republic of Niger).
 - ii. In the area of **Air Transport sub-sector**, harmonisation of Air Transport legal framework was initiated, with the adoption of the Air Transport Supplementary Acts aimed at facilitating liberalisation of air transport market in West Africa.
- lii. With respect to the **Aeronautical cooperation**, the following two important milestones were achieved in 2012:
- signature of the MOU on Civil Aviation between ECOWAS and the European Civil Aviation Conference (ECAC) on 11 July 2012 in Strasbourg, France, in order to foster capacity building of ECOWAS Civil Aviation Administration, notably in the areas of aviation safety and security; and
 - signature of the Technical Agreement on Humanitarian Air Services between ECOWAS and the World Food Programme (WFP) in Rome, Italy on 17 October 2012 in order to strengthen capacity building of ECOWAS Civil Aviation Administrations and to facilitate WFP to airlift in a faster way goods, food and equipment for displaced persons, refugees and all victims of famine, political conflicts, and of flooding.
- liii. In the **telecommunications sector**, the following terrestrial inter-state fibre optic connections were completed: Burkina Faso – Niger, Burkina Faso – Ghana, and Ghana – Togo. Moreover, all the coastal member States except Guinea Bissau were connected to submarine cables with at least one (1) new landing station. With these new terrestrial connections and landing stations, the three landlocked countries (Burkina Faso, Mali and Niger) have now at least 2 routes for access to the submarine cables. Therefore, the access of landlocked countries to submarine cables is secured.
- liv. In the **Energy sector**, the year 2012 was declared by the United Nations General Assembly as the International Year of "Sustainable Energy for All". In this respect, the Commission undertook to report on the implementation of the UEMOA-ECOWAS White Paper on increasing access to energy services in rural and peri-urban areas.
- lv. The Commission, through the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE), in collaboration with the Global Forum for Sustainable Energy (GSFE), and the United Nations Industrial Development Organization (UNIDO) organized a High Level Energy Forum on the theme "Paving the Way for Sustainable Energy for All in West Africa" from 29–31 October 2012, in Accra, Ghana. The participants expressed their appreciation to ECOWAS for the foresightedness in establishing the Centre.
- lvi. The Commission and the West African Power Pool (WAPP), with support from Development Partners, initiated several pre-investment and Environmental & Social Impact Assessment

Studies in Member States. WAPP also promoted cross border electricity trade among ECOWAS Member States. The quantity of electricity traded through the interconnections increased by 4.7% from 3,278 Giga Watt hours (GWh) in 2010 to 3,432GWh in 2011. During this period, hydropower remained the primary source of generation representing 65% in the power generation mix with the remaining 35% being predominantly thermal power generation. The total electricity consumed in the region rose from 47,073GWh in 2010 to 48,959GWh in 2011, representing a 4% increase. Moreover, the WAPP Secretariat developed a harmonized WAPP Monitoring and Evaluation (M&E) Manual.

- lvii. As part of the regional electricity market development, the WAPP Secretariat has completed the Basic Design and Feasibility Study for the Information and Coordination Centre (ICC) that shall, among others, coordinate the trading and insure the stable operation of the WAPP interconnected system. The architectural design of the ICC and final design of the system including the requirements for the communication infrastructure, hardware and software needed to manage the regional electricity market have been concluded. The Bidding Documents to implement the project have also been finalized and the WAPP has secured funding of €60 million from the EU to undertake the project within the framework of the 10th EDF Regional Indicative Programme.
- lviii. In terms of energy regulation, ECOWAS Regional Electricity Regulatory Authority (ERERA) developed a capacity building programme for national regulatory bodies and also launched an institutional support programme for ECOWAS Member States that are still in the process of setting up and implementing their regulatory body (sensitizing national stakeholders on the basis of regulation, preparation of texts, technical assistance with installation and launch of activities and capacity building). Countries benefiting from this support are: Benin, Burkina Faso, Guinea, Guinea Bissau, Liberia and Sierra Leone.
- lix. **Peace and Security:** During the period under review, the Commission focused on efforts to find peaceful solutions to the crises in Mali and Guinea Bissau. In Mali, a rebellion was launched by the National Movement for the Liberation of Azawad in January 2012, culminating in the occupation of the northern regions of Kidal, Timbuktu and Gao and the 'declaration' of independence by the MNLA in March 2012. In the meantime, the Government of Mali was overthrown by the Military on 22 February 2012, plunging the country into a constitutional crisis.
- lx. In Guinea Bissau, the military overthrew the Government on 12 April 2012, halting an on-going presidential election to choose the successor to the late President Malam Bacai Sanha, and creating yet another constitutional crisis.
- lxi. To find solutions to the double crisis in Mali and the constitutional crisis in Guinea Bissau, the Commission took the following measures:
- Organization of five extraordinary sessions of the Mediation and Security Council at the ministerial level and six Extra-ordinary Summits of Heads of State and Government;
 - Launching of a mediation process on Mali led by President Blaise Compaore of Burkina Faso and the establishment of the Regional Contact Group on Guinea Bissau;
 - Close collaboration with AU, UN and other partners which enabled the inauguration of the Support and Follow-up Group on the situation in Mali held in Abidjan on 7 June 2012 and a follow-up on 19 October 2012 in Bamako, under the joint chairmanship of the ECOWAS, AU and the UN;
 - Reactivation of the International Contact Group on Guinea Bissau (ICG-GB);

- Setting-up of an International Contact Group on Mali (ICG-M) and the appointment of a Special Representative of the ECOWAS President.
- lxii. In a bid to **strengthen democracy and good governance** in the region, the Commission undertook among others: (i) elaboration of strategies to ensure adoption of the ECOWAS Protocol on Corruption and facilitate establishment of Anti-Corruption Institutions in seven Member-States.
- lxiii. As regards **electoral assistance**, the Commission undertook actions aimed at improving the system of Election Observation, particularly in areas of deployment, coordination, and reporting; implementation of the setting up of the ECOWAS Election Observers Database (Roster) to enhance professionalism in ECOWAS' elections observations.
- lxiv. In the area of **Early Warning**, during the period under review, the Commission produced reports addressing post electoral challenges in Senegal, the Boko Haram menace in Nigeria, security and reconciliation challenges in Côte d'Ivoire, and events leading up to the coups d'état in Mali and Guinea Bissau with associated security challenges.
- lxv. As regards **peace keeping and regional security**, Following the Extraordinary Summit of ECOWAS Heads of State and Government held in Abidjan on 26th April 2012, the Commission was instructed to deploy a contingent of the ECOWAS Standby Force to Guinea Bissau with immediate effect to facilitate the withdrawal of the Angolan Technical and Military Assistance Mission in Guinea Bissau (MISSANG). Also, the Heads of State and Government in their extra-ordinary session held in Abuja, Nigeria on 11 November 2012 reaffirmed their determination to support Mali and Guinea Bissau in resolving their security and constitutional crises within the framework of standards and principles contained in the relevant protocols of the Community. In addition, the Summit decided to adopt the harmonized of Operations for the deployment of International Force under an African Command and requested the Council for Peace and Security of the African Union to endorse the concept and ensure its transmission, with the Strategic Concept, to the Secretary General of the United Nations within the timeframe prescribed by Resolution 2071.
- lxvi. **Institutional matters**, the process of further restructuring the ECOWAS Commission was pursued. The Commission worked with the Procurement Team of the World Bank Office in Abuja to review the Terms of Reference initially developed by the Technical Sub-Committee of the Institutional Review Committee. Upon final completion and endorsement of the Terms of Reference by all parties concerned, the Requests for Proposals were sent to the sixteen (16) shortlisted firms on 29th October, 2012.
- lxvii. **Strategic Planning**: The focus during the review period included, the development of major strategy documents namely, the capacity building strategy, communication strategy and financial strategy; the consolidation of the Medium Term Action Plan at the level of the Commission and other ECOWAS Institutions.
- lxviii. **Monitoring and Evaluation System**: The Commission conducted a study on baseline programmes implemented by all ECOWAS stakeholders to develop a programme performance measurement framework (including indicators and responsibilities) and a software application to operationalize monitoring and evaluation system.
- lxix. **Communications**: During the period under review, there was effective coverage of activities, programmes and meetings of all directorates, both within and outside the Commission, the offices of the President and Vice-President and other institutions of the Community. More than four hundred Press Releases were generated and disseminated in two of the three Community's languages from these activities. In the audio visual section of the ECOWAS

Library, over 40 official events and numerous still photos and video clips of eminent personalities were captured, captioned, and organized into a database of photographs of events and important personalities. In addition, over three hundred titles of journals and periodicals were acquired and processed for the use of staff and community citizens. The Library also recorded over 900 reference enquiries from community citizens and institutions through SMS or personal visits. It will be important to intensify efforts to better inform the public on the activities and achievements of the new management team.

- lxx. **Community Levy:** The Community Levy Protocol is being implemented by all Member States. However, the level of implementation as to the tax base, collection and deposit of the assessed amounts varies from country to country. A continuous monitoring mechanism has helped to ensure a steady growth in revenue, with a 15% increase in total amount deposited by Member States, compared to the previous year, although gaps still exist in the mobilisation of resources from Member States. However, during the same period, there was also an unprecedented surge in extra budgetary expenditures due to Military deployment in Guinea Bissau and Mali.
- lxxi. With regard to activities undertaken by other **Community institutions**, the following achievements were recorded in the implementation of their work programmes in 2012:
- lxxii. **ECOWAS Parliament:** During the year 2012, ECOWAS Parliament carried out several activities, ranging from the conventional rendering of advisory opinions based on referrals received from the ECOWAS Commission to self referrals which are usually a product of the activities of Standing Committees. With regards to the unconstitutional take-over of governments (military coup d'état) in Mali and Guinea Bissau, Parliament established an ad-hoc Committee charged with the responsibility of monitoring these crises and drawing the attention of the Parliament for necessary action. In addition, during the period under review, a Handbook on the Parliamentary Control of the Security Sector was formally launched. It provides a practical guide to Members of Parliament, at both national and regional levels, on the best way to ensure effective parliamentary control of the security sector within the general realms of security sector governance.
- lxxiii. One of the Strategic Objectives of the current Strategic Plan of the ECOWAS Parliament is the strengthening of the institutional role and enhancement of the powers of the Parliament. Consequently, Parliament established an ad-hoc Committee whose main terms of reference were to undertake a study and make a proposal on the Enhancement of the Powers of the ECOWAS Parliament. The ad-hoc Committee submitted its report, accompanied with a draft Supplementary Act that made proposals to the Community Decision Makers on the form the ECOWAS Parliament should take when its powers are ultimately enhanced.
- lxxiv. **Community Court of Justice:** The year 2012 marks the twelfth year of existence of the Court, both in terms of applications lodged and judgments delivered. At the end of September 2012, the Court recorded 17 new cases, held 100 hearings and rendered 30 decisions among which were 13 final judgments. With regards to promotion activities, a number of actions were undertaken, including sensitisation missions in Member States and conferences with the media of Member States and also strengthening of the cooperation with United Nations organs and civil society.
- lxxv. **West African Health Organisation (WAHO):** WAHO facilitated the implementation of a number of health programmes in the region, including (i) the adoption of a resolution on the establishment of the Regional Council for Health Professionals Education (RCHPE); (ii) Harmonisation and validation of the Code of Practice for Physicians; (iii) finalization of a

- repository of code of professional ethics for Nurses and Midwives; and (v) finalization of the Ethical codes of practice and regulations of Environmental Health and Community Health Officers.
- lxxvi. As regards Maternal and Child Health, WAHO provided technical and financial support to Sierra Leone, Mali, Nigeria and Benin.
- lxxvii. In the area of HIV & AIDS control, WAHO has facilitated the sites mapping of most at risk populations to HIV and hot spots along the Abidjan-Lagos corridor as well as set up the Multi-sector Committee on HIV control in ECOWAS.
- lxxviii. WAHO, in conjunction with the International Development Research Centre (IDRC), initiated a second 4-year project on the use of the findings of health research in the ECOWAS region entitled "West African Initiative for Capacity Building through Research on Health Systems".
- lxxix. **Inter-governmental Action Group against Money Laundering in West Africa (GIABA):** GIABA provided assistance to Member States on the implementation of effective Anti-Money Laundering (AML) and Counter-Financing of Terrorism (CFT) regimes. Among others, GIABA engaged in follow-up actions in a number of Member States (Benin, Ghana, Guinea, Liberia, Niger and Nigeria) on the framework of Mutual Evaluations with a view to sensitizing political authorities and to eliciting further commitment to AML/CFT issues. These missions produced significant outcomes, including the passage of the AML/CFT laws, amendments to existing legislations, increase in funding to the FIUs and more support to the Inter-Ministerial Committees of these countries.
- lxxx. In terms of technical assistance programmes, GIABA commenced the deployment of AML/CFT Analytical Software to Burkina Faso, Cape Verde, The Gambia and Ghana. Moreover, a decision was made to incorporate the revised FATF standards in the harmonisation of regulatory and supervisory frameworks of banks and non-bank financial institutions in ECOWAS.
- lxxxi. **ECOWAS Bank for Investment and Development (EBID):** As at 31st December, 2012, the total net commitments of the Bank in favour of the Member States of the Community amounted to UA 696 466 093 (US\$ 1 057 393 627) compared to UA 618 988 453 (US\$ 985 547 225) as at 31st December in 2011, in respect of 124 active projects. This represents an increase of 12.5%. A percentage of 62,4% of this commitment finances projects from public sector while 37,6% finances projects from private sector.
- lxxxii. In terms of resource mobilization, the Bank continues to explore sources of funding that can sustainably support its loan portfolio which is the only way to guarantee viability and profitability. Several meetings were held between high level delegation of the Management of the Bank and the Heads of State and Government within the framework of mobilizing the arrears on the first and second tranches of the called-up capital.
- lxxxiii. Despite a consolidation of activities, the Bank only made a profit of UA 0.07 million after achieving a profit of UA 1.886 million in 2011. This poor performance resulted essentially from the provisions made to cover possible loses, notably on two loans extended to the private sector. Gross operating income for the period amounted to UA 3.1 million as at the end of December 2012 against UA 1.1 million amounted in 2011.

Conclusion and Recommendations

lxxxiv. In conclusion, the presentation of the 2012 Annual Report shows the efforts made by the new management team towards the realisation of the priority actions that were undertaken in spite of the difficulties that were encountered. The actions undertaken aimed at:

- Continuing its efforts in resolving the conflicts in Guinea Bissau and Mali with a view to fostering peace and stability in the region;
- Sustaining the good growth performance of the region through a credible macroeconomic policy dialogue with Member States;
- Addressing the regional infrastructure challenges and contribute to the realization of food security and removal of constraints militating against the free movement of people and goods in the region;
- Accelerating mobilization of resources to bridge the financing gaps identified in the regional integration programmes, especially infrastructure and agricultural programmes;
- Encouraging Member States and regional institutions to accelerate the implementation of activities in the roadmap of the ECOWAS single currency programme, with a view to launching the second regional currency in 2015 and an ECOWAS-wide single currency in 2020;
- Urging and working with Member States to apply effectively the Community legal provisions, particularly those relating to the free movement of persons and goods, rights of residence and establishment; and
- Ensuring that the obstacles militating against the effective implementation of the protocol on the Community Levy are removed;
- Strengthening the human resources needed to steer the process of integration in the right direction.

Recommendations

lxxxv. The Commission must tirelessly ensure:

- The pursuit of efforts in finding peaceful resolution of the conflicts in Guinea Bissau and Mali with a view to maintaining peace and stability in the region;
- The encouragement of Member States in stepping up efforts at putting in place healthy macroeconomic framework and meeting the macroeconomic convergence criteria in order to achieve sustainable growth and create a solid foundation for the introduction of the single currency;
- A firm commitment to the provision of well-developed infrastructure for the region to ensure sustainable food security and reduce substantially, the obstacles to the free movement of persons, goods, capital and the right of establishment;
- The mobilization of sufficient resources in Member States to ensure adequate financing of agricultural investment programmes;
- The implementation of the ECOWAS Single Currency Roadmap with a view to expediting the process of implementing a single currency in the region; and
- The rigorous application of the regulations on the Community Levy by Member States.

INTRODUCTION

1. The implementation of the 2012 Community Work Programme was carried out in an environment characterised by relative regional political stability, improved national economic governance, and the political will of the ECOWAS policy makers to accelerate regional integration and development in spite of the sluggish global economic recovery, high international oil prices, and political impasse in Guinea Bissau and Mali.
2. Notwithstanding the deceleration of the global economy from 3.8 percent in 2011 to 3.3 percent in 2012, provisional estimates show that the regional economy grew from 5.9 percent in 2011 to 6.6 percent in 2012. This impressive growth rate is accounted for by the diverse growth rates projected for the ECOWAS Member States in 2012, which range from -1.5 percent for Mali to 17.9 percent for Sierra Leone. In fact, forecasts show that eight ECOWAS Member States would record growth rates not less than 5 percent in 2012. The countries and the projected growth rates for 2012 are as follows: Togo (5.9%), Burkina Faso (8.0%), Nigeria (6.5%), Côte d'Ivoire (9.8%), Ghana (7.1%), Liberia (8.7%), Niger (10.8%), and Sierra Leone (17.9%).
3. In its bid to enhance and sustain regional integration and development, the Authority of Heads of State and Government during its ordinary and extra-ordinary sessions held during the year provided policy direction for the implementation of the Community Work Programme. The 40th Ordinary Session of the Authority of Heads of State and Government, held in Abuja on 16 and 17 February 2012 elected H.E. Alassane Dramane Ouattara, President of the Republic of Côte d'Ivoire, as Chairman of the Authority of ECOWAS Heads of State and Government for a one-year mandate. Furthermore, the Summit appointed H.E. Kadré Désiré OUEDRAOGO, a national of Burkina Faso, former Prime Minister and Ambassador of Burkina Faso to Brussels, as President of the ECOWAS Commission for a four-year non-renewable tenure. It also endorsed the appointment of the new Vice-President and Commissioners at the Commission on the same themes as follows:
 - Dr. Toga Gayewea McIntosh, Vice President (Liberia);
 - Mrs. Salamatu Hussein Suleiman, Commissioner for Political Affairs, Peace and Security (Nigeria);
 - Mrs. Khadi Ramatu Saccoh, Commissioner for Administration and Finance (Sierra Leone);
 - Dr. Lapodini Marc Atouga, Commissioner for Agriculture, Environment and Water Resources (Togo);
 - Mr. Ahmed Hamid, Commissioner for Trade, Customs, Industry Mining, Free Movement and Tourism (Niger);
 - Dr. Ibrahim Bocar Ba, Commissioner for Macroeconomic Policy (Mali);
 - Mr. Ebrima Njie, Commissioner for Infrastructure (The Gambia).
4. The 41st Ordinary Session of the Authority of Heads of State and Government, held in Yamoussoukro on 28 and 29 June 2012, resolved, among other things, to mediate in the political crises in Guinea Bissau and Mali, and also, in collaboration with the Economic Community of Central African States (ECCAS) and the Gulf of Guinea Commission (GGC), to address the issue of piracy and threats to maritime security along the Gulf of Guinea. In addition, the Heads of State and Government endorsed the recommendation to increase the number of statutory members of the Commission from nine to twelve. In this regard, they instructed the Council of Ministers to urgently finalise the modalities for the implementation of this decision as well as the allocation of the other statutory positions within the Community

Institutions. They further directed Council to continue to reflect on the feasibility of a 15-member Commission, and to submit its findings to the next session of the Authority.

5. The policy-programme nexus of all the ECOWAS Institutions is anchored on two basic pillars, namely, (i) the promotion of peace, security and good governance, and (ii) the improvement of the standard of living of the people. To achieve the two major goals, the ECOWAS Commission undertakes the implementation of the following priority programmes:
 - Consolidation of peace and security while strengthening the democratic process;
 - Continuation of efforts in establishing a common market through finalisation of the Common External Tariff (CET), enhancing free movement of persons and goods, finalisation of agricultural investment programmes and common policies particularly in the industrial sector and infrastructural development;
 - Improvement of the macroeconomic policy framework to prepare for the creation of a credible and sustainable monetary union characterized by a single central bank, unified monetary and exchange rate policies, and a single currency as well as a conducive business environment necessary for economic prosperity and enhancement of wealth in the region;
 - Continuation of the process for the preparation of the Community Development Programme (CDP) with a view to completing it in 2013;
 - Development of a strategy to enable the region participate more effectively in the world economy through the management, at the regional level, of relationships with regional economic powers especially Brazil, China, India, the European Union, Malaysia, and consolidating the traditional relationships with the other developed countries;
 - Acceleration of institutional reforms at the Commission; and
 - Capacity building
6. There is no doubt that an effective implementation of the programmes will enhance regional integration and development including political stability in the region and make it possible to address efficiently the numerous socio-economic challenges facing the Community.
7. This 2012 ECOWAS Annual Report is structured into four major chapters. Following this introductory segment, Chapter one reviews the recent economic trajectory of the region within the context of the global economic environment. Chapter two highlights the status of implementation of the 2012 Work Programme of the ECOWAS Commission as approved by the Council of Ministers and endorsed by the Authority of Heads of State and Government. Chapter three examines the issue of integration and political stability in West Africa while Chapter four reviews the activities of the other ECOWAS Institutions, namely, ECOWAS Parliament, ECOWAS Court of Justice, ECOWAS Bank for Investment and Development, Inter Governmental Action Group Against Money Laundering in West Africa (GIABA), West African Health Organization, and the West African Power Pool. Chapter four is followed by a section which provides some concluding remarks

CHAPTER I: RECENT ECONOMIC DEVELOPMENTS IN WEST AFRICA¹

8. This chapter presents a brief account of the performance of the West African economy in late 2011 and 2012 within the context of the sluggish recovery of the global economy due to the economic challenges in the United States and the euro zone. The analysis gives an indication of the significant influence that globalization has always had on the economies of West African countries, which are largely open economies and are, thus, vulnerable to exogenous economic shocks. The chapter discusses the economic and financial policies of ECOWAS Member States with emphasis on the structural reforms embarked upon by the countries to sustain economic development. In the concluding part, the chapter presents the challenges and prospects for the region in 2013

1.1 External environment: the global economic environment

9. Global economic growth has decelerated. According to the International Monetary Fund (IMF), as stated in its flagship publications on the world economy – October 2012 World Economic Outlook (WEO) and WEO Update January 2013 –, the global economic prospects have deteriorated further and risks increased. Overall, the IMF's forecast for global growth was marked down to 3.3 percent in 2012 and a still sluggish 3.5 percent in 2013 but an increase to 4.1 percent in 2014. The IMF forecasts are based on two crucial policy assumptions—that European policymakers get the euro area crisis under control and that policymakers in the United States take action to tackle the “fiscal cliff²” and do not allow automatic tax increases and spending cuts to take effect. Failure to act on either issue would make growth prospects far worse.
10. Economic conditions improved modestly in the third quarter of 2012, with global growth increasing to about 3 percent. The projections in the WEO Update show that the world economy will grow at an average rate of 3.5 percent in 2013 and 4.1 percent in 2014, provided recovery is strengthened in the euro area economy. The main sources of economic growth will be increase in economic growth of emerging market economies and growth in the economic conditions of the United States. Among other factors, capital flows to emerging markets will remain strong.
11. In the updated outlook, the United States is projected to experience an average growth of 2 percent in 2013, rising above the trend in the second half of 2012. This forecast is anchored on a supportive financial market environment and the turnaround in the housing market which would enhance consumption growth in 2013.

¹ The information in this section is culled from the ECOWAS database, IMF publications (World Economic Outlook, October 2012, World Economic Outlook Update, January 2013 and other documents produced during the 2012 Annual Meetings held in Tokyo), and United Nations World Economic Situation and Prospects, September 2012).

² The term was first used by the US Chairman of Federal Reserve (Fed) - Ben Bernanke - at a hearing of the House Financial Services Committee in February in 2012. Bernanke used the catchphrase “fiscal cliff” to draw attention to the fact that the large spending cuts and tax increases already scheduled to occur being far too big for the current U.S. economy to handle at one time. Fiscal cliff, in essence, refers to the simultaneous expiry of tax breaks with the introduction of tax increases and spending cuts at the end of 2012, the cumulation of which could push the US back into recession. If the US Congress does not raise its borrowing limit by January 1, 2013, the United States will be hit by a fiscal contraction worth 600bn dollars in 2013, which could tip the economy into a new recession.

12. For the euro area, economic activity is expected to contract by 0.2 percent in 2013 instead of expanding by 0.2 percent. The contraction is not unconnected to the sovereign debt crisis experienced in the euro area.
13. In Japan, activity is projected to expand by 1.2 percent in 2013. The recession is expected to be short-lived because the effects of temporary factors, such as the car subsidy and disruptions to trade with China, will subside. In addition, the country will experience growth as a result of increase in external demand, supported by a weaker yen, as well as significant fiscal stimulus package and further monetary easing.
14. For the emerging market and developing economies, economic growth will reach 5.5 percent in 2013, which is lower than the high rates recorded in 2010-11. The emerging market, especially the BRICS (Brazil, Russia, India, China and South Africa) will continue to play major economic roles in the global economic environment. The BRICS bloc has emerged as a dynamic and balancing global voice. Viewing Africa as the new global growth centre, BRICS countries are emerging as the new largest investors and trade partners to the African Continent with strong exponential growth potential for the future. An estimate of BRICS total trade with Africa reached US\$ 340 billion in 2012, representing more than a ten-fold increase over the course of a decade. The BRICS countries currently hold the largest foreign reserves base in the world, estimated at US\$ 4.4 trillion³, and have finance and capital for major project cooperation in strategic sectors including infrastructure development.
15. Activity in sub-Saharan Africa is projected to remain robust, with a rebound from flood-related output disruptions in Nigeria to reach 5.4 percent in 2013 against 5.1% in 2012.
16. To ensure a sustained economic recovery in 2013 and beyond, concerted efforts should be made to address the economic challenges in both the advanced economies and the emerging market and developing economies. For the advanced economies, steady and sustained fiscal consolidation and financial sector reform measures should be provided while for the emerging market and developing economies, efforts should be made to strengthen the macroeconomic framework. This will entail appropriate mix of fiscal and monetary measures as well as macroprudential measures to stem emerging financial excesses.
17. Concerning global inflation, inflation pressure is easing. In the major advanced economies, domestic inflation pressure, as measured by the consumer price index, is low. As shown in Table 1, it is expected to decline from 2.7 percent in 2011 to 1.9 percent in 2012 and further down to 1.6 percent in 2013 but increase to 1.8 percent in 2014. Similarly, in emerging market and developing economies, inflation is expected to reach 6.1 percent in 2013 but decrease to 5.5 percent in 2014. Examination by country groupings shows that inflationary pressure varies widely. It ranges from 5.0 percent (Developing Asia) to 9.1 percent (Sub-Saharan Africa) and further to 10.4 percent (Middle East and North Africa) in 2012 (see Figure 1)

³ See Briefing Note to Participants at the BRICS Leaders – Africa Dialogue Forum: “Unlocking Africa’s Potentials: BRICS and Africa Cooperation on Infrastructure” held in Durban, South Africa on 27 March 2013.

Table 1: World Economic Output (annual percent change)

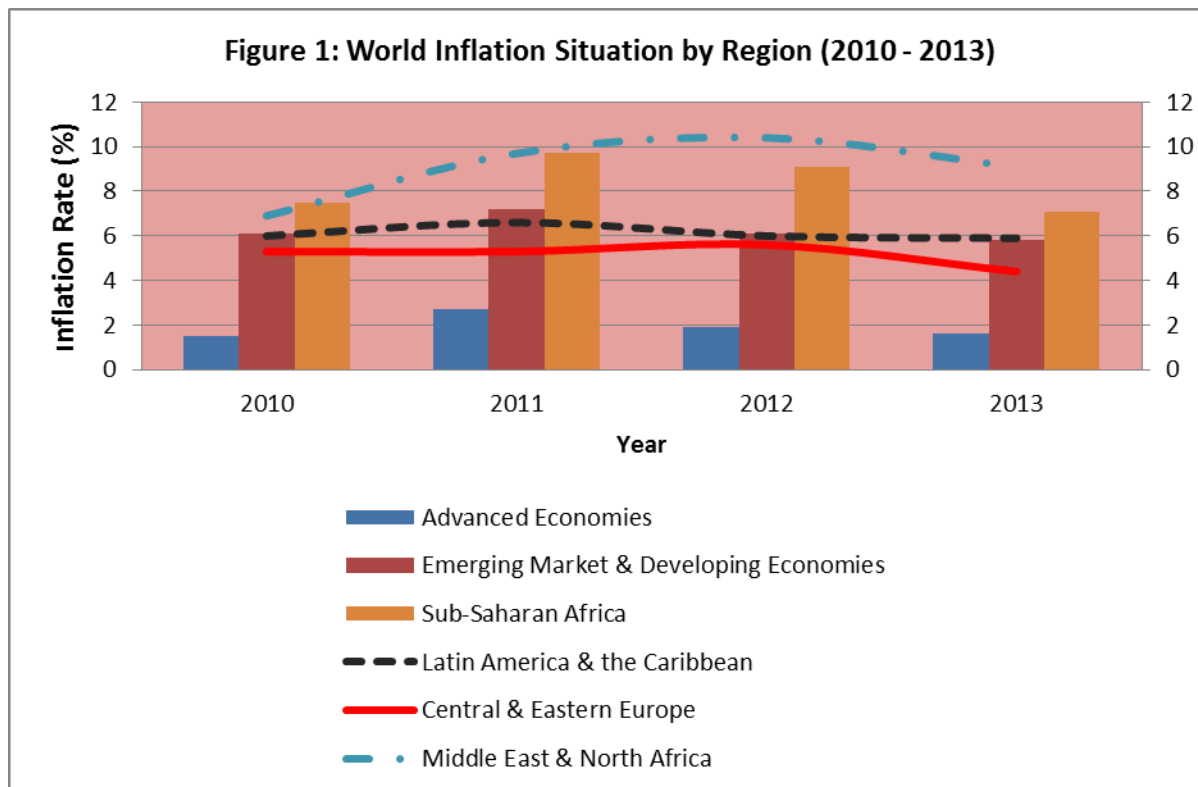
	2010	Output Projections		
		2011	2012	2013
World Output	5.1	3.8	3.3	3.5
Advanced Economies	3.0	1.6	1.3	1.4
Developing & Emerging Economies	7.4	6.2	5.3	5.5
Africa	4.5	3.5	6.6	4.8
sub-Saharan Africa	5.3	5.1	5.1	5.4
West Africa (ECOWAS) ⁴	6.8	5.9	6.6	7.0
Value of World Output (\$ billion) at market exchange rates	61,222	57,846	63,180	69,899
<u>Consumer Prices:</u>				
Advanced economies	1.5	2.7	1.9	1.6
Developing & Emerging Economies	6.1	7.2	6.1	6.1

n.a. means not available

*Sources: IMF (2012) World Economic Outlook, October
IMF (2013) World Economic Outlook Update, January
AfDB, OECD, UNDP, UNECA (2012) African Economic Outlook
ECOWAS Commission (2012) National Accounts database*

⁴ West Africa here consists of all Member States of ECOWAS and excludes Mauritania.

Figure 1: World inflation situation by region (2010-2013)

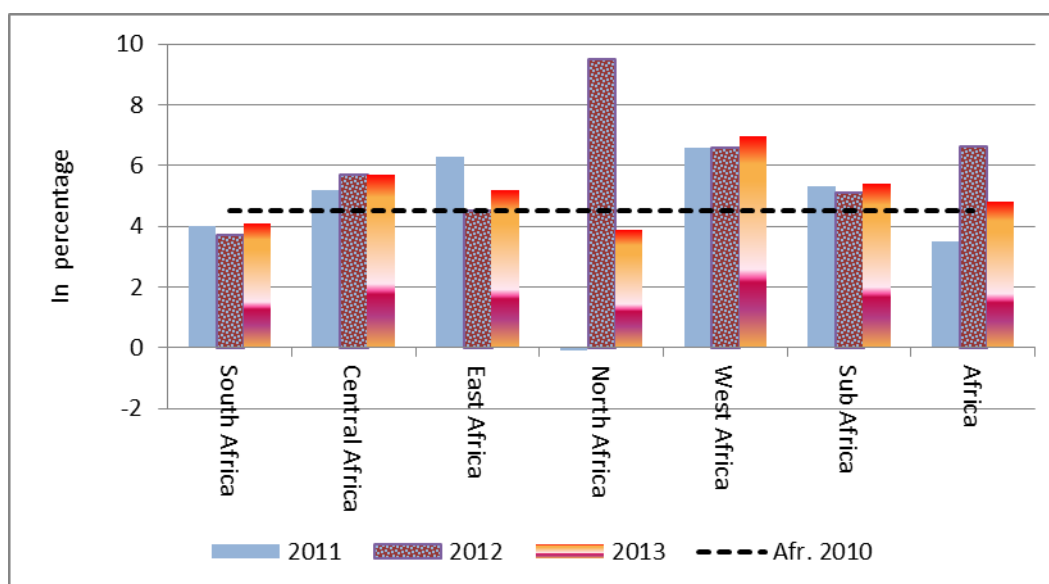


1.2 Growth of the African Economy

18. According to the African Economic outlook, the continent's average GDP growth is expected to rise by 6.6% in 2012 and 4.8% in 2013, after the decline in 2011 (3.5%). This performance is particularly due to the gradual recovery in North African economies, increased public spending on infrastructure, strong commodity prices and robust domestic demand in several countries on the continent. This overall trend, marked by a decline of growth in 2011, and an expected growth in 2012 and 2013, could be observed in key African regions (see figure 2).
19. North Africa, with an economic weight representing one third of African GDP, could achieve a growth of 9.5% in 2012 and 5.4% in 2013 against 0.5% in 2011. This recovery expected in 2012, after the near stagnation of 2011 following the economic disruption in the region, should rekindle African growth in 2012.
20. Despite an international context that is still fragile, the continent's strong growth is also due to the robustness of activity in Sub-Saharan Africa which will grow from 5.1% in 2012 and 5.4% in 2013. In addition, the increasing investor interest in Africa, with a flow of \$31 billion in foreign direct investments expected in 2012, is an important factor of economic dynamism.
21. Specifically, Southern Africa grew by 3.7% in 2012 and is expected to rise to 4.1% in 2013 against 4.0 % in 2011. Some countries of the region such as Botswana, Mozambique and Zambia would have growth rates higher than 6%, as a result of increased mining production. The increase in oil production and investment in Angola, as well as the improved economic situation in Zimbabwe, would stimulate growth in the region. However, this performance would be mitigated by the sluggish growth of South Africa (2.7% in 2012) which is most affected by the financial crisis in view of the country's close economic ties with European markets.

22. Most of the East African countries are still in a relatively-sustained growth dynamics. Even though the growth rate is still high, there was a decline from 6.3% in 2011 to 4.5% in 2012 and an expected growth of 5.2% in 2013 due to a moderate increase in Ethiopia, a decline in Sudan, and the food crisis in some countries of the region.
23. Central Africa's growth rate rose to 5.7% in 2012 and would remain same in 2013 compared to 5.2% growth rate in 2011. The growth would be sustained by public investment in infrastructure, development in the service sector and increase in construction and timber exports in certain countries. However, the overall performance of the region would be mitigated by the decline in activity in Chad, where oil production dwindled as a result of social unrest and remittances from Chadian migrants living in Libya following the outbreak of the conflict in that country.
24. West Africa's economic growth remains one of the strongest on the continent. It was 6.6% in 2012 and is expected to rise to 7.0% in 2013. The dynamism of the regional economy and expected real GDP increase in 2012 is due to accelerated growth in countries that benefited from increasing natural resource exports, such as iron ore in Sierra Leone, uranium and oil in Niger, as well as other factors such as the return of peace to Côte d'Ivoire.

Figure 2; Evolution of real GDP growth rates in African regions (2011-2013)



Source: ECOWAS Commission

25. Overall, the economic growth of Africa remains strong. However, certain factors continue to generate serious doubts about the growth dynamics of the individual States. Indeed, inflation and rising cereal prices remain a major problem for the growth prospects of the continent. Even though a trend of declining inflation has been observed for some time, there was an increase in 2012 to 9.4% before declining to 8.3% in 2013 compared to 8.2% in 2011. The high prices of cereals on the global market could worsen food insecurity in certain countries and lead to inflation and instability as they intensify. In addition, the ongoing recession in Europe remains a threat to the continent's growth, especially for medium-term recovery in North Africa and South Africa.

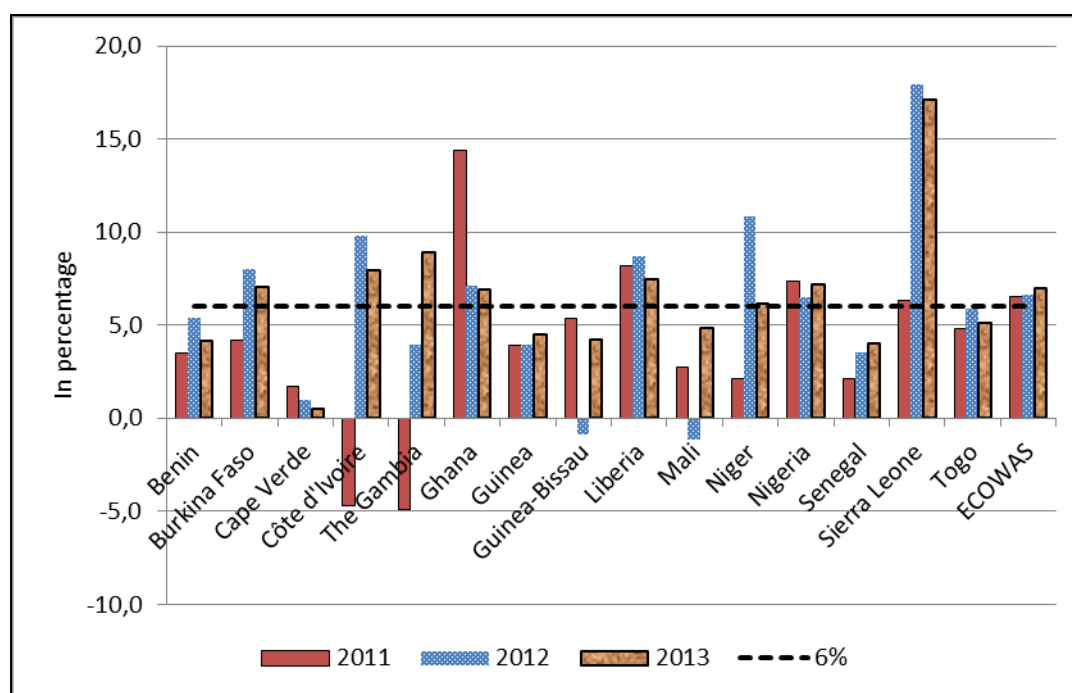
26. In this regard, to cope better with external shocks, Africa should continue its efforts to strengthen the macroeconomic framework, improve infrastructure, consolidate regional integration and promote the private sector

1.3 The West African Economies

1.3.1. Economic growth

27. West Africa's economic prospects for 2012 confirm the region's dynamic growth. The latter would rise in 2012, especially under the impetus of new oil and mineral resources producing countries. West Africa's real growth was 6.6% in 2012 (see figure 3). This should rise to 7% in 2013 as a result of the effective exploitation of new mineral and oil deposits in some countries and the assumption of a gradual recovery in global demand for raw materials.

Figure 3: Evolution of real GDP growth rates of ECOWAS Members States



Source: ECOWAS Commission

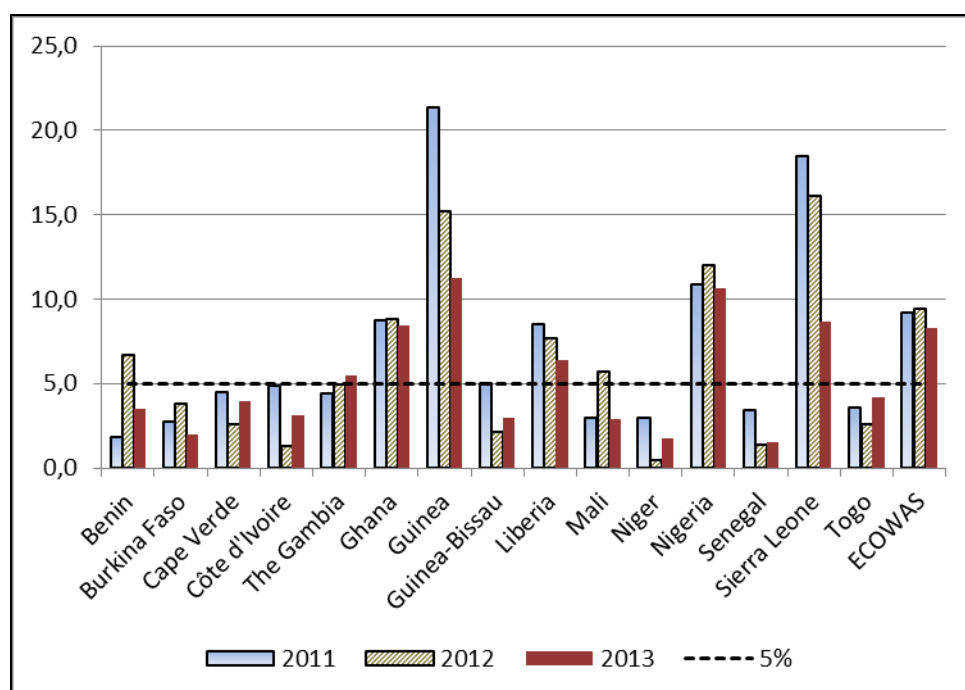
28. However, the situation in the region is quite mixed, with some countries being able to maintain their growth rate and even increase it, while in others growth will decline. The increase by a percentage point of growth rate in 2012 would mainly be due to the expected strong recovery of economic activities in Côte d'Ivoire (9.8% against -4.7% in 2011), The Gambia (3.9% against -4.9% in 2011), accelerated growth in Niger (10.8% against 2.3% in 2011) and in Sierra Leone (17.9% against 6.3% in 2011).
29. In addition, the regional performance in 2012 could also be linked to the consolidation of economic activities in Benin (5.4%), Burkina Faso (8%), Guinea (3.9%), Liberia (8.7%), Senegal (3.5%) and Togo (5.9%) in relation to sustained growth in agricultural production. The sustained 6.5 % growth in Nigeria, the largest economy in the region, even though constitutes a decline compared to 2011 (7.4%), is one of the essential components of the growth prospects of the region.

30. However, the West African performance was mitigated in 2012 by the deterioration in activity in Mali and Guinea Bissau with growth rates of -1.2% and -0.9% against 2.7% and 5.3% in 2011 respectively, due to the political crisis in these countries. The moderate growth rate in Ghana (7.1% against 14.4% in 2011) and Cape Verde (1.0% against 1.7% in 2011) should also be considered to lesser extent.
31. Furthermore, the ongoing political tensions in Guinea Bissau and Mali, with its impacts on other States, as well as the effects of flooding in several countries could be the factors hampering the region's economic development.

1.3.2. Inflation

32. The inflationary pressures observed in many countries in the region have witnessed slow down in recent years. However, a rise in inflation of 9.4% was recorded in 2012 compared to 9.2% in 2011. This upward trend was observed in Benin (6.7% against 1.8% in 2011), Burkina Faso (3.8% against 2.8% in 2011), Mali (5.7% against 3.0% in 2011) and Nigeria (12.0% against 10.8% in 2011).
33. In contrast, a decline in inflation was recorded a number of countries including Cape Verde (2.5% against 4.5% in 2011) in Guinea (15.2% against 21.4% in 2011), Côte d'Ivoire (1.3% against 4.9% in 2011) in Guinea-Bissau ($2, 1\%$ against 5.1% in 2011) and Sierra Leone (16.1% against 18.5% in 2011). The latter country, together with Guinea and Nigeria are the only countries where inflation rate exceeded 10% in 2012.
34. The gradual reduction in inflation differential between the countries is an encouraging factor, although several countries still have inflation rates higher than the Community maximum target of 5% . Indeed, the gap between the extreme results in terms of inflation was below 10 percentage points.

Figure 4 : Trend of inflation in ECOWAS Member States



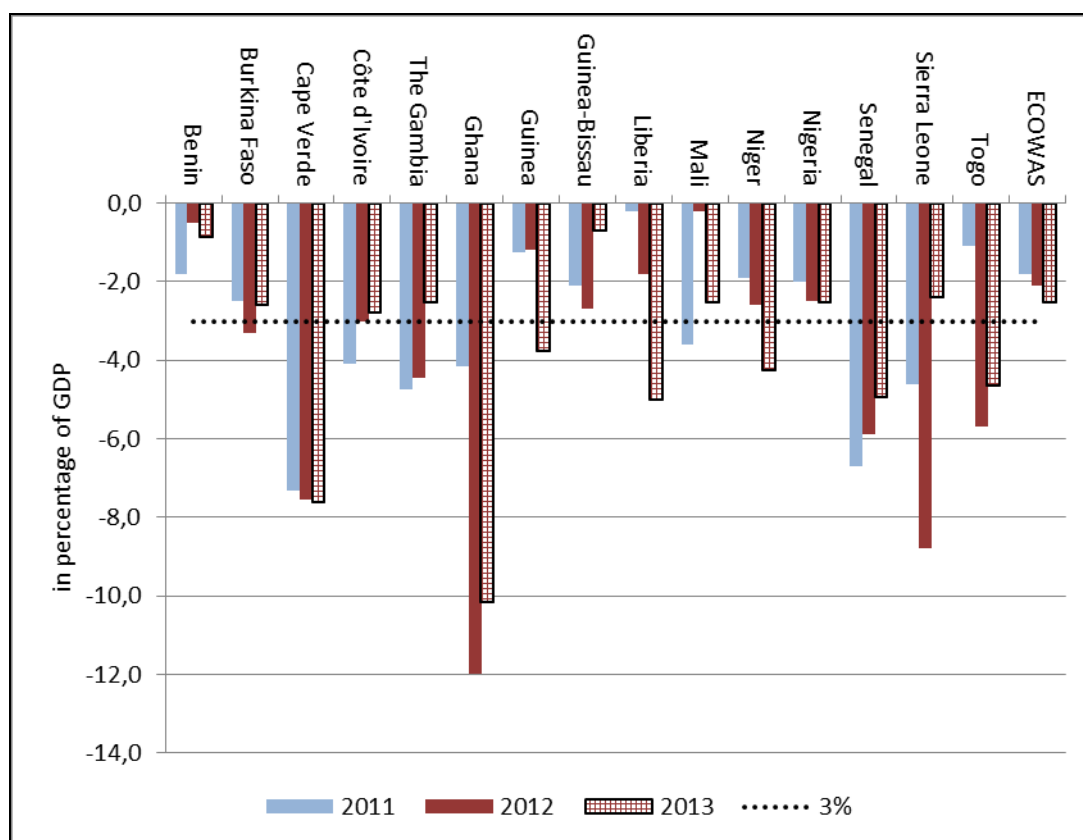
Source: ECOWAS Commission

35. However, the rising food prices, exacerbated by climatic hazards, constitute a real risk to growth, purchasing power of populations and consequently their well-being, as well as disparity between countries in West Africa.
36. In this regard, the flooding in several countries of the region which may affect productivity in the agricultural sector, is a source of serious concern. Some organisations such as the World Bank and FAO have recently sounded the alarm and proposed practical solutions to ensure food security and preserve the purchasing power of households.

1.3.3. Fiscal deficit

37. Fiscal discipline in recent years is one of the factors explaining the relative performance of the region. However, recent developments appear to show that there has been a relaxation in fiscal discipline which has resulted in the deterioration of budget deficits in ECOWAS countries, with a deficit of 2.1% of GDP being recorded in 2012, compared to 1.8% in 2011. Most of the countries in the region recorded a deterioration in their public accounts. Although the overall trend is towards budget deficit reduction, The disparity in performance with respect to reduction in budget deficit constitutes an obstacle to the attainment of macroeconomic convergence (see figure 5).

Figure 5: Trend of budget deficit in ECOWAS Members States (2011-2013)



Source: ECOWAS Commission

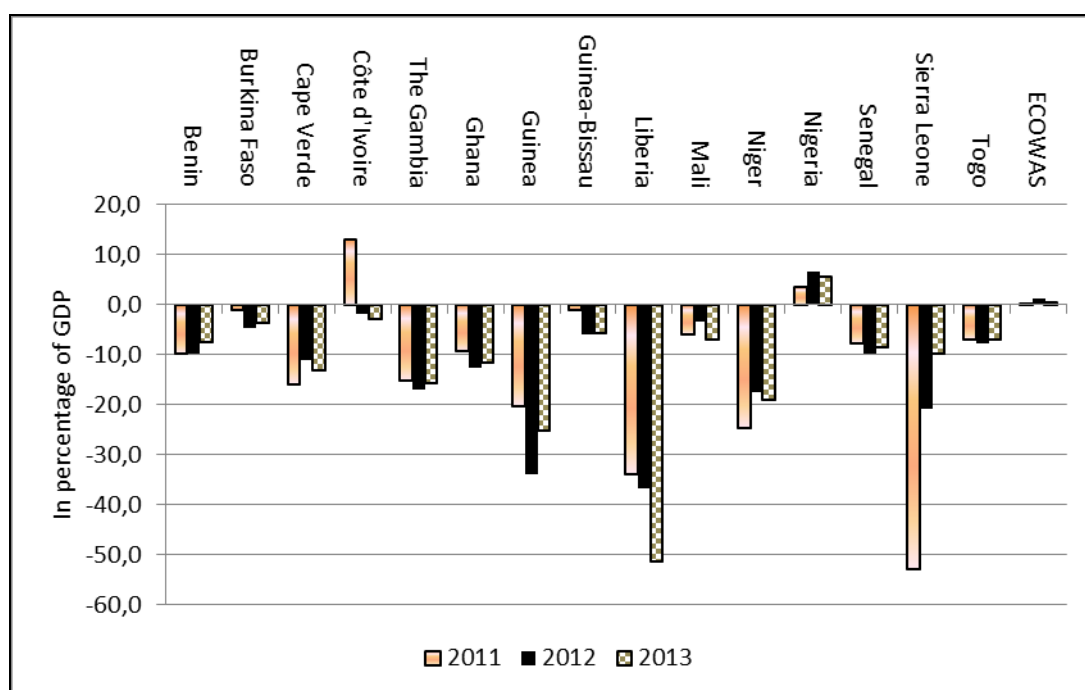
38. Indeed, in 2012, nine countries of the region including Cape Verde (7.3%), Togo (5.7%), Ghana (10.1%) and Sierra Leone (8.8%) recorded a deterioration in deficit.

39. On the other hand, a number of countries like Benin (0.5%), Guinea (1.2%) and Côte d'Ivoire (3.0%) and Nigeria (2.5%) recorded a deficit which was below the Community maximum target of 4%. Apart from Cape Verde, Gambia, Ghana, Senegal, Sierra Leone and Togo, the budget deficit of ECOWAS Member States would be less than 4% of GDP in 2013.

1.3.4. External balance

40. The current account of ECOWAS remained in surplus increasing from 0.1% of GDP in 2011 to 1.1% in 2012 (see Figure 6). This result was mainly due to the improvement in Nigeria's current account which increased from a surplus of 3.6% of GDP in 2011 to 6.6% of GDP in 2012.

Figure 6: Evolution of current account balance in ECOWAS Member States (2011-2013)



Source: ECOWAS Commission

41. In general, the external balance of the States remains fragile and unstable. In fact, whereas it improved in Benin, Cape Verde and Mali, it deteriorated in other countries, often attaining worrying proportions (see figure 6).
42. The external balance position of Liberia and Guinea was a source of concern in 2012 with deficits which rose by 36.7% and 34.1% respectively. This upward trend is expected to continue in 2013 for Liberia. On the contrary, Sierra Leone recorded a significant reduction in her deficit, from 52.9% in 2011 to 20.8% in 2012 and is expected to reduce further to 9.7% in 2013, on account of strong expected growth in exports following the exploitation of new mineral deposits.
43. In all, based on increased gas, oil and various mineral production and assuming a strengthened socio-political stability, the region will sustain the GDP growth of 2012 in 2013. However, uncertainty such as the Euro zone crisis, the effects of floods and general political climate could reduce the regional growth rates.

44. Although the demand for minerals and hydrocarbons, FDI⁵, good rainfall, as well as development assistance continue to be the main engines of regional growth, it is crucial to continue the efforts to strengthen the macroeconomic framework, improve the overall political climate and consolidate regional integration.

1.4 Review of Economic Performance and Reforms in ECOWAS Member States

Benin

45. The economy of the Republic of Benin is projected to grow at 5.4 percent in 2012 compared to 3.5 percent in 2011, spurred by an increase in cotton production during the 2011/12 crop year. The economy felt the impact of the hike in the price of fuel from Nigeria and the slowdown in activity at the Port of Cotonou during the course of the year. Uncertainties about the global economic environment, falling international cotton prices, concerns about the 2012/13 cotton campaign, and outstanding issues with the port prompt a cautious outlook, with economic growth in 2013 projected to be only slightly higher than in 2012. Inflation in 2012 will be driven by a rapid rise in oil prices in January, but pressure on prices will subside and inflation for 2013 should fall close to the West African Economic and Monetary Union (WAEMU) convergence criterion of 3 percent.

Burkina Faso

46. The economy of Burkina Faso experienced a stronger rebound of economic activity in 2012, with gross domestic product (GDP) growth expected to reach 8 percent. This is explained largely by the prospect of a strong performance in agricultural production, aided by measures taken by the government to improve agricultural productivity. A shortage in food supplies and rise in fuel prices pushed inflation up during the first half of the year but decreased in the third quarter and was expected to drop further with the new harvest, to around 2 percent year-on-year. External balances have deteriorated in 2012 as a result of higher food and fuel prices and more imports of food.
47. Implementation of fiscal programmes proceeded as planned. Revenue collection in the first half of 2012 exceeded expectations as a result of improvements in tax administration and strong economic growth. Total expenditures in the first half were however slightly lower than expected, due in part to slower than anticipated execution of investment spending. To ensure that the fiscal programmes remained on course, the government took immediate measures to accelerate investment spending in the second half of the year.
48. Real economic activity is expected to remain strong in 2013, underpinned by the agricultural and development policies of the government's development programme, the SCADD (Strategy of Accelerated Growth and Sustainable Development), as well as current expansion of gold

⁵ The African Economic Outlook gives an idea of its importance. Indeed, West Africa has attracted almost 20% of FDI to Africa in the past five years, earning US\$ 9 billion in 2010. The Nigerian oil industry is the main beneficiary. The country received almost US\$ 6 billion in 2009 and 4.5 billion \$ US in 2010 or 50% of FDI inflows to the region. Ghana ranks second with US\$ 1.5 billion in 2010. FDI into the country has increased tenfold in five years, due to the discovery of new oil fields. This huge investment does not apply, however, to Niger and Liberia. FDI to Niger jumped from \$30 million in 2005 to \$900 million in 2010 while FDI to Liberia rose from virtually nothing in 2005 to \$350 million in 2010.

mining activities. Real GDP growth is forecast at 7 percent in 2013, while inflation is projected to remain around 2 percent.

Cape Verde

49. Cape Verde's economy is expanding at a more moderate pace, supported by a resilient tourism sector and implementation of a scaled up public infrastructure programme. There was a rise in the rate of inflation last year in response to a surge in fuel and food prices. Core inflation however remained subdued. Fiscal and monetary policy restraint conducted towards the end of 2011 helped to contain losses of reserves, but the external current and financial account deficits widened significantly compared to 2010. Current structural reforms being pursued in the country are intended to improve the tax system, public financial management and transparency, and monetary policy implementation, all of which are essential to support economic growth and competitiveness.

Côte d'Ivoire

50. Following the resolution of the political crisis that marred economic activities in the country, programmes and policies being pursued by the government have returned the economy to the path of rapid recovery. Economic performance in the first half of 2012 was stronger than expected and resulted in the revision of growth forecast from 8.1 to 9.8 percent. The twelve-month inflation which finished at 4.9 percent in 2011 dropped to 1.3 percent in 2012. Budget execution was also better than expected. Fiscal revenue continued the strong performance of the second half of 2011 through 2012, with receipts about 1 percent of annual gross domestic product (GDP) higher than projected, reflecting in part the rapid recovery of economic activity. Expenditure stayed within budget targets, with good execution rates for public investment and with projected pro-poor spending exceeded. All of the quantitative performance criteria for end-June under the ECF arrangement were observed.
51. Progress has also been made in the implementation of structural reforms, many of which aim at strengthening public financial management and improving the business climate. The government's reform programme is set to continue into 2013. Key priorities in this regard are electricity sector reforms, in order to ensure adequate funding for extension of the production and distribution infrastructure; banking reform, to improve financial intermediation; the strengthening of debt management to protect public finances; the introduction of flexibility in fuel prices, to convey appropriate price signals together with measures to reduce the social impact; the development of a strategy for managing the wage bill, to ensure adequate public resources for operations and investment; and efforts to improve the business climate more broadly.
52. A boost to the economy of Côte d'Ivoire is the approval, in June 2012, by the World Bank and International Monetary Fund of debt relief of US \$4.4 billion, in present value, following the attainment of completion point under the HIPC Initiative.

The Gambia

53. The Gambian economy has performed well in recent years, despite challenging global conditions. Real GDP growth averaged around 6.5 percent a year between 2008 -2010, driven mainly by a strong expansion in agriculture. Tourism and remittances, however, were hit hard by the global economic crisis. In 2011, although there were signs that tourism was recovering,

real GDP growth was estimated to have fallen to 4.9 percent, due to poor weather conditions which adversely affected agriculture. Annual inflation rate reached 4.4% in 2011 as the Central Bank of The Gambia (CBG) generally maintained a restrained monetary stance. With improvement in weather conditions the country recorded a growth rate of 3.9 percent in 2012.

54. The Gambia has made significant progress in implementing structural reforms, particularly in the areas of public financial management, debt management, and financial sector development. Good progress has also been achieved toward meeting several of the Millennium Development Goals, most notably in health and education.

Ghana

55. After Ghana's very successful economic performance in 2011, with growth of 14.4 percent and inflation in single digit, risks to macroeconomic stability are rising. Despite buoyant exports, the current account deficit exceeded 9 percent of GDP in 2011 on account of high import growth. A rapid depreciation of the cedi in the first five months of the year fed into domestic prices, while adding to short-term balance of payments pressures through higher cost of imports. With economic growth fuelled by strong domestic demand, policies will need to be tightened to safeguard macroeconomic stability and keep inflation within the target band of 5.7-11.7 percent. Commitment to such policies would allow the economy to expand at a robust pace of more than 7 percent in 2012. The main external risk is that of a deeper global slowdown with its negative impact on economic growth and the balance of payments from weaker commodity prices and foreign inflows.

Guinea

56. Guinea emerged from a prolonged period of social unrest and from military rule in 2009–10. Following successful presidential elections in December 2010, the new government adopted an economic stabilization programme for 2011. Also the government has been implementing structural reforms aimed at creating an environment conducive to the development of the country's abundant natural resources. A new mining code aimed at attracting foreign investment has been adopted and a reform programme for the justice sector and security services has been launched. Guinea also began normalizing financial relations with its development partners by clearing arrears to multilateral financial institutions, leading to a resumption of budgetary assistance. The government's Poverty Reduction Strategy Paper (PRSP) which provides the policy framework for growth and poverty reduction was extended from 2007-2010 to 2011-2012.
57. These reform programmes have been yielding positive results. After an almost stagnation period in 2009-10, real GDP growth picked up in 2011 to 3.6 percent, reflecting the improved political situation and an increase in agricultural production. The basic fiscal deficit is estimated to have been reduced from 12.6 percent of gross domestic product (GDP) in 2010 to 1.5 percent in 2011. Central bank financing of the government was stopped, and monetary policy tightened. As a result, inflation stabilized, with a slight decline by year-end.
58. Following a sizeable depreciation early in the year, the exchange rate stabilized and the gap between the official and market exchange rates narrowed substantially. Also, the external position saw substantial improvement following a large inflow of exceptional mining revenue, with gross available international reserves increasing to the equivalent of 4.5 months of imports at end-2011, from less than one month of imports a year earlier.

59. The country's medium-term priorities are to reduce inflation and develop its abundant natural resources as the main source of growth, employment, and poverty reduction. In addition to ensuring fiscal and debt sustainability, the main areas of focus are improving the business and investment climate, strengthening public financial management, including the cost-effective and sustainable management of exceptional mining revenue.

Guinea Bissau

60. Guinea-Bissau made considerable progress in stabilizing its economy in 2011. Economic growth reached 5.3 percent, driven by exceptional prices for cashew (the predominant export) and a robust cashew harvest. However, unfavourable weather conditions in 2012 resulted in poor harvest of cashew and consequently led to a decline of GDP growth of 0.9 percent. On the inflation front, rising import prices of food and fuel pushed average headline inflation to 5 percent last year, but core inflation remained moderate. Budgetary and balance of payment stability were sustained.
61. The objectives of the 2012 fiscal programme are unchanged: keep current-year spending within available resources; mobilize more revenues; reduce implicit customs subsidies and exemptions; and tighten controls. Staying on course and moving ahead with economic reforms continue to be critical for sustaining growth and reducing poverty. The country's economic priorities in 2012 are deepening fiscal reforms by mobilizing more revenue and strengthening public financial management, including tax administration and debt management; improving the business climate and removing impediments to private sector development; and modernizing the public administration and improving public services.

Liberia

62. Liberia's economic growth is on an upward trajectory and economic prospects over the medium term remain favourable. Real GDP growth is expected to reach about 8 percent in 2012, driven by continued strong growth in the mining sector and rising activity in construction and other services. In the non-mining sector, activity slowed down in the first half of 2012 due to declining rubber export prices and the impact of rising food and fuel prices on consumption. Inflation declined to single digits and is expected to remain stable through end-2012.
63. Economic programmes currently being pursued centre on creating fiscal space to boost spending on infrastructure and human development while maintaining macroeconomic stability and debt sustainability, promoting financial sector deepening and access to credit, and creating a favourable business climate to support broad-based growth and job creation.
64. The medium-term structural reform agenda focuses on strengthening financial oversight and reporting of state owned enterprises; enhancing budget programming, control and monitoring; improving capital spending execution and containing non-priority current expenditures; developing the financial sector and supporting the stability of the banking system; and improving national accounts statistics.

Mali

65. Mali's medium-term macroeconomic outlook was favourable before the onset of the political crisis. Real gross domestic product (GDP) growth was projected to hover above 5 percent, driven by the agricultural and gold sectors. Gold output was expected to be boosted by the

coming on stream of new mines in 2012-13. Also average inflation was projected to stay below the West African Economic and Monetary Union's convergence target of 3 percent, provided that rainfall remained favourable. However, this outlook may no longer be tenable in view of the current political situation in the country. Real GDP growth rate is projected to decline to -2.0 percent, with inflation rising to 5.7 percent. With improvement in the political situation, it is expected that the economy of Mali will bounce back in 2013, with growth rate rising to about 4.8%.

Niger

66. Economic activity in Niger in recent years has been affected by large swings in agricultural production. Following a year of serious food shortages, economic growth recovered quickly in late 2010, driven by an excellent harvest and the expansion of to agriculture-related services
67. The government's medium-term policy framework is based on a favourable growth outlook driven mainly by the oil and mining sectors. With the start-up of a new petroleum project and implementation of reform programmes, GDP is projected to grow by 10.8 percent in real terms in 2012. Investments in a large new uranium mine and the development of the petroleum sector should sustain economic activity in the years after 2012.
68. The country's economic development programme aims at maintaining macroeconomic stability while increasing resilience to shocks; strengthening public finance and debt management; putting in place a transparent legal and supervisory framework for the mining and petroleum sectors; and supporting private and financial sector development.

Nigeria

69. Economic growth remains strong in Nigeria, with non-oil real gross domestic product (GDP) estimated to have grown at 7.4 percent in 2011 and overall real GDP at about 6.5 percent in 2012. Inflation slightly declined to 10.8 percent in December 2011 (year-on-year) from 11.7 percent a year earlier, in response to monetary tightening by the Central Bank of Nigeria (CBN) and moderation of food prices. Growth is projected to remain robust in 2012 with inflation increasing temporarily as a result of the increase in gasoline prices.
70. The country's reform programme is being driven by the government's Transformation Agenda which is an economic programme that aims to sustain the robust growth of the economy and ensure a much stronger impact on boosting job creation and reducing poverty. The programme hinges on three main pillars - economic diversification, to be achieved mainly by expanding infrastructure; promoting labour-intensive sectors; and safeguarding macroeconomic stability.
71. Expanding infrastructure aims at addressing infrastructure bottlenecks. The two key areas of the government's focus are electricity generation and transport. The government has launched a comprehensive reform programme that aims at completing ongoing power projects and encouraging private investment into the sector and thus, raising generation capacity by 100 percent in the next two years. In this regard, expenditures will be reoriented towards capital projects and building capacity for effective implementation of a larger capital budget.
72. Promoting labour-intensive sectors focuses on transforming agriculture from a largely subsistence operation into a modern, commercially oriented sector. The reforms involve much-needed investment in irrigation projects and transportation networks that will serve

agricultural areas, promotion of value chains to create linkages to the manufacturing sector, and improved access to financial services.

73. Safeguarding macroeconomic stability will create space for the scaling up of public investment while ensuring continued macroeconomic stability. The government's medium-term expenditure framework aims to substantially restrict the growth of recurrent spending and to improve non-oil revenues.

Senegal

74. The beginning of 2012 was marked by a difficult pre-electoral context and socio-political tension in Mali and Guinea-Bissau. These developments tended to impact on the economy of Senegal. However, economic activity in the non-agricultural sector held up relatively well, and real GDP growth of 3.7 percent is expected in 2012, compared to 2.6 percent in 2011. Inflation stood at 1.5 percent for the first six months of 2012 and is expected to remain well below 2 percent for the rest of the year.
75. GDP growth is expected to increase slightly to 3.5 percent in 2012, sustained primarily by major projects coming to fruition in the electricity and road sectors, the continued recovery of the agricultural sector, implementation of the heavy metals project (zircon) in Grande Côte, gold mining projects in Golouma and Massawa, and the start-up of projects financed by the Millennium Challenge Account. Inflation is expected to remain contained at about 2 percent in 2013. The country's current account deficit is expected to decline but would remain high in light of imports associated with investments in the energy and mining sectors. The overall balance of payments is also expected to post a slight deficit.

Sierra Leone

76. Sierra Leone's economic growth has strengthened in recent years, driven by expansion in agriculture, services and construction activities. Real gross domestic product (GDP) growth increased from 3.2 percent in 2009 to 6 percent in 2011. The coming on stream of iron ore production in late 2011 is expected to boost growth and exports significantly in 2012 and beyond. Indeed real GDP growth rate is expected to attain 17.9 percent. Inflationary pressures have trended downwards since mid-2011, aided by a sharp fall in non-food inflation, a tight monetary policy stance, and stability in the exchange rate. The external position is set to benefit from increased mining exports and reduced iron ore-related imports.

Togo

77. The economy of Togo continued the gradual improvement it has been experiencing since the end of the protracted internal crisis. Economic growth accelerated from 4.0 percent in 2010 to 4.8 percent in 2011. Growth prospects for 2012 remain positive and will reach 5.9 percent. The drivers of growth are agriculture, public works and manufacturing. Macroeconomic stability has also improved significantly, with inflation remaining moderate. Public finance has strengthened remarkably as a result of the prudent fiscal policies pursued by the government.
78. Considered key for robust, sustained and quality growth, the pursuit of structural reforms has been accelerated. Broadly, priority sectors for reform are banking, phosphate, telecommunications and energy where the state has greater stakes and plays large roles

CHAPTER II: IMPLEMENTATION OF THE COMMUNITY WORK PROGRAMME

79. Regarding the implementation of ECOWAS Work Programme, the Community recorded considerable progress in all spheres of planned activities for 2012, including the consolidation of regional peace and security.

2.1 Harmonization of macroeconomic policies and private sector promotion

80. The Community Institutions sustained the efforts undertaken towards the achievement of the economic and financial integration of ECOWAS. In that regard, considerable progress was recorded in the implementation of the following activities in 2012 and the first quarter of 2013.

2.1.1 Multilateral Surveillance

81. Multilateral surveillance of economic and financial policies of ECOWAS Member States is one of the core activities in the implementation of the ECOWAS monetary and integration programme. It is achieved through the monitoring and evaluation of the macroeconomic performance and convergence of the Member States; the implementation of the roadmap for the ECOWAS Single Currency Programme; the effective establishment and operation of the institutional organs of multilateral surveillance; the management of the ECOMAC database; and participation in cooperative and collaborative activities with other regional and international institutions involved in multilateral surveillance:

Monitoring and evaluation of performance and macroeconomic convergence

82. The Commission participated in the statutory meetings of WAMA and WAMI held from 11 to 20 January 2012 in Freetown and in July 2012 in Monrovia to examine, among others, the status of macroeconomic convergence of ECOWAS Member States and the West African Monetary Zone (WAMZ) for the year 2012. During the first quarter of 2013, the Commission participated in the statutory convergence meetings of the West African Monetary Agency (WAMA) and the West African Monetary Institute (WAMI) from 11 to 18 January 2013 to examine, among others, the status of macroeconomic convergence of ECOWAS Member States and the West African Monetary Zone (WAMZ) for the first half of 2012 and prospects for the second half of 2012.

83. Additionally, two meetings of the ECOWAS/UEMOA/WAMA/WAMI/EBID Joint Secretariat in were held in May 2012 in Cotonou and in November 2012 in Ouagadougou to examine the country macroeconomic convergence reports for 2011 and for the first half of the year 2012 produced by the National Coordinating Committees (NCCs). These meetings revealed that progress has been made in improving the quality of analysis and reporting. However, efforts are still required to comply fully with the recommended framework. The next ECOWAS/UEMOA/WAMA/WAMI/EBID Joint Secretariat is planned to hold in Guinea Bissau from 6 to 10 May 2013 to review the NCC country macroeconomic convergence reports for 2012.

84. Three meetings of the National Coordinating Committees (NCCs) (January 2012 in Ouagadougou, June 2012 in Abidjan and December 2012 in Niamey) were organised to assess and validate Member States macroeconomic convergence for 2011 and the first half of 2012. Furthermore, three appraisal missions to the NCCs in Senegal, Liberia and Guinea Bissau were undertaken in February and March 2013 to review the operations of NCCs in 2012 in those countries. The key findings of the appraisal missions underscored the need for the Commission

to strengthen its oversight activities to address the challenges hampering the effective establishment and operations of the NCCs in the Member States.

85. The data and information collected during the joint surveillance missions and the regional meetings of the NCCs are used to prepare the ECOWAS report on the status of macroeconomic convergence in the region. The next regional meeting of the NCCs is scheduled to hold in Banjul from 3 to 7 June 2013 to, among others, validate the country macroeconomic convergence reports of the NCCs for 2012.

Implementation of the Roadmap for the ECOWAS Single Currency Programme

86. Within the framework of Roadmap for the ECOWAS Single Currency Programme, the Commission, in collaboration with the West African Monetary Agency (WAMA) and the West African Monetary Institute (WAMI), conducted joint surveillance missions to ECOWAS Member States to evaluate the status of macroeconomic convergence in the region. The first half joint surveillance missions were conducted from 19 March to 27 April 2012 while the second half joint surveillance missions were held from 10 September to 12 October 2012.
87. As part of key activities outlined in the Roadmap for the ECOWAS Single Currency Programme relating to the harmonization of public finance frameworks by ECOWAS, the Commission organized two regional workshops for the validation of the study reports on the harmonization of public finance frameworks in public procurement practices and public debt management in Banjul from 12 to 17 March 2012. These meetings allowed for the consideration of the study reports submitted by the consultants, and approval of a roadmap for the implementation of key conclusions and recommendations.
88. In the bid to finalise the study reports and develop a regional strategy for the harmonisation of public procurement and public debt management frameworks in the region, using the UEMOA Commission approach as working documents, the Commission in November 2012 re-commissioned the two studies with support from the German Development Cooperation (GIZ). The first draft reports of the studies on the harmonisation of public procurement and public debt management frameworks in the region were assessed in a technical review meeting that was jointly organised by the ECOWAS Commission and GIZ on 25 and 26 March 2013 in Abuja. The final regional validation meeting of the two study reports by the Member States is scheduled to hold in Accra from 22 to 26 May 2013
89. The ECOWAS Commission, in collaboration with other regional institutions involved in the implementation of multilateral surveillance mechanism, organised a meeting of the Inter-Institutional Technical Committee 23 to 25 January 2013. The purpose of the meeting was to assess the status of implementation of the road map on the single currency programme, review progress made by the various regional institutions in the implementing of core activities assigned to them for implementation under the road map and plan for programme implementation in 2013. The meeting was attended by the key regional institutions involved in the implementation of the ECOWAS Monetary Cooperation Programme, namely ECOWAS Commission, West African Monetary Agency (WAMA), UEMOA Commission, West African Monetary Institute (WAMI), BCEAO, EBID and the West African Bankers Association (WABA) as well as officials from the national Central Banks of the non UEMOA Member States. The next meeting of the Inter-Institutional Committee on the Roadmap for the ECOWAS Single Currency is planned to hold in the second half of 2013 after the WAMI/WAMA Convergence statutory meetings scheduled for July 2013 in Accra.

90. In addition, a booklet on the status of implementation of the roadmap for the ECOWAS Single Currency Programme is being elaborated .

Establishment and effective operation of the institutional organs of the multilateral surveillance mechanism

91. During the course of 2012 the ECOWAS Commission continued its activities to strengthen the technical and financial capacity of NCCs in the implementation of multilateral surveillance activities in the Member States. In this regard, the Commission organised a training workshop on the ECOMAC database and Guidelines for the production of multi-year convergence programmes for the Member States on 17 and 18 May 2012 in Dakar. The Commission also disbursed the sum of US \$60,000 to each NCCs to support their operations including the payment of salaries for macroeconomists and bilingual secretaries working in the NCC secretariats.

Management of the ECOMAC database

92. In an effort to ensure the effective operationalisation of the ECOWAS Multilateral Surveillance database (ECOMAC), the Commission organized a technical meeting in Lomé from 23 to 27 April, 2012, which allowed for the improvement and update of the database. Some Member States have already updated and validated their statistical data covering the period from 2000 to 2011, which are available online. A technical meeting to review and update the ECOMAC database was also organised by the ECOWAS Commission in Ouagadougou from 12 to 15 February 2013. The purpose of the meeting was to review and update the database and identify the gaps that were to be addressed by the Member States.

Cooperation with other regional and international institutions

93. The Commission continues to cooperate with regional institutions involved in multilateral surveillance and international financial institutions with a view to strengthening partnership with them and increasing the visibility of ECOWAS at the regional and international level. It is in this context that the Commission participated in the regular meetings of the AfDB, ECA, IMF / World Bank, etc.
94. The Commission, in its efforts to strengthen cooperation and collaboration with other regional institutions involved in the multilateral surveillance mechanism in the region, organized two meetings of the ECOWAS-WAMI Joint Task Force on trade and trade-related issues in Accra from 21 to 23 February 2012 and in Abuja from 27 to 29 September 2012. Two meetings of the ECOWAS–UEMOA Joint Technical Secretariat were also organised in February 2012 in Accra, Ghana and in November 2012 in Abuja, Nigeria.
95. During the first quarter of 2013, the Commission also organised the ninth meeting of the ECOWAS-WAMI Joint Task Force on Trade and trade-related issues in Accra from 7 to 9 March 2013. The purpose of the meeting was to review the status of implementation of tasks assigned to the Joint Task Force in 2012 as well as to develop a work programme for its operations in 2013.

2.1.2 Private Sector Promotion

96. The key activities implemented under private sector development during the course of 2012 and first quarter of 2013 were as follows:

Promotion of Investment and Services

97. The Commission successfully organised, launched and completed the investment climate study field missions in 15 Member States. The report of this study will feed into the BizClim platform on ECOBIZ and provide the basis for Investment Climate Report and Reform Advocacy program in the Region. Furthermore, the Commission organised technical meetings on the drafting of the ECOWAS Investment Code and the ECOWAS Common Investment Policy. The drafting of the ECOWAS Investment Code is expected to be completed by the first quarter of in 2013 and the ECOWAS Common Investment Policy will guide its implementation.
98. The Commission, with support from the EU-BizClim, launched and completed the field work on the feasibility study on the establishment of an ECOWAS Investment Guaranty Agency envisaged to provide political risk guarantee to investors in ECOWAS. The report of the study was validated at a stakeholder meeting held in Abuja in June 2012 and would be recommended to the ECOWAS Council of Ministers for adoption.
99. In the pursuit of promoting financial markets integration in ECOWAS, a Regional Credit Risk database project has been established and is being implemented in collaboration with the West African Bankers Association (WABA). In this regard, a regional meeting of Central Banks, WABA, and private sector stakeholders was organized in August, in Lagos Nigeria to validate the Regional Credit Risk Database and Information sharing system project. The baseline reports were presented at a subsequent stakeholders' meeting held in November 2012 in Dakar, Senegal which culminated in the validation and adoption of the project and terms of reference for needs assessment.
100. A mission to the Stock Exchanges of Ghana, Nigeria and BRVM was undertaken in April to identify the challenges dogging the exchanges' integration initiative and agree on the course of action to be taken to resuscitate the process. The mission was followed by another meeting of stakeholders held in Accra in August 2012 where a decision was taken to constitute the "Capital Market Integration Council", comprising the Chief Executive Officers of Stock Exchanges, Directors General of Security and Exchange Commission (SEC) and ECOWAS Institutions.
101. The Commission facilitated the incorporation of the Association of Investment Promotion Agencies of West African States (IPAWAS) by the Corporate Affairs Commission in Nigeria in order to strengthen the Association to achieve self sustainability. In furtherance of this effort, the Commission also supported and facilitated the organization of a capacity building workshop and training in investment promotion practices for the Association of Investment Promotion Agencies of West African States (IPAWAS). A similar support was also extended to the West Africa Insurance Companies Association (WAICA) in the organization of their Annual Educational Conference in Accra, Ghana.
102. Towards the establishment of a Cross-border Interbank Payment and Settlement System in ECOWAS, the Commission commenced a feasibility study of the project, following the successful procurement of a Consultant to undertake the study and a project briefing meeting with key stakeholders to validate the project scope and agree on the Consultant's work

programme. Also, the West African Capital Market integration Council (WACMIC), a body made up of the Chief Executive officers of Capital Markets Regulatory Institutions and Stock Exchanges in West Africa was inaugurated at the ECOWAS Commission. The Council is charged with the design of the policy framework and management of the process that will facilitate the creation of an integrated capital market in West Africa.

Business and Enterprise Promotion

103. During the course of 2012, the ECOWAS-China Economic and Trade Forum was organised in Accra and Côte d'Ivoire, leading to the signing of MOUs on several infrastructure projects which are now being negotiated for funding and implementation. The Commission also organized the India Show in Accra within the framework of ECOWAS-India economic cooperation.
104. Furthermore, the ECOWAS Policy Framework for Private Sector Development and Enterprise Promotion was drafted and the 1st and 2nd consultative meetings were successfully held with experts from the Member States and the private sector in Freetown, Sierra Leone and Cotonou, Benin Republic respectively. The Commission also commenced the SME support programme and sponsored a national winner for training in the United States. In addition, five national branches of the ECOWAS Federation of Business Women and Entrepreneurs were launched bringing the total number of branches of the federation to eight.
105. Other key activities that were accomplished during the last quarter of 2012 and first quarter of 2013 include: presentation of the draft regulatory framework and outline for Ecowas Business Council to member states and the private sector at the second reading in Freetown, Sierra Leone; organisation of the first Mentoring workshop for winners of the Ecowas Prize for Entrepreneurship and Innovation in Accra, Ghana; signing of an MOU with the US Center for International Private Enterprise (US-CIPE) on the promotion of the private sector and enterprise culture in the region; and commencement of arrangements for the establishment of the ECOWAS – Diaspora Business Association (EDA) with ECOWAS embassies and Diaspora groups in the USA.

ITC PACT II/EXPECT Programme Facilitation

106. With the support of GIZ and ITC, a regional consultative networking workshop was organized to develop value chain business and trade information networking capacities of the ECOWAS TEN focal points. Furthermore, The INFONET network and ECOWAS-TEN Information Resource Centre which is based in Accra were successfully activated and operationalized. This led to the publication of the first edition of the 'EXPECT Mango Newsfeed' in September 2012 which is a quarterly market news bulletins on value chains
107. During the review period, work on the preliminary outline, methodology and intervention procedures of EXPECT Value Chain Development Incubator for Small businesses (EXPECT SBS) were completed. The implementation of the pilot incubation activities started in Côte d'Ivoire focusing on selecting mango actors and projects to be supported in the 2013 mango campaign which would start in April 2013. Funds were also provided for the holding of African Cashew Alliance World Conference in Cotonou through ECOWAS-TEN technical support and facilitation of the Business to Business session of the conference.

2.1.3 Research and Statistics

108. Key activities undertaken under research and statistics during the review period focused on the following:

Regional Poverty Reduction Strategy Paper (RPRSP)

109. A RPRSP Communication strategy was finalised during the period under review following the setting up of an ad-hoc committee of five Member States to review the draft document. The development of a resource mobilization strategy in collaboration with the UEMOA Commission, EBID and BOAD (West African Development Bank) also commenced during the course of the year. A report on the Millennium Development Goals (MDGs) and Poverty Reduction in ECOWAS Member States was also produced and published in collaboration with the sub-regional office of the ECA in West Africa based in Niamey. Following the decision, in November 2012, by the ECOWAS and UEMOA Commissions to review the Regional Poverty Reduction Strategy Paper a joint technical meeting of the two institutions was held in February 2013 to prepare terms of reference and road map for the review process. The draft TOR and road map have been discussed further at separate departmental meetings at the two Commissions. A regional validation workshop on the documents was scheduled for late April 2013.

ECOWAS Regional Research Policy

110. A Regional Research Policy was developed and validated through collaboration with the relevant institutions in charge of research and network of researchers in the Member States. The document would be submitted to the Council of Ministers and Summit of Heads of State and Government for adoption in 2013. In addition, a framework for the establishment of a Regional Research Network was completed.
111. To enable the implementation of the Regional Research Policy, the Commission is preparing a five-year regional programme (RRP 2014-2018). A Working Group has been set up for this purpose. The group has prepared a draft document defining the axes and the Action Plan of the RRP 2014-2018. The document has been examined and discussed by the directorates of the Commission at an internal meeting held in February 2013. This draft document will be submitted for further discussions and validation by Member States sometime during the year.

Statistical Methods and Harmonisation

112. Activities implemented under statistical methods and harmonization included the harmonisation of Balance of Payment policies and practices in ECOWAS through the validation of documents on the diagnosis of regional practice on BOP and the capacity building plan as well as the ECOWAS BOP harmonization framework in collaboration with the West African Monetary Agency (WAMA); the harmonisation of national accounts statistics through the validation of a regional strategy for the implementation of SNA 2008 and improvement of National accounts.
113. A Methodological Guide for the compilation of Harmonized Consumer Price Indices (HCPI) in the region as well as the road map for its implementation were reviewed and validated. The Heads of National Statistics Offices in the Member States have examined and accepted the various documents and recommended them to ECOWAS Council of Ministers for adoption.

Database Creation and Update

114. Efforts were made to revive the four ECOWAS Statistical publications - ECOWAS Statistical Bulletin, ECOWAS Social and Economic indicator, ECOWAS External Trade and ECOWAS National Accounts – by reviewing the content, indicators and data requirement to make them suitable for publication.
115. Also, the update of the regional EUROTRACE database and a publication on the analysis of the external trade statistics were undertaken.
116. To enable operationalization and regular updating of the database ECOWAS multilateral surveillance (ECOMAC), ECOBASE was developed as an application in Microsoft access. All the links have been established and the ECOBASE, when completed and operationalised, will reduce the data reporting burden on Member States. The database was planned to be validated and be operational in 2013.
117. Other activities undertaken under Research and Statistics during the review period included the completion of studies on the evaluation of the regional statistics programme; the guide for ECOAGRIS indicators definition and description; the study on the operational and institutional framework for the implementation of the statistical development fund; the framework of reporting to Council of Ministers on the status of statistics in the region, and the preparation of a new Regional Statistics Programme. The Heads of National Statistics Offices, the regional statutory body in charge of statistics examined and accepted the documents and recommended their adoption by Council of Ministers.

2.1.4 Community Development Programme (CDP)

118. Within the framework of operationalizing the ECOWAS Vision 2020, the mandate of the Community Development Programme (CDP) is to provide a long-term and consistent development programme which can drive qualitative change, not only within the region, but also in the lives of the people.
119. The CDP formulation process, which recorded significant progress in 2010 and 2011, continued and entered its finalization phase in 2012 with the implementation of activities centered on the formulation and evaluation of the CDP; fostering the ownership of regional development initiatives by stakeholders in the ECOWAS region, and capacity building through quantitative long-term planning tools.
120. With regard to the formulation and evaluation of the CDP, activities carried out in 2012 are as follows: (i) presentation of the analysis and inventory report on the regional programmes of 35 West African Intergovernmental Organizations (IGOs) and the ECOWAS Commission, (ii) update of country studies and inventory of national programmes by all Member States, (iii) finalization of the regional CDP format document (iv) presentation of the study on the prioritization of projects and programmes of IGOs, Member States and Non-State Actors, (v) retreats for the CDP Unit, with the support of the Directorate of Multilateral Surveillance and the Economic Policy Analysis Unit, to draft the CDP document.
121. The implementation of these activities led to the production of a Draft Regional CDP Document articulated around i) diagnostic of development and regional integration in West Africa, ii) Community Development Programme: A definition and consistency framework for

- development programmes, iii) empirical analysis of CDP priority areas, iv) inventory of programmes and projects.
122. Concerning the ownership of regional development initiatives by stakeholders in the region, the CDP formulation process consolidated its participatory and inclusive approach in 2012. In this regard, the involvement of actors and partners continued with (i) a review of the activities and prospects of the CDP with the CDP National Committees, (ii) finalization of the Draft Civil Society Action Plan for the CDP (iii) active participation in the formulation of the ECOWAS regional research policy, which was adopted in June 2012 by the Ministers in charge of the sector and (iv) private sector contribution to the CDP through a Memorandum and Plan of Action adopted by the representatives of regional private sector organizations in the ECOWAS region in April 2012.
 123. Regarding capacity building through quantitative and long-term planning tools, the T21 Model was identified as the main analysis and simulation tool used in Phase 3 “Prioritization, Planning and Impact Assessment” of the CDP. In this regard, in 2012, the T21 regional aggregated model was fine-tuned with the integration of the first version of a specific module on Malaria (Malaria Module). This extension to the Malaria Module aims at contributing to the component on impact assessment on the agenda of the ECOWAS Task Force on Malaria. Moreover, other actions were undertaken during the period under review, namely: i) preparation of a progress report on the T21 Project and (ii) preparation of a technical paper on the analysis of CDP priority areas, based on the ECOWAS T21 aggregated model.
 124. During the first quarter of 2013, an Internal Technical Committee (ICT) meeting was organized within ECOWAS Commission, where the Draft CDP Regional Document was presented to all directorates for their comments and inputs. Subsequently, a series of meetings was held with all technical directorates to discuss their priority projects and provide a template for developing a project datasheet for each selected project. Also, a presentation on the progress report of the CDP was made at the joint annual meeting with ECOWAS Institutions and Ambassadors in Uyo, Ikwa ibom State, Nigeria.
 125. As far as the prospects of the CDP are concerned for the next three quarters of the year 2013, the Commission is to (i) discuss the draft CDP Regional Document with Member States and Intergovernmental Organizations for their comment and updating of national priority projects and accompanying project datasheet (Project fiche), (ii) fine-tuning the T21 country models for the seven pilot countries (Burkina Faso, Côte d'Ivoire, Ghana, Mali, Nigeria, Senegal and Togo) and developing the T21 Model for the remaining eight non-pilot Member States; (iii) organizing an expert meeting and a ministerial conference for the adoption of the CDP Regional Document and implementation framework.
 126. It is important to note that the overall implementation of the ECOWAS T21 project was delayed by the overall freeze on financial support by the main sponsor of the project, the Pool Fund, since the second half of 2011. This situation poses a risk to the consolidation of achievements made and finalization of the project with the development of a policy impact simulation and assessment model for the remaining eight (8) Member States (Benin, Cape Verde, Gambia, Guinea Bissau, Guinea, Liberia, Niger, Sierra Leone).

2.1.5 Economic Policy Analysis Unit (EPAU)

127. In 2012, the Commission undertook a series of activities including the organization of a regional research workshop on Tax System Yield and Efficiency in ECOWAS Member States". This workshop was held in Abidjan, Côte d'Ivoire between 23rd and 25th August, 2012. The Commission also undertook in-house research activities in various aspects of regional integration. In the course of 2012, the experts undertook studies on the following topical areas: (i) Deregulation of Financial Market and Economic Growth in ECOWAS Member States (ii) Exploring the feasibility of a Single Currency in ECOWAS Member States, (iii) Regional Integration in ECOWAS: State of Play in International Trade and Challenges, (iv) Environmental Challenges, Institutions and Agricultural Export Performance in ECOWAS region, and (v) The Socioeconomic Impact of the Malian Crisis in the ECOWAS region. Both the internal and external review processes of selected papers to be published in the first volume of the Journal of West African Integration have been completed. Experts are also at the verge of finalizing the review process and editing of a book on Domestic Resource Mobilization for ECOWAS Member States.
128. With respect to building the capacity of ECOWAS staff and that of the National Coordinating Committees (NCCs) in ECOWAS Member States, the Commission in collaboration with the African Capacity Building Foundation (ACBF) organised a training workshop on Computable General Equilibrium (CGE) modeling techniques. So far, a total of 26 participants, including 9 ECOWAS staff, have been nominated to take part in the CGE training workshop to be held in Banjul, The Gambia between 5th and 16th of November, 2012. In addition, experts have also attended other capacity building training workshops organized by Harvard University in the United States of America, The African Economic Research Consortium in Nairobi, Kenya, TRAPCA in Arusha, Tanzania, and ACBF in Accra, Ghana.

2.2. Trade, Customs, Industry, Mines, Free Movement and Tourism

2.2.1 Trade

129. During 2012, the Commission made significant contribution towards promoting intra-and inter-regional trade through the implementation of the following programmes:

✓ ECOWAS TRADE FAIR

130. Preparatory meetings for the 7th ECOWAS Trade Fair, which is scheduled to hold in Accra-Ghana from 24 October to 4 November 2013, commenced with the organisation of two meetings. Advertising campaign and awareness raising for the event was officially launched by the deputy Minister of Trade and Commerce in Ghana and the ECOWAS Commissioner for Trade, Customs, Free Movement, Tourism and Industry. A suitable site has been assigned for the event by the Ghanaian Authorities and renovation works have already started at the site.

✓ Trade Information System (Ecobiz)

131. The Commission installed and operationalised the Business Information System (Ecobiz) at trade events organized in Member States. An assessment was also conducted to examine how the system was being installed and utilized by traders in the ECOWAS Member States.

✓ Formulation of the ECOWAS Common Trade Policy

132. Having prepared the Terms of Reference for the study on the harmonization of the Common Trade Policy of ECOWAS Member States, the Division organized, with financial contribution from the German Cooperation (GIZ) and technical assistance from the World Trade Organization, a seminar/workshop on the factors of the policy.

✓ **Competition**

133. Following the adoption in December 2008 of the community texts on Competition, a high level expert workshop was organized on the establishment of the ECOWAS Regional Competition Authority (RCA) to share regional, national and international experiences. The workshop opened some vistas on the most appropriate measures for the establishment of the Authority.

134. Sensitization missions were conducted to ensure that all Members States are well informed about all activities relating to the establishment of the ECOWAS Regional Competition Authority and to ensure that they all have the Community Regulations and Laws on Competition at their disposal. Moreover, these missions were also conducted with a view to providing all relevant information to Member States that may express interest in hosting the ECOWAS Specialized institution.

135. In this regard, a Memorandum on arrangements for the establishment of the ECOWAS Regional Competition Authority will be proposed to the ECOWAS Council of Ministers.

✓ **Informal Trade**

136. Within the framework of the development of a Regional Informal Trade Regulation Programme, a study has been conducted and validated by Member States to identify the intervention areas of the said Programme at the regional level, and provided certain guidelines for the development of a roadmap. The outcome of the activities of the technical thematic group on Informal Trade, following the recommendations of Member States, has provided the basis for the final preparation of the Informal Trade Regulation Project/Programme in the ECOWAS region that is scheduled for operationalisation from 2013.

✓ **Trade Negotiations**

137. The new leadership of the ECOWAS Commission, in collaboration with the UEMOA Commission, reactivated negotiations on the Economic Partnership Agreement (EPA) with the European Union Commission. Two expert meetings and a meeting of Senior Officials were held in 2012 consecutively to reconcile the positions of both parties. Besides, a mission of the Presidents of the ECOWAS and UEMOA Commissions to Brussels was organised in July 2012 during which they held discussions with the Commissioners for Trade and Development of the European Commission. The differences are mainly related to the West African Market openness to European products and the financing of the development dimension of the EPA. The ECOWAS and UEMOA Commissions have noted the observations and comments made by the European Union within the framework of the internal technical meetings of the two Commissions (ECOWAS and UEMOA).

138. The proposal is now based on the ECOWAS Common External Tariff (CET) which has been technically finalised. The proposal has been fine-tuned taking into consideration all the products or group of products under the CET. The negotiations will continue in the region in order to achieve a better position within the framework of the CET. The current proposal and

the procedures that will be utilised for its improvement are subject to a perfect agreement between the two Commissions (ECOWAS and UEMOA). A roadmap has been formulated by the two Commissions for the outstanding work to be completed.

139. Concerning the development aspect of the Agreement, a West Africa and European Union Task Force Meeting was held in April 2012 to take stock of progress made and adopt recommendations to continue with activities in this area, particularly by organizing national meetings on the financing of the EPADP, setting up a Regional EPA Fund, fiscal impact assessment through a Computable General Equilibrium (CGE) Model and the fiscal transition programme in West Africa.
140. Regarding the EPA Regional Fund, the Ministerial Monitoring Committee on Negotiations had requested in November 2011 that the ECOWAS and UEMOA Commissions should finalize the establishment of the Fund by October 2012. Pursuant to this decision, the ECOWAS Commission carried out some technical activities which led to the development of a Framework Document on the EPA Regional Fund. This document, which was adopted by Member States in July 2012, was sent to the European Union party, which is the main contributor to the Fund, so that they could agree on the operating modalities of the Fund in line with the provisions of the Agreement that is being negotiated.
141. Impact assessment: With the guidance of the joint West Africa – European Union Computable General Equilibrium Model (CGEM) Steering Committee, Phase III of the development of the CGEM was kicked off in 2012. Activities realized during the year included a report of the latest economic and fiscal impact assessment based on the latest EPA negotiation scenarios, as well as the launching of an online website to diffuse the information and utilization of the model. An online training programme was also developed to build the capacity of regional actors. The model is operational and all that is needed is the right information and correct assumptions to do the impact simulation.
142. With respect to the EPA between West Africa and the EU, the overall document was finalized at the expert level. It was submitted to the Ministerial Monitoring Committee of the EPA, which adopted it but recommended that further analysis be done at the national level within 45 days.
143. A training programme aimed at strengthening the capacity of regional experts on computable general equilibrium model was organised. This was intended to enhance the capacity of the region to assess the impact of the ECOWAS CET and EPA on the economies of the ECOWAS Member States.
144. Communication Strategy: In order to empower a greater proportion of the West African public to effectively understand and participate meaningfully in the West Africa – European Union Economic Partnership Agreement (EPA) process, the EPA Ministerial Monitoring Committee recommended the formulation and implementation of an EPA Communication Strategy and Action Plan. The Strategy and Action plan was developed in four stages: (i) Communication Analysis, (ii) the Strategy design; (iii) Action Plan (Implementation); and (iv) Monitoring and Evaluation

✓ **Trade and Development**

145. Trade Policy Analysis: Within the framework of operationalising Aid for Trade (Aft), and through the support of the African Trade Policy Centre (ATPC), a Trade Policy Analysis training

workshop was conducted for ten (10) Member States. This workshop was the second part of the same training that was offered to five (5) Member States in 2011. After the training, officials from the ECOWAS Member States were able to undertake robust quantitative trade policy analysis using “TradeSift”, a low-cost analytical software.

146. ECOWAS Aid for Trade Strategy: The ECOWAS Commission designed a two-phase approach to formulate a regional Aid for Trade strategy based on the recommendation of the Ministers of Trade in November 2011. After the development of an Approach paper, the ECOWAS Aid for Trade working group convened to review the draft background document, which will form the basis of the Regional Aid for Trade Strategy. The strategy aims at optimising the opportunities of Aid for Trade initiative by strengthening instruments for its effective implementation.

✓ **Trade Negotiation Capacity Building (TNCB) Project**

147. The ECOWAS Commission continues to build the capacity of Member States to formulate Trade Policy and Negotiation Agreements through the Trade Negotiation Capacity Building (TNCB) project, which is funded by the Swedish International Development Agency (SIDA).
148. A meeting of the Project Steering Committee (PSC) held in February 2012 adopted the reports of the project for 2011 and also approved the work programme and budget for the year 2012.
149. In 2012, capacity building workshops on Common External Tariff (CET), ECOWAS Trade Liberalization Schemes (ETLS) and Common Investment Codes were held in Benin, Ghana and Niger. The project continues to provide human and financial support for the Customs Directorate of the Commission in the adoption of the ECOWAS CET and the implementation of the ETLS in Member States.

✓ **Project on Support to Regional Trade (Hub and Spokes)**

150. Pursuant to the recommendations of the Ministerial Monitoring Committee on the EPA in November 2011, the ECOWAS Commission, in concert with other ACP integration organizations, undertook actions that led to the decision to launch a second phase of the project. It will be partly funded with outstanding funds from the 10th intra-ACP EDF, the OIF, and contributions from OIR beneficiaries. The second phase of the project is to run from 2013 to 2015. A roadmap was drawn at the Hub and Spokes Steering Committee meeting held in Paris on 18 July 2012 so that the necessary tasks are executed for the new project to kick-off in January 2013. ECOWAS shall make necessary arrangements to contribute its quota to the project budget.

2.2.2 Customs

151. The activities of the Commission for this year are centred on the consolidation of the free trade area, finalization of the ECOWAS Common External Tariff (CET) and its accompanying measures, harmonization of indirect domestic taxes and the fiscal transition system.
152. With respect to the *Consolidation of the free trade area*, the Commission undertook the following actions to ensure the effective implementation of the ECOWAS Trade Liberalization Scheme by Member States:

- analysis and validation of approval requests granted by the National Approval Committees in order to notify all Member States;
 - finalization of the harmonization of legal texts on intra-regional trade in the two institutions UEMOA-ECOWAS;
 - creation of a website devoted entirely to the ECOWAS Trade Liberalization Scheme; and
 - investigation and follow-up on complaints from traders on violations of regulations on intra-Community trade in Benin, Liberia, Sierra Leone and Guinea.
153. With regard to the finalization of the ECOWAS Common External Tariff (CET) and its accompanying measures following the adoption of the 5th band at 35%, the activities implemented helped to conclude a CET comprising 5899 tariff lines divided into five (5) categories based on HS 2007. The draft nomenclature, HS 2007, approved by the Joint CET Management Committee, was discussed with the World Customs Organization (WCO) for their observations and recommendations. The classification of tariff based on HS 2012 version has been completed. Additionally, ECOWAS CET accompanying and safeguard measures were developed by ECOWAS/UEMOA experts, in order to provide countries with additional instruments of protection and flexibility.
154. In terms of prospects, actions are to be undertaken towards the approval of the draft version of CET HS 2012 with all the accompanying measures identified by the two Commissions, adoption of the draft ECOWAS CET in 2013 by ECOWAS statutory organs, establishment of a mechanism for the monitoring and evaluation of the implementation of the CET and the adoption of accompanying measures within the framework of the Customs Union from 2013.
155. During the first quarter of 2013, three key meetings were organized which resulted in the following: (i) the adoption of the 2012 Version of the harmonized System; (ii) adoption of the draft ECOWAS CET at the meeting of the Ministerial Monitoring Committee held in Praia in March 2013; (iii) on-going discussions on the Regional Integration Community Levy
156. Regarding the harmonization of domestic indirect tax systems, the Commission provided technical and financial assistance to the Gambia and Liberia to establish a value added tax (VAT). This support helped to set up a steering committee in charge of the introduction of the VAT in both countries.
157. The Commission, in partnership with the Consortium for Economic and Social Research (CRES) and the Centre for International Research and Development of Canada (IDRC), conducted a study on the taxation of tobacco and cigarettes in the 15 Member States. Optimal tax on these two products which are harmful to the health of the people was proposed to the ECOWAS statutory organs for their approval.
158. With respect to fiscal transition, while awaiting the conclusion of the Economic Partnership Agreement between the EU and West Africa, the Commission undertook to establish a programme to support tax reforms in West Africa that can help minimize the losses in customs revenue, which may occur from customs dismantling as a result of the implementation of the EPA.
159. To this end, the Commission, with the assistance of the German Cooperation (GTZ), conducted a fact-finding mission to Member States and Mauritania to collect data on tax and customs

reforms and finalize the matrices for related measures with all the countries. At the end of these missions, a draft tax and customs reform support programme was developed from the matrices obtained for tax and customs reforms measurement. The validation of this programme with ECOWAS Member States will take place in 2013.

160. In the bid to enhance cooperation between institutions responsible for tax administration in West Africa, the Commission with the assistance of the Federal Republic of Nigeria has put in place a consultative framework for tax administrators (West African Tax Administration Forum), which was launched in Abuja from 25 to 26 June 2012. This Forum will provide a platform for exchange of information, experience and cooperation between the various institutions in charge of tax administrations.

2.2.3 Industry and Mines

161. During the course of 2012, a series of activities were undertaken by the Commission with respect to Industry and Mines. The Sector Ministers Meeting which was held in March 2012, decided on the priority activities to be undertaken while awaiting the formulation of the Programmes outlined in the Action Plan of the West Africa Common Industrial Policy (WACIP). As part of the implementation of the WACIP, technical meetings were held during the period to formulate the ECOWAS Quality Policy. National Experts have finalized the ECOSHAM, the document on “Model and Procedures for the Development and Adoption of Harmonized Standards” in the region. Whilst National Experts have validated the ECOWAS/PTB Germany Metrology Programme, four Working Groups (Mass and Volumes; Awareness Raising, Technical Regulations, and Health) and a Tasks Force (Inter-Labs Comparisons, conversion to Metric System, consolidation of Private Health Laboratories) have been constituted to start operations by November 2012.
162. The **ECOWAS Quality Policy (ECOQUAL) & ECOWAS Standards Harmonization Model (ECOSHAM)** were validated by the Industry Sector Ministers’ Meeting in Niamey (October, 2012). They were subsequently recommended by the 69th Ordinary Session of the Council of Ministers held in December 2012 in Abidjan for approval by the Authority of Heads of State and Government. Also, an Experts’ Meeting involving the Heads of National Standards Boards was held in Abuja to formulate a **Regional List of Priority Products aimed at** harmonizing their standards. In addition, the first technical meetings of the Working Group on Mass and Volume as well as that on Health of the **ECOWAS/PTB Metrology Programme** were held December 2012 in Accra, where work programmes of the groups were finalized.
163. In furtherance of the ECOWAS Standards Harmonisation Model (ECOSHAM), two Technical Committees - Agricultural Products-TC1 and Agro & Food Products-TC2 - were formed at the Experts Meeting held in Dakar, Senegal in early March 2013. Also, An Internal Technical Meeting on **ECOWAS Information System & Database for Management** of the West Africa Common Industrial Policy (WACIP) was held at the ECOWAS Commission on 27 February 2013. The meeting outlined the way-forward for developing the key Industrial Performance Indicators required for the establishment of the Information System and Database.
164. Under Mines and Extractive Industry, key areas for Regional Cooperation were outlined at the Consultative Experts Workshop for National Oil and Gas Departments/Agencies. This was the 1st Meeting of this Expert Group hosted by ECOWAS Commission with the specific objective for cooperation in the perspective of regional mineral development activities and in the context of

regional industrial development. To date, the status of Gazettes of 'ECOWAS Mining Directive C/DIR.3/5/09 on the Harmonization of Guiding Principles and Policies in the Mining Sector' by Member States' is: (a) gazetted in Benin, Burkina Faso, The Gambia, Guinea Bissau, Guinea, Senegal, Togo, and Ghana , (b) On-going in Mali, Niger, Nigeria, (c) yet to start in Côte d'Ivoire, (d) to confirm status in Liberia, Sierra Leone , and (e) No response for Cape Verde. The Commission continued to make progress towards the institutionalization of its key stakeholder-platforms for development dialogue.

165. An Experts Working Group Meeting held in Cotonou in November, 2012, started drafting the '**ECOWAS Guiding Framework for Regional Cooperation in Integrated Industrial Development of Hydrocarbons**' and its 'Implementation Matrix'. A second Experts Working Group Meeting held in Cotonou (November, 2012) started drafting the '**ECOWAS Guiding Framework for Regional Cooperation in the Geology Sector**' and its 'Implementation Matrix'. A Mining Experts Working Group Meeting was held in Accra (December, 2012) to develop the Content-format (Structure) of the **ECOWAS Minerals & Mining Development Act (Code)**. This was finalised and validated at an experts' meeting held in Abuja on 26-27 March 2013.

2.2.4 Free Movement of Persons

166. For the year in question, the Commission, with the support of technical and financial partners, opened at some borders, centres for information and observation of free movement, to serve in sensitising Community citizens, migrants and government officials on the need to implement all ECOWAS texts on free movement of persons, right of residence and establishment. Presently, 11 Member States use the standard ECOWAS passport with technical specifications consistent with International Civil Aviation Organization (ICAO) standards. In the area of capacity building, the training module on free movement intended for training institutions for border control officers which was prepared with the help of migration experts from the European Union (MIEUX) has been adopted. The objective was to harmonise training within the ECOWAS region in order to put in place a homogenous system of procedures in border management. The training manual also includes issues relating to the human and work rights.
167. Common infrastructure for health, preservation and storage of food products and other social and economic products were put in place and others are in the process of being put in place or designed in the Sikasso-Korogho-Bobo-Dioulasso, southern Senegambia, Mano River Union and Kano-Katsina-Maradi areas. Efforts are also underway at the Commission to find external partners for the implementation of the trans-border cooperation programme.
168. The area of tourism, the Commission has revised standards governing the classification of hotels, motels and hostels adopted by ECOWAS Ministers for Tourism. Work continues in this regard on the preparation of a tourist guidebook entitled "Destination ECOWAS."

2.3 Agriculture, Environment and Water Resources

169. The 2012 activities on the subject focused on effective implementation of ECOWAP, water and environment policies.

2.3.1 Agricultural Development

170. Programme activities for 2012 centred on realisation of the Regional Agricultural Investment Plan (RAIP).
171. Activities for the year were focused on four programmes which include: (i) promotion of strategic regional products for food security and sovereignty, (ii) promotion of a global environment favourable to a regional agricultural development, (iii) reduction of food vulnerability and promotion of a sustainable and stable access to food, and (iv) governance, coordination and monitoring/ evaluation of ECOWAP implementation.

✓ *Promotion of strategic products for food security and sovereignty*

172. The activities carried out under this component led to the following outcomes:
- The ECOWAS Commission presented three initiatives to make the Regional Agriculture Investment Programme (RAIP) operational. These were validated by the specialised technical committee on agriculture, environment and water Resources (CTSAER) and include the: (i) Regional Offensive for Rice Production ; (ii) Zero Hunger in West Africa Initiative, and (iii) Strategy for the creation of a regional food security reserve. The CSTAER recommended the adoption of the Papers and allocation of funds for their implementation.
 - The ECOWAS Land Tenure study was finalised with the contribution and participation of strategic partners like UNECA, CILSS and FAO.
 - In the area of animal health, priority diseases were identified revealing the need to prepare two regional reference documents on (i) harmonised laboratory procedures within ECOWAS and (ii) harmonisation of disease monitoring systems within ECOWAS. The terms of reference are ready and the work will be carried out in 2013. Moreover, terms of reference were prepared on the basis of Regulation C/REG.22/11/10 relating to community procedures for the management of veterinary medicines. The goal of these terms of reference is to appraise accreditation agencies for veterinary medicines in the following seven (7) ECOWAS Member States – Cape Verde, The Gambia, Ghana, Guinea, Nigeria, Liberia and Sierra Leone. This appraisal will lead to the establishment of the Regional Veterinary Medicine Committee for the entire region. UEMOA has already put in place a Committee for the eight (8) other Member States (Benin, Burkina Faso, Côte d'Ivoire, Guinea Bissau, Mali, Niger, Senegal, Togo). In extending (the life of) the Committee on Veterinary Medicine, the Regional Committee on veterinary medicine may evolve as it depends on the existence of the former;
 - In the area of cross border transhumance which, among other things, is linked to the spread of diseases, the 1998 Decision will be re-read and adapted to form a new regulation in order to fit into the new mandate of ECOWAS which was transformed from an Executive Secretariat to a Commission.
173. In the fisheries sector, the Commission engaged in discussions with national and regional partners leading to the establishment of the Regional Committee on Coherence in Fisheries Policy in West Africa. The objective of the Committee is “to monitor and ensure coherence of fisheries policies in West Africa”. Its major role is advisory, which is to alert regional authorities and contribute to improving coherence and governance in the West African fisheries sector. The Committee is made up of all stakeholders particularly non-State actors, countries, intergovernmental organisations and development partners.

✓ **Promotion of a global environment favourable to a regional agricultural development**

174. The creation of a global environment favourable for regional development of an agricultural sector and regional market is the focus of NAIP activities. Implementation of the activities of this important component led to the following major outcomes:

- the implementation of the first phase of the ECOWAS Regional Agriculture Information System (ECOAGRIS) in seven (7) Member States led to the interconnection of national agricultural information systems;
- the C TSAERE validated the regional regulatory framework for quality control and marketing of fertiliser within ECOWAS and recommended its adoption and implementation by the ECOWAS Council of Ministers;
- two implementing regulations for the establishment of the West African Pesticide Approval Committee and the West African Seed Committee were signed, finally leading to the operationalisation of the Regulations on seeds (ECOWAS Regulation N°C/REG.4/05/2008) and pesticides (ECOWAS Regulation N°C/REG.4/05/2008). The Commission is currently in discussions with CILSS, UEMOA and FAO for the joint implementation of these mechanisms in order to avoid structural duplication of efforts,
- within the framework of the restructuring of the sub-sectors, the activities have led to the holding of frank dialogue with central professional agricultural organisations in the region in order to enhance their participation in ECOWAP/ CAADP implementation;
- thirty-five (35) young agri-entrepreneurs from the 15 ECOWAS Member States (almost 50% are young women) have successfully completed a specialised training programme thanks to the partnership with the Songhai Centre in Porto-Novo.

✓ **Reduction of food vulnerability and promotion of sustainable access to food**

175. This component is an indication of ECOWAS solidarity with Community citizens and Member States. It aims at providing structured responses in order to address the situation of people affected by the food crises. In the course of the year, the ECOWAS Commission:

- adopted a cooperation strategy for coordinated and harmonised response in the event of food crises within ECOWAS (including Mauritania and Chad). In this regard, a meeting of Ministers was jointly held by the ECOWAS and UEMOA Commissions, Executive Secretariat of CILSS and Sahel and West Africa Club and strong recommendations were made to the International Community for support in the attainment of food security;
- defended the ECOWAS food security development approaches in major international fora, particularly the G20 and G8. This has led to better knowledge of the ECOWAS agenda and has positioned ECOWAS as a leader in the area of food security in West Africa;
- actively participated in the *Alliance Globale pour Initiative Resilience au Sahel* (AGIR-Sahel) process under the leadership of the European Union. In partnership with CILSS, CSAO and UEMOA, the ECOWAS Commission defended its positions and the consideration of the stakes involved for the sub-region in the implementation of this initiative. This process complements other on-going initiatives (G20 and G8) but also and especially, forms part of, and completes the strategies defined by ECOWAS and its regional partners.

✓ **Governance, Coordination and Monitoring/ Evaluation of ECOWAP Implementation**

176. ECOWAP/CAADP implementation is the responsibility of the ECOWAS Commission, as mandated by the Heads of State and Government. This responsibility is carried out by the Directorate of Agriculture and Rural Development.

177. An institutional framework has been put in place and implementation mechanisms are currently being finalised. These include:
- a consultative committee for agriculture and food, responsible for permanent cooperation with sector stakeholders;
 - an inter-departmental committee for agriculture and food which is responsible for sectoral arbitration within the ECOWAS Commission;
 - a technical agency for food and agriculture which has autonomy in administrative and financial management – recruitment of professional officers; and
 - a regional Fund for Agriculture and Food located at the EBID building with a dedicated bank account for funding. Several partners including the Kingdom of Spain, France through the AFD, etc. intend to fund the account in 2013.
178. *On support to countries*, each Member State presently has a joint programming, coordination and monitoring framework for activity implementation in the agricultural sector, which is the National Agricultural Investment Programme (NAIP). The ECOWAS Commission has continued to mobilise support for Member countries for the NAIP implementation. This includes:
- four to five Experts from the departments responsible for strategic planning and budget of all ECOWAS Member States having received trainers' training, in partnership with the FAO, on the Sector Wide Approaches (SWAp) tools with which to improve the quality of projects and programme to be submitted to Donors;
 - three ECOWAS Member States have received technical and financial assistance from the ECOWAS Commission for the organisation of their roundtable meetings with donors for funding their NAIP;
 - technical assistance, monitoring and support visits were carried out to Member States – the NAIP process led to the mobilisation of cumulated funds (grants and loans) in excess of US\$2.6 billion for Member States.
179. ***On the development and Implementation of new Regional Programmes***, the Commission, with the support of the ECOWAP Donor Group, has continued implementation of on-going programmes and mobilised funds from partners of new projects and programmes on behalf of agricultural sector stakeholders. The major programmes for 2012 with total funds of about US\$33.35 million were:
- West Africa Fertiliser Programme (WAFP), funded by USAID for almost US\$20 million;
 - Veterinary governance in Africa project, funded by the European Union,
 - Capacity building project to enhance the participation of African countries in the activities of standardisation organisations (PAN-SPSO, 2nd phase), funded by the European Union;
 - "West Africa Hunger Free Zone" project, funded by the German cooperation agency to the tune of US\$2 million.
180. *Monitoring of on-going Programmes*: Several cooperation projects have been negotiated since 2010/2011 with technical and financial partners which are presently underway. They include:
- West Africa Agricultural Productivity Programme (WAPP): funded by the World Bank, the programme aims at supporting regional cooperation in Agriculture in West Africa and currently concerns thirteen (13) ECOWAS Member States.
 - Joint UEMOA-ECOWAS Project – Regional Inputs Market (MIR PLUS): funded by DGIS/Pays Bas, the project seeks to build institutional capacities for the development of a competitive regional market for inputs (seeds, pesticides, fertilisers).

- Food Facility Project: funded by the European Union, the objective is to enhance productive capacities of nine ECOWAS Member States in response to the 2008 food crisis.
- Regional Food Security Project: funded by the AFD, the project seeks to contribute to improving food crises prevention systems (information – warning – surveillance).

181. Based on the principles of subsidiarity and complementarity, regional technical partners (partnership agreements) of ECOWAS are assigned the task of implementing these programmes, with the Commission taking on a coordination, steering and guiding role. Key partner institutions include, among others, CSAO/OECD, IFDC, CORAF/WECARD, CMA-AOC, IFPRI, regional FAO, CILSS.

2.3.2 Environment

182. In 2012, the activities of the Directorate of Environment centred on the following programmes:

- Improvement of environmental governance and capacity building;
- Promotion of sustainable management of resources for the improvement of the sub-regional economy within the context of the environment; and
- Enhanced management of pollutions, urban wastes, chemical products and toxic wastes.

183. In addition to these major programmes, the Directorate undertook to meet the deadlines for implementing the environment policy and regional integration.

184. **Concerning the programme for enhancing environmental governance and capacity building, the following were realised:**

- Participation in the 7th Meeting of the Steering Committee of the « African Monitoring of the Environment for Sustainable Development (AMESD) » programme in Addis Ababa. At the meeting, ECOWAS was nominated as chair of the Committee for the concluding phase and the next take-off of the programme on «Monitoring of Environment and Security in Africa (MESA)», envisaged for 2013 to 2018;
- Completion and validation of a study on MESA implementation where the **University of Ghana, represented by its Oceanography and Fishing Department**, was unanimously selected by all the stakeholders, as the programme implementing institution for the ECOWAS Commission; and
- Participation in several meetings organized by the African Union Commission, UNEP, UEMOA and ECA, particularly on improving the coordination and management of the environment at regional and continental levels;
- Participation in the meeting of the Committee for Strategic Orientation (COS) under the Initiative for Poverty Reduction and Environmental Management (PREMI) which was held on 4 and 5 February 2013. The purpose of the meeting was to assess the implementation of the recommendations of the first meeting of COS held in Ouagadougou in 2010 and the results of the PREMI with respect to the success indicators which were adopted at the first COS meeting;
- Participation in a workshop held on 11 and 12 February on the development of a partnership on key environmental challenges for a joint programme on climate change. The objectives of the workshop were to: discuss and identify the potential axes for partnership arising from the major sub-regional initiatives (PASR-RV-AO, CC-PREMI, etc); determine the bases of a joint programme on climate change; propose an institutional architecture for environmental partnership.

185. With regard to the Promotion of Sustainable Management of Resources for Improving the sub-regional Economy within the context of the Environment, the following activities were undertaken:

- Capacity building of States and National Actors from the Forestry Sector of the Member States, including the holding of ten (10) national validation workshops of reports from ECOWAS Member States (Benin, Cape Verde, Ghana, Liberia, Niger, Senegal, Togo, Nigeria, Sierra Leon and Côte d'Ivoire) and a regional meeting of Committee of Directors of Forest and Wild Life with a view to preparing the Convergence Plan for sustainable management and utilisation of forest ecosystems in West Africa;
- Capacity building of negotiators on the United Nations Convention to Combat Desertification, with the preparation of a progress report on decisions taken at the Conference of the Parties held in South Korea in October 2011;
- Technical validation of the regional programme to combat desertification;
- Organisation of a meeting of a working group on the Development of an ECOWAS Global Strategic Programme on Climate Change, expected to take-off in 2013;
- Finalisation of a draft document on the implementation of preliminary activities of the Strategic Programme on Adaptation to Climate Change, which will cost about US\$7 million. The Commission is expected to sign the Memorandum of Contribution Agreement in November 2012;
- Organisation of the Meeting of the Joint ECOWAS/UEMOA/CILSS Drafting Team from 28 July to 4 August 2012 to prepare the draft Regulation on Technological Risk Prevention; and
- Organisation, jointly with UICN, of a meeting of the partners of Convergence Plan for the management and utilisation of sustainable forest ecosystems in West Africa in Abuja on 21 and 22 January 2013 aimed at rallying all sub-regional intergovernmental organisations, international organisations, technical partners and bilateral and multilateral financial institutions into a coalition for the sustainable management of forests in West Africa as a prelude to the adoption of the Convergence Plan for the management and sustainable utilisation of forest ecosystems in the ECOWAS region.

186. Promoting Enhanced Management of Pollutions, Nuisances, Chemicals and Hazardous Wastes :

- Organisation, with the assistance of UNIDO, of three capacity building workshops for the Least Developed Countries (LDCs) in Member States within the framework of the UNIDO/UNEP Project for implementing the Stockholm Convention on Persistent Organic Pollutants aimed at building capacity in managing persistent pollutants in the ECOWAS, COMESA and SADC regions for the 2011-2015 period;
- Organisation of two meetings of a sub-regional working group on the management of chemical products and toxic wastes within the context of preparing for a strategic programme in that area that led to the following: a zero (0) draft Strategic Version and a plan of action to identify the priority areas in chemical products and toxic and electronic wastes in particular, due to be finalised in 2013;
- Organisation of two training workshops from 11 to 15 February in Lome, with respect to the implementation of the Stockholm Convention and putting in place a legislative and regulatory framework for the rational management of Persistent Organic Pollutants (POP) in ECOWAS Member States (review of a draft model law of a legislative framework on management of chemical products).

187. **Other activities undertaken within the framework of implementation of environmental policy and regional integration.** It should be pointed out that the participation of the Directorate of Environment in stakeholders' activities was relatively limited. This situation may be attributed to the active direct cooperation **that** exists between partners and Member States on many environmental matters.
188. It would be necessary to continue mobilising financial and technical resources for the following activities: i) completion of the necessary funding for implementing the draft preliminary activities on climate change and ii) development and implementation of activities with the support of Member States in promoting sustainable management for the implementation of the Rio +20 Summit Conclusions, preventing and managing biotechnological risks, and chemical and toxic wastes.

2.3.3 Water resources

189. As part of its primary mission to assist ECOWAS States in the implementation of an equitable and effective water management while ensuring the sustainability of its uses, in 2012, the Centre undertook activities scheduled in its 2007-2015 strategic plan, which are centred on three main thrusts as follows:

Support to countries and basins in the implementation of IWRM plans and strategies

190. The main results achieved during the year are:
- adoption of the National Plan for Integrated Water Resources Management (PANGIRE) in Côte d'Ivoire;
 - initiating the process of setting up a Bia-Tano-Comoé basin organization with the completion of a feasibility study and organization of a workshop for validation of results with experts from the four countries concerned (Burkina Faso, Côte d'Ivoire, Ghana and Mali). The said workshop resulted in the adoption of a roadmap to conduct the process;
 - organization, in partnership with the ADB, of a regional workshop to validate the Completion Report of the 1st phase of the Regional Project on Integrated Management of Invasive Aquatic Plants and the Concept Note for the 2nd phase of the project.

Support to effective regional integration in the water sector

191. In the context of support for effective regional integration in the water sector, the following activities were undertaken during the year:
- Creation of a Regional Water Observatory with financial assistance from SIDA. In fact, SIDA provided funding for information gathering on indicators for measuring the performance of water management systems in Burkina Faso, Ghana, Cape Verde, Senegal and Mali within the context of climate change;
 - Initiation of studies towards the formulation of a framework directive on management of shared water resources in West Africa and a directive on sustainable development of large water infrastructure in West Africa.

Coordination of the water initiatives and programmes in the region

192. In this aspect, the Centre served as AMCOW technical secretariat for West Africa, being fully involved in the preparation of national reports on the Sharm El Sheikh Commitments by countries of West Africa.

Challenges and Prospects

193. Activities undertaken in 2012 were not without difficulties. Among these should be noted the shortage of staff; some activities could not be undertaken due to the withdrawal of some support with respect to the commitment to establish a governing body within the Cavaly-Cestos-Sassandra basin system; withdrawal of support related to the implementation of the Mano River Development Project, withdrawal of support for the Fouta Djallon Highlands Programme.

194. In terms of prospects for 2013, efforts will be focused on:

- the development and adoption of the Action Plan for the implementation of PREAO,
- formulation of Draft Framework Directives on the management of shared water resources in West Africa and the sustainable development of large water infrastructure in West Africa, continuing the process of promoting the three new cross-border basin organizations,
- the pursuit of the promotion modalities for three new transboundary organisations for the basin,
- finalization of Phase II of the Project on Integrated Management of Invasive Aquatic Plants in West Africa,
- supervising the preparation of national reports on the implementation of the Sharm El Sheikh Commitments on Water and Sanitation,
- responsibility for AMCOW and AGWA Technical Secretariats for West Africa.

2.4 Infrastructure Development

2.4.1 Overview

195. The Commission organized a meeting of Sector Ministers in charge of infrastructure, transport, public works, energy, telecoms and water resources from 7th to 9th November 2012 in Yamoussoukro (Côte d'Ivoire). The objective of the meeting was to intensify efforts in regional infrastructure development and the mobilization of the necessary resources for implementation.

196. The Ministers endorsed the updated list of **45 priority regional infrastructure projects** at a cost of US\$108 billion as well as a road map for the **preparation of the long-term ECOWAS Regional Infrastructure Development Master Plan**.

197. The Ministers then recommended to the Authority of Heads of State and Government:

- a. to extend the scope of application of the Transport and Energy Development Fund (FODETE) to other infrastructure sectors such as ICT and Waters;
- b. to use part of the community levy to fund exclusively the preparation and funding of regional infrastructure projects

PIDA Priority Action Plan (PIDA-PAP) Promotion and Resource Mobilization

198. As a follow up to the meeting of Sectoral Ministers in charge of Infrastructure, Transport, Public Works, Energy, Telecoms and Water Resources held in November 2012 in Yamoussoukro (Côte d'Ivoire), a consultative meeting to support promotion of the flagship PIDA Priority Action Plan (PIDA-PAP) projects was organized by the ECOWAS Commission and the African Union Commission (AUC) which was hosted and facilitated by the African Development Bank.

Flagship projects

199. A list of flagship projects were chosen from the list of ECOWAS PIDA-PAP projects as pilots for immediate implementation which shall eventually lead to the implementation of the remaining projects. In this regard, the criteria for selecting the projects were: the readiness for implementation; number of countries involved; project cost effectiveness, and; implementation time frame.

200. The following projects were thus chosen

Road Sector:

- TAH Programme and Abidjan-Lagos Coastal Corridor: (Completion and Standardization of the missing links of the Lagos – Dakar Corridor)

Railway Sector:

- Cotonou – Niamey – Kaya – Ouagadougou – Abidjan Railway links.
- Dakar-Bamako-Ouangolodougou and Dosso-Kaura-Namoda-Zaria-Kaduna-Jos-Bauchi-Maiduguri-Ndjamena railway links

Energy Sector:

- Sambangalou Dam (on River Gambia) and electricity interconnection network

Water Resources:

- Fomi multipurpose dam (in Guinea Bissau)

201. The meeting recommended that all projects should include ICT components particularly the railways and energy projects in addition to evaluation of railway projects to the Presidential Infrastructure Champion Initiative (PICl) to be championed by the President of ECOWAS.

Implementation Mechanism

202. ECOWAS Commission with the support of AU will coordinate the implementation of the projects in close collaboration with Partners (AfDB, UEMOA, EBID, BOAD, WAPP etc). To this end, the meeting requested that the implementation mechanism for the flagship projects be further studied and elaborated.

203. The AU, AfDB, NPCA, EBID, BOAD and the ECOWAS Commission shall take all necessary measures to mobilise resources with partners for the flagship projects. The meeting also called for a special infrastructure program for fragile West African countries

2.4.2 Transport, Communication and ICT,

LAND TRANSPORT

- Road Sector

204. The principal activity in the Road Transport sector has been the implementation of regional road transport and transit facilitation programme comprising, Joint Border Posts construction, Regional Transport Observatory, Axle Load Harmonization Policy and the Nigeria-Cameroon Multinational Highway and Transport Facilitation Programme as part of the Trans-Africa Highway programme. Key components of this Programme saw developments, namely the construction of Joint Border Posts, the establishment of a Regional Transport Observatory and the Nigeria-Cameroon Multinational Highway. The overall progress of construction works on the JBPs is about 35% for Seme/Krake and 60% for Noepe.
205. Funding has been obtained under the European Union 10th Regional Indicative Programme is for the Construction of three bridges in Sierra Leone which are links within the Trans-coastal highway.
206. The Trans-Gambia transport corridor which includes the construction of the Trans-Gambia Bridge and two (2) Joint Border Posts (JBP) as well as the rehabilitation of 137km of roads connecting the northern and southern parts of both The Gambia and Senegal will be financed by the AfDB.

- Railways

207. In the Railways sub sector, detailed engineering studies of the Kaya-Dory-Niamey link connecting the Abidjan-Ouagadougou railway line to the republic of Niger was initiated with funding from the European Union in 2010 was halted due to the crisis in Cote D'Ivoire. However, the process for initiating the study is presently undergoing revision following discovery that a similar study on the same link is nearing completion by a Consultant commissioned by the African Union Commission.

- Air Transport

208. The Air transport programme seeks to develop a sound and seamless regional air transport system with safe, reliable, efficient and affordable air services, well connected within West Africa and integrated with the global air transport network.
209. To this end progress has been made with the Implementation of Yamoussoukro Decision (YD) through the adoption of nine (9) air transport Supplementary Acts establishing a common air transport legal framework for ECOWAS Member States in February 2012, by the Authority of ECOWAS Heads of State and Government Implementation of Aviation Safety Oversight programmes with two feasibility studies commissioned for the establishment of a regional aircraft maintenance centre and regional air transport database. Setting up of a Steering Committee of ECOWAS Airlines and establishing Aeronautical cooperation with major aviation stakeholders (AFCAC, ICAO, European Commission, Brazil, ECAC, WFP Humanitarian Air Services)

Telecommunications Programme

210. The telecommunications priority is the development of a reliable and modern regional Telecoms broadband infrastructure including the INTELCOM II programme, alternative

broadband infrastructures and sub marine cables as well as the establishment of single liberalized telecoms market

211. During 2012, the following terrestrial inter-states fiber optic connections were completed: Burkina Faso – Niger, Burkina Faso – Ghana, and Ghana – Togo. Also, ten (10) coastal member States were connected to submarine cables with at least one (1) new landing station. With these new terrestrial connections and landing stations, the three landlocked countries (Burkina Faso, Mali and Niger) have now at least 2 access routes to the submarine cables. In June 2012, the ECOWAS Council of Ministers adopted the regulation on conditions for access to submarine cables landing stations.
212. A detailed feasibility study including business plan was commissioned on the missing inter-states links in the ECOWAS region with a focus on Mano River countries (Cote d'Ivoire, Liberia, Sierra Leone, Guinea), Mali and Guinea Bissau. Two Studies to develop a harmonized law on the right of way to facilitate transit and reduce cost for the access to submarine cables by ECOWAS landlocked countries and another on taxation on Telecommunication/ICT services and related products in the region are being funded by the ITU through the HIPSSA project and the AfDB respectively.
213. The ECOWAS Ministers in charge of Telecom/ICT officially set up adopted the Convention on the West African Postal Conference (WAPCO) as well as the Rules of Procedure of the WAPCO.

2.4.3 Energy

214. The energy programme seeks to develop and implement cheap and efficient energy services, to establish policies that promote integration among Member States and the establishment of an energy market within the region
215. The Heads of State and Government recognised the need for the Commission to formulate an emergency programme in response to the various crises. Within the framework of the emergency electric power supply program a number of interventions were carried out:
216. In the case of Conakry (Guinea), the programme was initiated in 2011. the ECOWAS Commission has made full payment of liabilities (\$ 30 million, which comprises a gift of \$10 million and a loan of \$20 million). Progress on this project include: the establishment of the power market in November 2011 a completion time of 12 months, the delivery of spare parts and regular supply of fuel have led to the normal operation of the power plant and thus improving electricity supply in the city of Conakry. The emergency power supply to Bissau is currently ongoing.
217. On the power supply support to the city of Banjul, a high-level mission from the Commission undertook an assessment mission to Banjul from 11 to 15 August 2012. Similar evaluation has been conducted for Mali, Sierra Leone and Liberia.
218. The assessment report and the record of the emergency project will be presented to the Council of Ministers and Summit of Heads of State and Government for approval as soon as possible.

219. In line with the United Nations "Sustainable Energy for All (SE4ALL) by 2030", the Commission undertook the stock taking exercise within the framework of the implementation of the UEMOA-ECOWAS White Paper for increasing access to energy services for rural and peri-urban areas in order to align the deadlines and objectives. By 31st December 2012, eight (8) ECOWAS countries had conducted a "Rapid Assessment and Gap Analysis, and ECOWAS is supporting the seven (7) remaining countries to conduct similar studies in order to ensure the effective involvement of all Member States in the SE4ALL process.
220. In addition to this study, a capacity building plan was developed and was adopted by experts from Member States at a meeting held in Banjul from 1 to 3 August 2012. An important communication action on access to energy services was undertaken with the support of the President of the Republic of The Gambia. .
221. The project "Economic Cooking Energies for West Africa" (PROCEAO) was initiated by the ECOWAS Commission and GIZ with funding from the European Union. This project will conduct research on improved stoves with very high yields, support product certification and dissemination to homes.
222. To promote the development of rural electrification, an expert meeting held in Niamey from 27th to 29th March 2012 recommended the establishment of a comprehensive regional rural electrification program to contribute to the objectives of the White Paper UEMOA-ECOWAS access to energy services.
223. The first forum on regional gas market was held in Accra in March 2012. This meeting brought together stakeholders in the gas sector to discuss the problems and prospects of the pipeline, including the provision of gas and the possible extension of the pipeline. The Commission also organized a meeting in Abuja on August 23, 2012 on the contribution of Nigerian gas market to the regional market development.

ECOWAS Regional Electricity Regulatory Authority (ERERA)

224. The key activities implemented by the ECOWAS Regional Electricity Regulatory Authority (ERERA) focus on two categories of actions namely, establishment of the Authority between 2009 and 2013 on the one hand and organization and supervision of the operations of the regional electricity market on the other hand.
225. The first category of actions would be completed with the recruitment of professional staff after the adoption of regulatory instruments (by-laws, short and medium term organogramme, and rules of procedure).
226. The second category of actions commenced with a competitive tender in order to select the consulting firms that will (i) draw up the five-year strategic plan, (ii) review the rules in the WAPP user manual, (iii) prepare a document on best procurement practices, (iv) define the rules of access by eligible customers to the regional network, (v) define the rates for determining the transmission costs and tariffs, (vi) set regional benchmarks (vii) develop a Regulatory Information Management System (RIMS), (viii) develop a regional capacity building plan for electricity regulation, and (ix) develop a communication strategy.
227. Within the framework of the Ghana-Burkina Faso interconnection project, ERERA provided assistance for VRA, GRIDCO and SONABEL electricity companies to draw up the commercial

- structure and contractual documents for the 225 kV Bolgatanga (Ghana) - Ouagadougou (Burkina Faso) interconnection line.
228. ERERA also developed a capacity building programme for national regulatory bodies and launched an institutional support programme for ECOWAS Member States that are still in the process of setting up and implementing their regulatory body (sensitizing national stakeholders on the basis for regulation, preparation of texts, technical assistance with installation and launch of activities and capacity building). Countries concerned by this support are: Benin, Burkina Faso, Guinea, Guinea Bissau, Liberia and Sierra Leone.
229. Finally, the effective establishment of the Advisory Committees of regulators and operators and the launch of their activities, the preparation of guidelines on the structure of the national and regional electricity markets continued with the combined assistance from the ECOWAS Commission and the technical and financial partners.

ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE)

230. The ECOWAS Commission, through the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE), developed two complimentary regional policies on renewable energy and energy efficiency, which were subsequently adopted by the 11th Meeting of ECOWAS Energy Ministers. Across the region, encouraging trends have been observed in the area of clean and sustainable energy development - from Cape Verde to Senegal, Ghana and other Member States. Cape Verde for instance has installed a total of 7.5 MW of solar power capacity of and 25.5 MW wind power which already produce 25% of the country's electricity requirements reduced the country's dependence on imported fossil fuels.
231. ECREEE also launched the ECOWAS Observatory for Renewable Energy and energy Efficiency (ECOWREX), a web-based system for providing targeted, timely and statistical information on the Region's energy system and resources to decision makers, project developers, investors and other market enablers.
232. During their meeting on the 31st October, 2012, ECOWAS Energy Ministers adopted four regional policy documents on Energy Efficiency, Renewable Energy, Bio-energy Strategy and Small Scale Hydro Power Programme. In particular, the Ministers approved the construction of 40 small hydro dams under the UNIDO-ECREEE partnership. The budget requirement for the first Phase of the SSHP amounts to around €15.5 Million for the period 2013 to 2018.
233. Within the framework of the Sustainable Energy For All (SE4ALL) Initiative, the ECOWAS Energy Ministers nominated ECREEE to be the focal point for the implementation of the SE4ALL initiative in West Africa - a decision that has been endorsed by the Special Representative for the SE4All Initiative as well as other members of the international community. The United Nations General Assembly, upon the recommendations of the ECOWAS Energy Ministers, unanimously declared the period 2014 to 2024 as the Decade for Sustainable Energy for All.

2.5. Human Development

2.5.1 Social and Humanitarian Affairs

Humanitarian Affairs

234. During the course of 2012, the ECOWAS Commission held the 10th Edition of the Annual Workshop on Implementation of International Humanitarian Laws in West Africa in Abuja Nigeria and commenced implementation of the review system based on the ECOWAS Plan of Action for the implementation of International Humanitarian Laws validated by Member States and presented to Ministers of Justice in 2011.
235. The Humanitarian Policy and its Plan of Action developed by the Commission was adopted by Ministers in Cotonou in March 2012 and subsequently approved by the Authority of Heads of States. The Commission in collaboration with UNOCHA and other humanitarian partners also crafted an intervention to alleviate the humanitarian situation in the Sahel and adoption of a roadmap to promote resilience.
236. It also jointly organised with UNOCHA the Annual Consultation of the Regional Disaster Management Committee in West Africa in Dakar Senegal in September 2012. The focus of the activity was the promotion of humanitarian instruments of the Commission including the Humanitarian Policy and Plan of Action, the Humanitarian Response Mechanism and the Disaster Risk Reduction Policy and Plan of Action.
237. The Commission also supported Cape Verde, Nigeria, Niger and Senegal with financial assistance in response to flood disasters in these countries.

Disaster Risk Reduction

238. Training workshops on International Disaster Response Laws (IDRL) for West African Disaster Managers was jointly organised with IFRC in Dakar, Senegal, in September 2012 for the promotion of measures in ensuring humanitarian access by foreign relief assistance agencies in sudden onset of emergencies which might exceed the coping capabilities of the State.
239. The Commission supported the development of Disaster Risk Reduction National Platforms in Côte d'Ivoire and Burkina Faso as part of its mandate to standardize capacities for disaster risk reduction across the region and strengthen the capacities of Member States.
240. Several meetings were held in preparation for the intervention in Mali. A coordination meeting was held with IASC and other Humanitarian Partners in Dakar, Senegal on the situation in Mali and implementation of the ECOWAS Humanitarian Policy and Plan of Action.

Trafficking in persons and Child protection

241. Validation workshop on the Draft ECOWAS Monitoring and Evaluation Framework for Child Protection System in West Africa was held in September, 2012. The Child Protection System specifies the Standards and Benchmarks that need to be put in place in the region for pro-active prevention of children's vulnerabilities to exploitation, abuse and violence.

Social Affairs

242. The Commission held a side event on the ECOWAS Youth Employment Action Plan and the General Convention on Social Security of the Member States of ECOWAS at the General Assembly of the ILO in Geneva Switzerland in June 2012.
243. It also held the 2nd Edition of the General Assembly of the Forum on Social Dialogue in Abuja in October 2012 which considered the General Convention on Social Security of the Member

States of ECOWAS and its Administrative Arrangements, the ECOWAS Youth Employment Action Plan and the ECOWAS Regional Action Plan for the Elimination of Child Labour.

244. The Ministers of Labour, Employment and Social Welfare met in Dakar Senegal in December 2012, and adopted the General Convention on Social Security of the Member States of ECOWAS and its administrative arrangements, the ECOWAS Youth Employment Action Plan and the ECOWAS Action Plan for the Elimination of Child Labour.

2.5.2 Gender, Child Development, Youth/Sports, Civil Society, Employment and Drug Control

Gender and Child

245. ECOWAS Delegation attended the annual United Nations Commission on the Status of Women which held in New York, on the theme “Rural Women empowerment, poverty reduction, rural development”.
246. The study on “Gender and Trade Dynamics in ECOWAS Region” was completed.
247. Gender and Cross-Border Trade: Meetings held on the dynamics between gender and cross border trade. A documentary on Gender and Cross-border Trade is commissioned to illustrate the dynamics.
248. Gender and ECOWAS Agricultural Policy: In order to mainstream gender into the Regional Agricultural Investment Plan the Gender Directorate in collaboration with the Agricultural Directorate organized a workshop which was held in Accra, Ghana in May 2012. Focal areas for training and capacity building for gender and agricultural experts were identified.
249. ECOWAS – NEPAD signed an MOU for the establishment of Business Incubator for African Women Empowerment (BIAWE) Project in the ECOWAS region. The goal of the BIAWE project is to upgrade the skills of African women entrepreneurs and to make them internationally competitive. The NEPAD/Spanish Fund for African women empowerment funds the project.
250. ECOWAS Commission hosted the Fifth steering Committee meeting of the regional Africa-UNiTE Campaign to End all Violence against Women and Girls in Abuja, in May 2012. The meeting launched the campaign in the West African region and also identified visible strategies and concrete programmes for moving the vision forward.

Youth, Sports and Employment

251. Formulation of Guidelines for the ECOWAS Youth Development and Empowerment Fund

Drug Control and Civil Society

Drug Control

252. Through a Japan Grant to Guinea, the Commission strengthened the operational capacity of the Guinea Inter-ministerial Drug Coordinating Committee in the fight against illicit drug trafficking, abuse and organized crime.
253. The Commission has taken steps in reviewing the existing national drug laws and related legislations in the region with a view to harmonizing them.
254. In the drive to strengthen the fight against drug trafficking, abuse and organized crime, the Commission, in collaboration with INTERPOL and the ECOWAS Division for Peace and Regional

Security, organised joint simultaneous police operations (Operation ATAKORA) along the Benin/Togo/Ghana borders where a total of 7,900 kg of various kinds of drugs were seized.

255. The Commission also empowered Regional Media Experts through a training workshop aimed at the development of skills and acquisition of knowledge to support mobilization, sensitization and advocacy activities at community, national and regional levels in drug control and trafficking, drug abuse and prevention and organized crimes.

Civil Society

256. The West African Civil Society Forum (WACSOF): Meeting to Validate Thematic Priorities of ECOWAS/Civil Society Engagement held and priority thematic groups which are related to the ECOWAS strategic goals. They are namely Women and Gender, Democracy and Good Governance, Peace and Security, Agriculture, Trade and Infrastructure. The Thematic Groups have developed a 3-Year Action Plan aimed at enhancing civil society organizations' contribution to the ECOWAS integration process. The Commission also provided financial support to WACSOF.

2.5.3 ECOWAS Gender Development Centre

257. **Three (3) National Gender Training Workshops in Benin, Liberia and Togo.** The workshops were targeted at gender focal points of sector ministries, women groups, civil society, members of parliament, law enforcement agencies, private sector operators, the ECOWAS National Unit, journalists and gender-based interest groups. The principal objective of the workshops was to equip the participants with the skills and the gender analysis tools and techniques to mainstream gender in national policies, strategies and programmes and thus enables them to play more active roles in the attainment of gender equity and equality in ECOWAS Member States. In all, 120 people were trained during these workshops;
258. Celebration of 2012 International Women's Day. In commemoration of the 2012 International Women's Day, the Gender Centre supported financially three (3) rural women's group based in Ghana.
259. Provision of technical and financial support to women engaged in the processing of agricultural and handicraft products. The goal of this initiative is to promote gender equality through building the capacity of women in the processing of agricultural and handicraft products to start their own businesses. With the cooperation of WAWA women were trained and supported financially.
260. Provision of Medical Support to Women and Girls suffering from Obstetrics Fistula. Women from the following countries underwent a surgery: Burkina Faso, Gambia, Ghana, Guinea, Guinea-Bissau, Mali, Niger, Senegal and Togo.
261. Scholarships of Excellence for Girls (general curriculum and technical & vocational training) in ECOWAS Member States. This activity is targeted specifically at brilliant girls from modest homes.

262. Financial Support to the Network on Peace and Security for Women in the ECOWAS Region (NOPSWECO) for the execution of the Plan of Action on the Implementation of United Nations Security Council Resolutions 1325 and 1820.

2.5.4 Education, Culture, Science and Technology

Education

263. Under the ECOWAS Technical and Vocational Education (TVET) revitalization agenda, about 1000 TVET personnel have benefited from the in-country training sessions on the requirements, skills and competencies for the development and revision of TVET curriculum and instructional materials. As a result, a number of Member States have commenced actual revision of their curriculum and instructional materials, using available resources in the region and open source materials and animations on the internet.

264. The ECOWAS Ministers of Education adopted in October 2012 the following:

- A feasibility study on the establishment of a Regional Qualification Framework (RQF) and National Qualifications Frameworks (NQF)
- An ECOWAS regional manual for the promotion of the culture of peace (with UNESCO Cooperation)
- ECOWAS Regional norms and standards for the implementation of an Education Management Information System (EMIS) for the Member States.
- Roadmap for the revitalisation of the ECOWAS Technical and Vocational Training (TVET) in ECOWAS.

Culture

265. The Sixth Meeting of the Ad hoc Committee in charge of implementing the Regional cultural agenda was held in April 2012 in Cotonou, Benin Republic. The meeting recommended a study on the contribution of culture to the economies of Member States.

266. An assessment of the status of the copyright situation was carried out in The Gambia and Guinea Bissau in 2012;

267. *The Commission granted subventions to major cultural events during the year.*

Science and Technology

268. The ECOWAS Science and Technology Policy (ECOPOST) and its Plan of Action were adopted by ECOWAS Summit in June 2012. The objective of the policy is to develop all sectors through:

- Development and strengthening of the institutional framework for a science policy, technology and innovation and its action plan in each Member State.
- Strengthening the financial capacity of scientific and technological institutions
- Strengthening human capacities in science and technology

269. The Commission organised a meeting of the jury for the selection of the 2012 “African Union’s Kwame Nkrumah Prize for Female Scientist” in May 2012. The winner for the ECOWAS region is the Pr Steiner Asiedu Abakai Matilda of the University of Ghana.

2.5.5 ECOWAS Youth and Sports Development Centre

✓ SPORTS AND REGIONAL INTEGRATION

ECOWAS Traditional Wrestling Tournament (TOLAC), Niamey

270. The eighth edition of the ECOWAS Traditional Wrestling Tournament organised by ECOWAS took place in Niamey, Niger in April 2012. Twelve Member States participated in the tournament.

ECOWAS Wrestling Tournament, Dakar

271. The ECOWAS Commission organised the fifth edition of the Traditional Wrestling Tournament in Dakar, Senegal from *in July 2012*. Thirteen Member States participated. The enthusiasm of the people for the event confirmed the role of traditional wrestling as a sport and a factor for bringing the people and young people of West Africa together and sharing their common integration values.

2nd ECOWAS Games, Ghana, 2012

272. The Commission organised the second edition of the ECOWAS Games in Accra, Ghana from in June 2012. The disciplines selected for this edition were athletics, traditional wrestling, handball, volleyball and boxing. Eleven Member States participated in the games, namely, Benin, Burkina Faso, Côte d’Ivoire, Gambia, Ghana, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo.
273. On the margin of the Games, the ECOWAS Commission held a sensitization workshop for journalists on the programmes and activities of the ECOWAS Youth Development Centre.

Financial Support to ECOWAS sports associations and organisations

274. This support is aimed at contributing to the development of sports in the region and the achievement of ECOWAS of people.

✓ YOUTH AND CAPACITY BUILDING OF YOUNG PEOPLE FOR EMPLOYABILITY

Training of Youth

275. In the area of training and capacity building the Commission sponsored training sessions in September 2012 in agriculture, fish and livestock farming at the Songhai Centre in Porto Novo (Benin Republic). Seventy eight (78) young men and women from 13 ECOWAS countries participated. A second training in refrigeration/air conditioning and auto mechanics was organized in October/November 2012 at the Ziniaré Professional Training Centre (Burkina Faso).

✓ ECOWAS VOLUNTEER PROGRAMME

276. Following the recruitment of volunteers in Liberia in 2011, more Volunteers were recruited for Guinea and Sierra Leone.
277. This programme is being implemented with the financial support of African Development Bank (AfDB) and technical assistance of the UN Volunteer Programme.

2.5.6 Malaria Elimination Programme

278. Following the Ministerial High Level Mission in the Republic of Cuba and the Bolivarian Republic of Venezuela in the framework of the implementation of a Tripartite Agreement on malaria elimination in ECOWAS held in April 2012, a meeting of the tripartite technical working group ECOWAS / CUBA / Venezuela is scheduled for 27th and 28th November 2012 in Abidjan. This tripartite technical meeting among others will be updated on progress of the feasibility study commissioned by ECOWAS for the construction of production biolarvicides plants and also finalize the Framework Agreement for Implementation of the Memorandum of Understanding signed in 2009 with Venezuela which provides for the renegotiation of \$ 20 million loan and the creation of a multilateral development funds.
279. The Framework Implementation finalized will be signed at the 69th ordinary Session of the Council of Ministers of ECOWAS to be held from 30th November to 2nd December, 2012 by the Minister of Foreign Affairs of the Bolivarian Republic of Venezuela, Guest of Honour of the Council of Ministers.
280. However, the preliminary results obtained in the region due to the strengthening of vector control as regards malaria elimination campaign are encouraging. In the Accra Metropolis in Ghana, a decrease of 75% of malaria deaths as been recorded since the programme began in 2009; in the Rivers State in Nigeria, a decrease of 63% of cases was observed since the programme began in 2011; and in Ouagadougou, Burkina Faso, a decrease of 15% of cases was recorded over a period of five (5) months since the program began in 2012.

2.6. Political Affairs, Regional Peace and Security

2.6.1 Political Affairs

281. During the year under review, the Commission focused on efforts to find peaceful solutions to the crises in Mali and Guinea Bissau. In Mali, a rebellion was launched by the National Movement for the Liberation of Azawad in January 2012, culminating in the occupation of the northern regions of Kidal, Timbuktu and Gao and the 'declaration' of independence by the MNLA in March 2012. In the meantime, the Government of Mali was overthrown by the Military on 22 March 2012, plunging the country into a constitutional crisis.
282. In Guinea Bissau, the military overthrew the Government on 12 April 2012, halting an on-going presidential election to choose the successor to the late President Malam Bacai Sanha, and creating yet another constitutional crisis.
283. To find solutions to the double crisis in Mali and the constitutional crisis in Guinea Bissau, the Commission took the following measures:

- Organization of four extraordinary sessions of the Mediation and Security Council at the ministerial level and five Extra-ordinary Summits of Heads of State and Government;
- Launching of a mediation process on Mali led by President Blaise Compaore of Burkina Faso and the establishment of the Regional Contact Group on Guinea Bissau;
- Building linkages and advocacy with AU, UN and other partners in support of ECOWAS mediation efforts in Guinea Bissau and Mali, notably the inauguration of the Support and Follow-up Group on the situation in Mali held in Abidjan on 7 June 2012 and a follow –up on 19 October 2012 in Bamako, under the joint chairmanship of the ECOWAS, AU and the UN.
- Reactivation of the International Contact Group on Guinea Bissau (ICG-GB) and the preparation for the Joint Mission to Guinea Bissau by ECOWAS, CPLP, EU, AU and UN on 15 -16 December 2012 for an evaluation of the situation in the country with a view to strengthening on-going transition and making it more inclusive;
- Initiation of the process for the setting-up of an International Contact Group on Mali (ICG-M) and ensuring the appointment of a Special Representative of the ECOWAS President for Mali.

Democracy and Good Governance

284. The foundations for the different governance Networks have been strengthened. This situation has enabled National stakeholders to ensure ownership of their programmes. In a bid to strengthen democracy and good governance in the region, the Commission undertook the following activities:

- Elaboration of strategies to ensure adoption of the ECOWAS Protocol on Corruption and facilitate establishment of Anti-Corruption Institutions in 7 Member-States.
- Training of Operational Investigators in Anti-Corruption Institutions in Member States.
- Identification of gaps in National Human Rights Commissions and elaboration of practical strategies to tackle them.
- Development of Capacity Building Plan for Political Parties.
- Plans are far advanced for staff exchange programme among governance institutions in West Africa.

285. In order to consolidate on the achievements recorded, the Commission plans to implement the following activities:

- Conduct of the Annual General Meetings of the Networks of Human Rights, Anti-Corruption, and Political Parties
- Finalization and adoption of the Capacity-Gaps Assessment of Political Parties, which is being conducted in collaboration with International IDEA;
- Assessment of the Secretariats of the Regional Networks and Member States Institutions through planned Visitation Missions and consultancies; and
- Provision of more technical and capacity supports for the implementation of the work of Regional Networks on Human Rights, Anti-Corruption, Political Parties, and ECONEC;

Electoral Assistance

286. As regards electoral assistance, the Commission ensured the sustainability of Democracy and Rule of Law by implementing the following activities during the period under review:

- Improvement in the system of Election Observation, particularly in areas of deployment, coordination, and reporting;

- Pre-election fact-finding missions and funding support to Senegal, Guinea-Bissau, Sierra Leone and Ghana from the stakeholders to support the electoral processes in these member States;
- Carrying out of observation missions to Senegal, Sierra Leone and Ghana, and ensuring peaceful management of electoral processes in these countries;
- Implementation of the setting up of the ECOWAS Election Observers Database (Roster) for the professionalization of ECOWAS' elections observations;

287. In addition, the Commission plans to implement the following activities:

- Finalization of the Roster for Election Observers;
- Preparation for discussion of a proposal for Regional Certification of Elections at the next ECONEC Meeting (including finalization of a Concept Note based on this thematic focus);
- Collation of the ECOWAS Election Observation Mission Reports for all Presidential Election observed between 2010 and 2012; and
- Finalization of the Memorandum of Understanding with the Kofi Annan International Peacekeeping Training Centre (KAIPTC).

2.6.2 Peacekeeping and Regional Security

288. The period under consideration is marked by serious challenges to peace and security in the region, especially in Guinea Bissau and Mali, leading to a strong involvement of the Commission in the efforts to resolve these crises. Following the Extraordinary Summit of ECOWAS Heads of States and Government held in Abidjan on 26th April 2012, the Commission was instructed to deploy a contingent of the ECOWAS Standby Force in Guinea Bissau with immediate effect to facilitate the withdrawal of the Angolan Technical and Military Assistance Mission in Guinea Bissau (MISSANG). This led to the conduct of two Extra-ordinary Meetings of the Committee of Chiefs of Defence Staff (CCDS) during which pledges were made and decisions taken for the deployment of the ECOWAS Mission in Guinea Bissau (ECOMIB).

289. The ECOWAS Heads of State and Government, at their special summit held in Abuja, Nigeria 11 November 2012, reaffirmed their commitment to support Mali and Guinea Bissau in the resolution of their security and constitutional crisis within the framework of their principles and standards contained in the Protocols of the Community. The Summit decided to adopt the harmonised concept of operations for the deployment of the international force under an African command and requested the Peace and Security Council of the African Union to endorse the concept and ensure its transmission with the strategic concept the Secretary General of the United Nations within the time frame prescribed by Resolution 2071.

290. In accordance with the 40th Ordinary Session of the ECOWAS Authority of Heads of States and Governments held in Abuja, from 16 to 17 February 2012, acknowledged the increasing threat posed by piracy and other forms of organized maritime crime in the Gulf of Guinea and the United Nations Security Council (UNSC) resolutions 2018 of 31 October 2011 and 2039 of 29 February 2012 to address the threats posed by piracy, armed robbery at sea and other illicit transnational maritime crimes, Commission conducted various activities as follows: (i) Familiarisation visit of an ECOWAS Commission delegation of Maritime Security facilities of the Community of Central Africa Member States, Libreville and Douala from 20 to 24 February 2012; (ii) Workshops ECCAS / ECOWAS on maritime security, the last one was from 28 to 29 March 2012, in Cotonou, Benin in order to review the MoU between ECCAS and ECOWAS and the Multilateral Agreement on maritime security in the Gulf of Guinea; (iii) Workshop for the

preparation of the regional Summit between ECOWAS and ECCAS for the adoption of cooperation instruments (MoU and Multilateral Agreement), Abuja, 20-21 June, 2012; (iv) Workshop for the preparation of the Regional Summit between ECOWAS and ECCAS for the adoption of a roadmap for the development of cooperation instruments, Libreville, Gabon 22-23 October, 2012; (v) Workshop for the preparation of the Regional Summit between ECOWAS and ECCAS for the adoption of cooperation instruments (MoU and Multilateral Agreement), Abidjan, Cote d'Ivoire, 18-19, December 2012; (vi) ECOWAS maritime experts workshop in collaboration with AFRICOM on the establishment of a Maritime Pilot model zone E, comprising of Nigeria, Benin, Togo and Niger, from 28 to 29 August 2012 in Lomé, Togo; (vii) The Commission in collaboration with ICPO-INTERPOL organised the Annual General Assembly of the West African Police Chiefs Committee WAPCCO, from 12 to 15 September 2012 in Abidjan, Côte d'Ivoire; and (viii) The Commission organised two trainings workshops for ECOWAS Member States law enforcement officers on the ECOWAS counterterrorism training manual, from 23 April to 11 May 2012 in Dakar, Senegal, and from 26 November to 5 December, 2012 in Cotonou, Benin with the objective of reinforcing regional capacities to fight against the menace of terrorism. ECOWAS participated at the inception workshop that marked the launching of the West African Police Information System (WAPIS) in Brussels in November 2012.

Early Warning

291. In the period under consideration, the Commission continued in the generation of its products which include Daily/weekly Highlights; Situation, Early warning, Thematic and Security update reports and Policy briefs on member states. These reports over the period under review have focused on the crises in Mali, Guinea Bissau, the Boko Haram Menace in Nigeria, legislative elections stalemate in Guinea and Togo, among others, as well pre and post electoral challenges in Ghana. The reports were invaluable as they contributed in no small measure to the Commission's conflict prevention and intervention initiatives.

2.7. Information and Communication Technology (ICT)

292. During the period under review, the Commission focused on the following areas: (i) Harmonisation of ICT infrastructure and development of an ECOWAS ICT Policy for ECOWAS Institutions, and (ii) Development and deployment of sectoral applications to Member States. A coordination meeting was organised for Information Technology (IT) staff of all ECOWAS institutions with the aim of defining and harmonising technical specifications for IT equipment to be used in all ECOWAS institutions. The Commission is also providing continuous technical assistance to Institutions and Partners in designing Websites and reviewing/revamping the existing ones. Under the Technical Assistance to Member States programme, the Commission launched an awareness creation programme for the ALISA project. The MoU finalised at the ECOWAS level for the establishment of a Centre of Excellence for the Automation of Trade in collaboration with UNCTAD has been forwarded to UNCTAD for consideration and signature. The signing of the MoU between the two organisations will pave the way for the creation of the Centre of Excellence.
293. Under the ECOWAS e-Learning Initiative, the Commission organised an Experts meeting in Ouagadougou in September. The meeting validated the e-Learning Initiative and recommended that a business case be developed for the creation of the Centre of Excellence for e-Services. Other achievements during the period include: (i) support to needy West African e-Learning experts and participation in the e-Learning Africa conference held in Cotonou, Benin; (ii) presentation and defence of the Initiative before the ECOWAS Parliament; and (iii) validation of

the Commission's memorandum to the Ministers' meeting by the Experts meeting. The Commission has also exerted some efforts towards strengthening the Business Information System (ECOBIZ). During the period under review, some initiatives were taken to broaden the scope of sensitization activities on the ECOBIZ system. Under the IT Partnership and Networking sub-programme, the Commission embarked on constituting an ECOWAS Regional Computer Society (ERCS) whose mission is to provide an avenue for the development of Information and Communication Technologies (ICTs) and promote best practices within the region.

2.8 Legal and Institutional Matter

2.8.1 Legal Affairs

294. The Commission continues to play its traditional role of providing the appropriate legal framework for Community integration activities which are driven by all other ECOWAS Institutions, Departments and Directorates, a process that leads to the continuous development of Community laws. The Commission is also currently driving some very vital Community projects some of which will be completed in the year 2013. These include: (i) the harmonization of Business Laws in the region that has seen the development of about fifteen (15) legal Instruments in the Business area that will have region-wide application; (ii) the establishment of a Crime Prevention and Criminal Justice Centre to facilitate and co-ordinate mutual legal assistance for the investigation of crime amongst Member States, (iii) the promotion of greater recognition, protection and enforcement of intellectual property rights within the region through a process that would ultimately help establish or update Member States Intellectual Property Rights Regimes.
295. In furtherance of the Community's capacity building mandate both at the institutional and regional levels, the Commission is currently leading the process for the adoption of a new Procurement Code for use by ECOWAS Institutions, whilst it organizes annual consultative interactive sessions with Member States to achieve a better understanding of Community laws and programmes as a means of attaining greater compliance with obligations arising from these laws and attendant programmes.

2.8.2 Strategic Planning

296. The strategic planning initiatives, during the period under review, focused on the following actions:
- Finalization of the publication and dissemination of the major strategic documents, including Vision 2020 and the Regional Strategic Plan both in French and English.
 - The Medium-Term Regional Action Plan for the operationalization of the Regional Strategic Plan has been finalized and a roadmap for its implementation has been adopted. In this regard, two meetings of the Coordinating Committee of the Strategic Plan were held during the year in Accra and Dakar.
 - At the level of coordination of strategic plan, the directorate of strategic planning has ensured the implementation of the medium-term action plan of the Commission in accordance with the objectives of the regional strategic plan. The directorate is currently assisting other ECOWAS institutions (Court of Justice) in the development of their strategic plans. It ensured that the action plans of the various ECOWAS institutions are aligned with the objectives of the regional strategic plan.

- Institutional capacity building Strategy was also the focus of the Commission. To this effect, in the context of technical cooperation with internal and external partners, meetings were held with the World Bank and the Network of the Association of Distance learning in Africa in Accra and Cotonou on Knowledge Management. An action plan on ECOWAS/World Bank cooperation on Knowledge management was developed and has been adopted by the Coordinating Committee of the Strategic Plan. Also, , working visits were undertaken during the year to sub-regional institutions such as GIMPA in Accra and WAIFEM in Lagos for sharing of knowledge and experiences in institutional capacity building. In collaboration with the Human Resources Directorate, a training of trainers was organized with IMA International in Brighton, England in January 2012 on the techniques of planning, monitoring and evaluation;
- In the framework of raising the awareness of stakeholders in the region on the region on ECOWAS strategic documents, a meeting was held in Lagos with the National Units and the West Africa Civil Society Forum (WACSO). Working visits were also organized to ECOWAS institutions such as WAPP, EBID, WAMI and ERERA.

2.8.3 Monitoring and Evaluation System

297. The Monitoring and Evaluation (M&E) Unit has chosen the results-oriented management approach since 2010. The Unit has produced an annual performance report and developed an M & E Manual for stakeholders (departments and directorates) of the ECOWAS Commission.
298. The 2011-2015 Medium Term Action Plan comprises two programmes namely, the establishment of an M & E operational system at the ECOWAS Commission and the extension of the system to other ECOWAS stakeholders. The main objective of the work programme of the M & E Unit for 2012 was to build on the progress achieved in the effective implementation of the M & E system for ECOWAS programmes, and establish a viable mechanism for reporting on the performance of regional integration.
299. Activities scheduled for 2012 were implemented without major difficulties. The significant contribution of the German Development Cooperation (GIZ) accounted to a large extent for the achievements recorded in 2012.
300. Under the first programme, the main achievement was the preparation of a performance report for 2011. With regards to the second programme, and in order to ensure the effective evaluation of regional integration programmes, a study was conducted on baseline programmes implemented by all ECOWAS stakeholders. The specific objective of the study is to develop a programme performance measurement framework (including indicators and responsibilities). The final report of that study, which will be validated at the regional level in 2013, would be submitted to the Commission in November 2012.
301. The Annual Stakeholders Forum on the ECOWAS M & E held its second meeting from 26 to 27 September 2012 in Lomé. The Forum validated particularly the sustainable mechanism for training stakeholders in results-oriented M & E and the roadmap for the preparation of the ECOWAS M & E Manual. The first training sessions are scheduled to take place in 2012 while the ECOWAS M & E Manual would be validated in 2013.

302. Arrangements are also underway for the development of a computer application for the operationalisation of the M & E system. To this end, an ECOWAS-SADC-EAC tripartite cooperation was inaugurated that will allow for the sharing of experiences in M & E in general, and particularly for the automation of the M & E system. During a workshop which brought together the three Regional Economic Communities (RECs) on 3 and 4 September 2012 in Gaborone, a conceptual framework was inaugurated. This will facilitate the setting up of an M & E operational systems in the RECs to explore issues on the convergence of the objectives of RECs with those of the African Economic Community (AEC) within the framework of the African Union.
303. Challenges associated with the establishment of an effective system for the M & E of ECOWAS programmes are summarized as follows:
- Deepening the culture of accountability, especially with regards to raising the awareness of actors on the reporting requirement on the actions undertaken in regional integration
 - Issues relating to capacity building for directorates in charge of M & E (human and material resources) and all relevant stakeholders towards producing an integrated report on ECOWAS programmes.

2.8.4 External Relations

304. The period under review was marked by activities to strengthen the role of Member States in monitoring the implementation of Community programmes at the national level. Capacity-building and experience-sharing activities were also carried out particularly for the benefit of national units, civil society and media professionals, not only to ensure that they take ownership of regional programmes, but also to ensure greater involvement of the various stakeholders in the regional integration process.
305. In September 2012 in Lome, the Commission held a series of technical meetings on the management and monitoring of regional integration, aimed at better internalization of the process at the national level, particularly through the assimilation of new regional challenges, review of major achievements, and ownership of the ECOWAS monitoring and evaluation system. Moreover, the prospects of setting up an integrated information system were defined, particularly with the adoption of a new roadmap for the operationalization of the ECOWAS Website, which will ensure the visibility of actions promoting regional integration, both at national and regional levels.
306. Furthermore, the Commission continued to promote regional integration with its advocacy activities, particularly in providing technical support to the sensitization campaign initiated by the Ministry in charge of integration in the Republic of Niger for better visibility of Community programmes in the country.
307. These various initiatives corroborate the efforts made during the year to enable Member States, particularly the National Units, to better comprehend the integration process, and ensure better articulation of their role in coordinating and monitoring the implementation of the programmes. This especially comes within the framework of the overall capacity development strategy, which has been subject to an exhaustive study.

308. Actions are currently underway, to draw up a triennial capacity building programme, the components of which were defined to assist the National Units to accomplish their mandate and consolidate their various monitoring and coordination mechanisms. The Procedures and Operations Manual prepared and to be adopted during the year, shows the Commission's commitment to improving the functioning of the Units in line with ECOWAS Vision 2020.
309. The Commission is to continue with the intensification and consolidation of the information exchange network between the Commission and Member States. It was intended to ensure effective communication between the various stakeholders in the regional integration process, to allow for an effective coordination of the implementation of Community programmes in Member States.
310. Regarding resource mobilization, during the year under review, the Commission was actively engaged in the diversification of partnerships. Thus, actions were undertaken to broaden the scope of cooperation with China, particularly in the transport, trade and investment sectors. A Memorandum of Understanding was signed in October, which will facilitate the mobilization of resources required for the implementation of the regional agenda in the said areas. Moreover, specific measures were initiated, not only to strengthen the existing partnerships with multilateral donors (EU, ADB, World Bank, UNDP, etc.), but also to engage in new bilateral partnerships to support the funding of Community and capacity building programmes. Specifically, the Commission commenced the programming exercise for the 11th EDF, of which the strategy document will help to identify the focal sectors in which the European Union will provide funding to support the West African integration process.
311. Moreover, negotiations have advanced, particularly with Sweden, regarding its contribution to the capacity building programme and support to the ECOWAS climate change programme. In addition to these initiatives, new cooperation initiatives are currently being explored with Turkey through the Turkey-Africa Forum, the Japan International Cooperation Agency and the Islamic Development Bank.
312. Regarding resource coordination, and based on the operational manual governing the functioning of the various coordination mechanisms, the Commission made remarkable progress in making the existing mechanisms operational. There was also a special focus on the coordination of capacity building activities, and issues of peace and security, particularly by organizing thematic group meetings focusing on these sectors. To ensure better coherence of contributions, the Commission also committed to finalizing the key documents (Agreement text, operational manual and annexes) for the new Joint Financing Arrangement (JFA), the operationalization of which will help to develop an appropriate and lasting financing mechanism for ECOWAS capacity building programmes.
313. With respect to cooperation with the European Union, project formulation and identification exercise was conducted for most of the projects under the 10th EDF RIP during several consultative meetings. The coordination efforts helped to meet the deadlines set for the identification phase, and thus, anticipate the implementation of projects scheduled for 2013. Moreover, the Commission continued with initiatives to consolidate the running of the ECOWAS-UEMOA Joint Technical Secretariat, for better convergence of the programmes of the two institutions.

314. In general, the Commission's effort to ensure the effective utilization of external resources is a key objective of the annual coordination meetings organized with development partners, the next of which will hold in the first quarter of 2013.
315. Considering the important role of Member States in the realisation of Vision 2020 and the technical and financial resources required for the implementation of Community programmes, in 2013, the Commission's efforts will be more focused on consolidating relations with Member States and achieving better synergy with development partners through the operationalization of various coordination mechanisms and continued mobilization of strategic partnerships.

2.8.5 Communication

316. During the period under review, there was effective coverage of activities, programmes and meetings of all directorates, both within and outside the Commission, the offices of the President and Vice-President and other institutions of the Community. More than four-hundred Press Releases were generated and disseminated in two of the three Community's languages from these activities. In the audio visual section of the ECOWAS Library, over 40 official events and numerous still photos and video clips of eminent personalities were captured, captioned, and organized into a database of photographs of events and important personalities. In addition, over three-hundred titles of journals and periodicals were acquired and processed for staff and community citizens. The Library also recorded over 900 reference enquiries from community citizens and institutions through on-line, SMS and physical visits to the Library.
317. Furthermore, the Commission supported media agencies in Guinea and Mali with IT equipment valued at \$104,543 to enhance their capacities to effectively discharge their mandate and serve as relays for stories on regional integration. The West African Journalists Association was also supported to the tune of \$20,000 to build the capacities of media professionals in the region through a workshop on Good Governance, Democracy and Human Rights Reporting Training Programme.
318. As part of activities to mark the ECOWAS anniversary for 2012, the Commission conducted a massive media campaign through the instrumentality of banners, t-shirts and Inserts highlighting the Commission's achievements in some international and local media (such as Jeune Afrique, Africa Today, Newswatch, and the Guardian) to generate effective publicity around the commemoration. At the national level, sensitization activities involving community institutions and other departments were undertaken on ECOWAS and its programmes in Ghana and Nigeria. The Commission also produced thematic and general documentaries which were aired in Member States as one of the platforms for citizen sensitization.
319. In fulfilment of Council's decision C/DEC.2/11/91 on the documentation of the activities and decisions of the Authority and Council, new issues of the official Journal (ECHOES), which are awaiting printing, were produced. They include Volume 59 which contains Regulations of the Sixty Six (66th) Session of the Council of Ministers held in August 2011, and Volumes 60 and 61 which contain Authority Acts, Decisions and Council regulations of the Fortieth (40th) and Forty-first (41st) Ordinary session of the Authority of Heads of State and Government held in March 2012 and June 2012, as well as the Sixty-seventh (67th) and Sixty-eighth (68th) Sessions of Council of Ministers held in December 2011 and June 2012 respectively.

2.8.6 Community Levy

320. The coming into force of the ECOWAS Community Levy regime since July 2003 has charged ECOWAS Commission to monitor all Member States on the status of the implementation of the Community Levy Protocol and report annually on the status of implementation by each Member State of the Community. Consequently, for the current period under review, January to September 2012, the Commission visited 11 Member States of the Community. The remaining 4 Member States, namely, The Gambia, Guinea Bissau, Mali and Nigeria were programmed to be visited in the fourth quarter of this year.
321. It is important to note that all Member States of the Community have been implementing the ECOWAS Community Levy as required by the ECOWAS Protocol. However, it is necessary to mention that the degree of implementation varies from one Member State to the other. There are obvious difficulties in the implementation by some Member States as regards the tax base, collections and effective deposits of the levy into the ECOWAS account at the Central Bank of Member States.
322. In spite of these difficulties, a continuous monitoring mechanism has helped to ensure a steady growth in revenue since the commencement of the Community Levy regime from 2003 to date. Thus, the total Community levy deposited by Member States from January to September 2012 amounted to 144,282,114 UA which is 18,916,090 UA or about 15% higher than the amount of 125,366,024 UA recorded for the corresponding period in 2011. This amount also represents 98% of the 2012 approved budget amount of 147,635,458 UA for the ECOWAS Institutions.
323. During the period under review, there was also an unprecedented surge in extra budgetary expenditures to be paid directly from the Community Levy. This included the sum of 30 million US dollars (10 million USD grant and 20 million USD loan) for electrification of Conakry town, the sum of 135,266,568 US Dollars for six months Military deployment in Guinea Bissau, 63 million US Dollars for the Security Sector reform in Guinea Bissau, etc. The military deployment to Mali is currently underway and also requires significant disbursements from Community Levy funds.
324. In view of the foregoing, the Commission is making concerted efforts to boost resource mobilization from its Development Partners and Member States. In addition, efforts are being made to ensure conflict prevention, which is more desirable and less expensive than conflict management. The Commission is also reflecting on a better cost sharing formula with the United Nations, African Union and the International Community for a viable success of future Military missions within our region.

2.8.7 Institutional Reforms

325. The 65th ordinary Session of Council mandated the Chairman, in consultation with the President of the Commission, to contract an independent reputable firm of management consultants, preferably from outside Africa to give urgent effect to the decision to reposition our Community Institutions in line with international best practices.
326. Since February, 2012, a series of actions have been taken by the new Management team towards ensuring compliance of Council directives:
- All Commissioners have been requested to submit a synopsis of existing staffing and programmatic constraint in their respective divisions with suggestions to addressing

- them. These submissions will be discussed at the planned management retreat on institutional reform in early June;
- A physical head count of staff was undertaken in early March aimed basically at identifying active duty staff; staff place of assignment; and staff employment categories;
 - The initial Terms Of Reference of the review study was developed in 2011 were analysed and readjusted with the objective of making them effective and responsive in addressing shortcomings given that Council's request has expanded in scope with regards to the administrative and financial management policies, procedures and practices within the Commission as well as programme orientation;
 - An in-house Institutional Review Committee of six (6), under the Chairmanship of the Vice President, has been constituted to drive the process and work closely with the consulting firm throughout the exercise.
327. Following the 11th Extra-ordinary Session of Council, steps were immediately taken to carry out Council's decision. A call for Expression of Interest was advertised in the Economist, Jeune Afrique and on the Commission's Website on 28th June, 2012 and closed on 27th July, 2012. A number of firms expressed interest in the published assignment by sending their bids. Thereafter, the bids were opened on 9th August, 2012 and sixteen (16) firms were shortlisted.
328. Before proceeding to the issuance of the Request for Proposals to the short-listed firms, it was important to ensure that the Terms of Reference captured the entire intention of the Council's directive and also met industry best practice. To achieve this, the Commission worked with the Procurement Team of the World Bank Office in Abuja to review the Terms of Reference initially developed by the Technical Sub-Committee of the Institutional Review Committee.
329. Upon final completion and endorsement of the Terms of Reference by all parties concerned, the Requests for Proposals were sent to the sixteen (16) shortlisted firms on the 29th October, 2012.
330. The Institutional Review Committee, whose mandate is to work along with the Consultants, has held its first meeting. Furthermore, respective departments are currently preparing background information sheets for the use of the Consultants, who were expected to begin work by mid-July 2012.

Consultancy for the recruitment of staff into critical positions

331. Following the approval of Council at its 68th Ordinary Session for the Commission to recruit fifty-two (52) positions, and also the need to fill eight (8) donor-funded positions for the Project Preparation and Development Unit (PPDU) of the Department of Infrastructure, the Commission initiated a procurement process to engage a Consulting Firm to support it in the delivery of the assignment.
332. As a result, a consulting firm has been identified and selected through an International Competitive Bidding process in accordance with the ECOWAS Procurement Procedures, to sort and capture candidates' information from 49,606 applications, filter candidates, screen applications and provide recruitment analytics for the positions. This activity started in mid-April mid-April 2013.

Consultancy for institutional review of the ECOWAS Commission, its Institutions and Agencies

333. The ECOWAS Council of Ministers, at its 66th Ordinary Session, directed that an institutional review of financial management, recruitment, discipline, internal controls, travel management, engagement of consultants and other important procedures be carried out. In furtherance of this directive, the Commission launched an International Competitive Tender for the selection of a competent consulting firm to carry-out this important assignment. With technical assistance from the World Bank Office in Nigeria, a Consulting Firm has been identified. Negotiations with the firm will be concluded in early April, 2013, following which a contract will be awarded. It is expected that the assignment will commence in early May, 2013.

CHAPTER III: INTEGRATION AND POLITICAL STABILITY IN WEST AFRICA

334. The World Bank in its 2011 World Development Report (World Bank, 2011), underscored the importance of political stability in the development process. The report established a positive correlation between the quality of governance, including the level of political stability of countries, and economic performance.
335. The report indicates that countries making serious economic strides include those in which violence is reduced to the barest minimum or is non-existent. Incidents of violence in such countries do not undermine their structural and institutional foundations when they do occur. On the other hand, countries that have become theatres of poorly-managed recurrent violence and conflicts find it difficult to embark on the path to development.
336. Regional integration, as defined in the Cotonou Partnership Agreement between ACP (the African, Caribbean and Pacific Group of States) and the European Union indicates that it is a process of overcoming, by mutual agreement, the political, physical, economic and social barriers separating countries from their neighbours, and collaborating in the management of shared resources and common regional goods (COM 2008).
337. Regional integration may therefore seem to be an escape from poverty and under-development for countries for whom achieving prosperity on their own could be difficult. Regional integration, therefore, affords a window of opportunity for development, by enabling various members of the integrated community to leverage on an enlarged market. Indeed, the removal or harmonization of tariff and non-tariff barriers or economic and social policies, physical, financial and human capital mobility, should culminate in a large regional trade area, which is more effective than a group of domestic markets without integration..
338. By promoting cooperation among neighbours, regional integration helps to tackle trans-national challenges such as food security, natural resources, biodiversity, climate change, and the fight against diseases and epidemics.
339. Another aspect of regional integration is the promotion of political stability, a prerequisite for economic development. Indeed regional organizations play an increasing and relevant role in the prevention and management of conflicts within and among countries, and in human rights promotion. Regional integration contributes to building confidence, enhancing mutual understanding among countries, and strengthening interdependence.
340. As stipulated by Article 3 of the Revised ECOWAS Treaty, that the Community aims to promote co-operation and integration, leading to the establishment of an economic union in West Africa in order to raise the living standards of its people, and to maintain and enhance economic stability, foster relations among member states and contribute to the progress and development of the African Continent.
341. In order to achieve this objective, it is envisaged, among others, to ensure the harmonisation and coordination of national policies and the promotion of integration programmes, projects and activities, particularly in food, agriculture and natural resources, industry, transport and communications, energy, trade, money and finance, taxation, economic reform policies, human resources, education, information, culture, science, technology, services, health, tourism, legal matters (Article 3, paragraph 2a).

342. Also, the ECOWAS Authority of Heads of State and Government at their 32nd Ordinary Session held in June 2007, adopted a long-term vision, referred to as Vision 2020, which stipulates that “ECOWAS intends to transform the West African region *into a borderless region where the citizens can create and leverage on business opportunities for a sustainable production by harnessing its huge available resources* “. The objectives of the vision are as follows :

- Move from an « ECOWAS of States » to an « ECOWAS of People » where the people will be involved in the integration process by taking ownership, and shall be the focus of regional policies by being the ultimate beneficiaries ;
- Create a region, where the people shall live in dignity and peace, in accordance with the rule of law and good governance ;
- Transform the West African region into a borderless region ;
- Create a region that is well integrated into the global village and takes utmost advantage of globalization.

343. Political stability and regional integration pair up to constitute the focus of the ECOWAS long-term Vision.

344. This analysis covers successively i) the state of governance in ECOWAS Member States, ii) review of conflicts in the ECOWAS region, iii) interventions and efforts deployed to restore political stability, iv) the impact of conflicts and violence on the integration efforts and economic performances of the countries, and v) challenges and prospects.

3.1 State of Governance in ECOWAS Member States

345. In recent times, the region has experienced conflicts and socio-political and military crises. Records on conflicts in the ECOWAS region show that instability occurred in eight out of fifteen Community Member States, representing 53%. The most affected Member States include, Liberia, Sierra Leone, Guinea Bissau, Côte d’Ivoire and, more recently Mali, part of whose territory is occupied by extremists and armed groupings.

346. Efforts deployed by the highest Authority of the Community have helped to contain the effects and culminated in the normalization of the socio-political situation and enhancement of environmental safety.

3.2 . Recent conflicts in the ECOWAS region

347. In the course of 2011 and 2012, the ECOWAS region recorded some instabilities in some Member States, including:

- **Burkina Faso**, where mutinies occurred in 2011. In fact, these public unrests resulted in violence and lootings, but the country’s authorities quickly brought the situation under control by embarking on appropriate actions.
- **Côte d’Ivoire** witnessed instability in 2002, which exacerbated in 2011, following the post electoral crisis that occurred as a result of the former President’s desire to remain in power in spite of the polling verdict;
- Guinea Bissau continues to experience instability, with military coups in 2009 and more recently in April 2012, as well as the attempted coup of October 2012. Nonetheless,

through the sustained commitment of the region's Heads of State, the country is on the path to stability;

- Mali, after several decades of political stability recorded a military coup in March 2012, against the background of armed attacks in the northern part of its territory. In fact, the three regions of the North of Mali, namely, Timbouctou, Gao and Kidal were attacked and occupied by armed groups. The highest ECOWAS Authority, in collaboration with the International Community, got fully committed to the return of political stability and the restoration of the country's territorial integrity;
- **Niger** witnessed a period of instability in 2009 following the desire of the President in power to extend his stay in office at the end of his tenure. This instability culminated in a military coup in February 2010. The setting up of a transitional process with the support of ECOWAS led to the election of a new President of the Republic in March 2011 and the return to both political and institutional stability;
- **Senegal**, recorded socio-political unrests in 2011 and early 2012, following an attempt to amend the constitution in June 2011. The country was able to contain the effects of the crisis and exhibited a high level of democratic maturity, following the successful organization of a presidential election which was welcomed by the region and the entire International Community.

3.3. ECOWAS Peacekeeping and Security Interventions

348. ECOWAS has made a strong mark in peacekeeping and security in the region. It has taken several initiatives, particularly in Liberia, Sierra Leone and, more recently, in Côte d'Ivoire, Togo, Niger, Guinea, and presently in Guinea Bissau and Mali. The initiatives have strongly contributed to the establishment of the regional institution's credibility on the international scene. In that context, ECOWAS has a legal framework (Protocol of December 1999 complemented and amended by the Supplementary Protocol of December 2001) with the following objectives:
- Prevention, management and settlement of internal conflicts;
 - Enhancement of cooperation in the areas of conflict prevention, early warning, peacekeeping operations, control of cross-border crimes, international terrorism, proliferation of small arms, and land mines;
 - Peacekeeping and consolidation of security and stability within the community;
 - Establishment of institutions and the implementation of appropriate policies to help in coordinating humanitarian and rescue missions.
349. The Protocol established institutions of the Mechanism at three levels: i) The Authority of Heads of State and Government of Member States; ii) The Mediation and Security Council which consists of nine (9) Member States of which seven (7) are elected by the Authority for two (2) years renewable; and iii) The President of the ECOWAS Commission.
350. The Authority delegates its powers to the Mediation and Security Council to take decisions on its behalf in the implementation of the Mechanism. The latter is technically supported by : i) Defence and Security Commission ; ii) The Council of Elders and iii) ECOWAS Cease-fire Monitoring Group (ECOMOG), which has been transformed into the Stand-by force.
351. The Mechanism is complemented by an early-warning system for conflict prevention, which is structured around an Observation and Monitoring Centre (based at the ECOWAS Commission) and represented in the region by Zonal Bureaux, and spread over the four zones of ECOWAS security coverage.

352. This framework has enabled ECOWAS to legitimize and further structure its interventions in emerging or declared political crises, electoral processes, as well as anti-constitutional means of accession to power in the Member States.
353. Furthermore, within the framework of the implementation of the Protocol on Good Governance and Democracy, the Commission despatched election observation missions to various countries in the region to monitor their elections. ECOWAS therefore remains active in the political sphere to provide a calm political environment and establish a peaceful and secure region. This commitment is justified by the shared conviction that lack of political stability constitutes a stumbling block to development policies.

3.4. Impact of conflicts and instability on the efforts made towards regional integration and economic growth

3.4.1 Impact of conflicts and political instability on regional integration

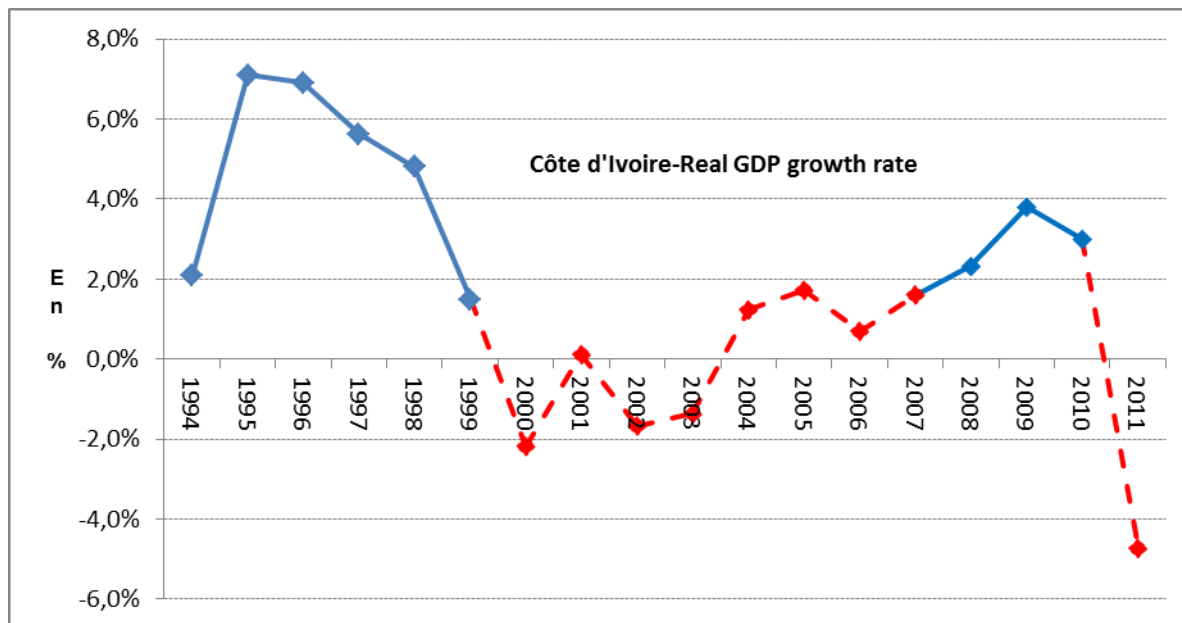
354. In the literature, it is generally recognized that regional integration has a set of advantages, which contribute to achieving political stability, promotion of conflict resolution or prevention of their occurrence, and improvement of administration, governance and economic development.
355. While regional integration promotes political stability, its absence can certainly affect the latter adversely. Political instability hinders regional integration efforts. In this respect, problems, especially those that degenerate into armed conflicts, strongly disrupt production systems and the marketing of products and thus, hamper efforts to promote intra-regional trade and mobility of factors of production.
356. In the case of crisis that degenerated into civil wars, economic infrastructure was for the most part seriously destroyed, resulting in the deterioration of the living conditions of the population and an exodus to neighbouring countries. These situations impacted adversely on regional integration efforts, especially on the development of trade and community projects.
357. In addition, political instability in one or more Member States of a community is, without doubt, one of the main obstacles to the process of regional integration, notably through:
- **reduced funding of integration projects**, because the countries affected by this phenomenon are more concerned with their own survival and existence than their engagement in regional integration;
 - **diversion of community resources** to support efforts to resolve conflicts at the expense of funding for integration projects. Similarly, neighbouring countries, often facing the adverse effects of political instability also undergo the phenomenon of diversion of national resources for border security or to help in conflict resolution and humanitarian assistance;
 - **restriction of free movement** of goods and persons, which is the foundation of regional integration.
358. In this context, political instability not only has a negative impact on the optimal allocation of resources, regionally and / or nationally, but also negatively affects trade in goods and investment promotion, in particular, foreign direct investment which aggravates the poverty situation.

3.4.2 Impact of political stability on efforts geared towards economic growth

359. Political instability adversely affects economic growth and development in the affected and neighbouring countries.

360. The graphs below illustrate the impact of political instability on economic growth in three Member States of ECOWAS. In each graph the red line in the graph indicates the crisis years.

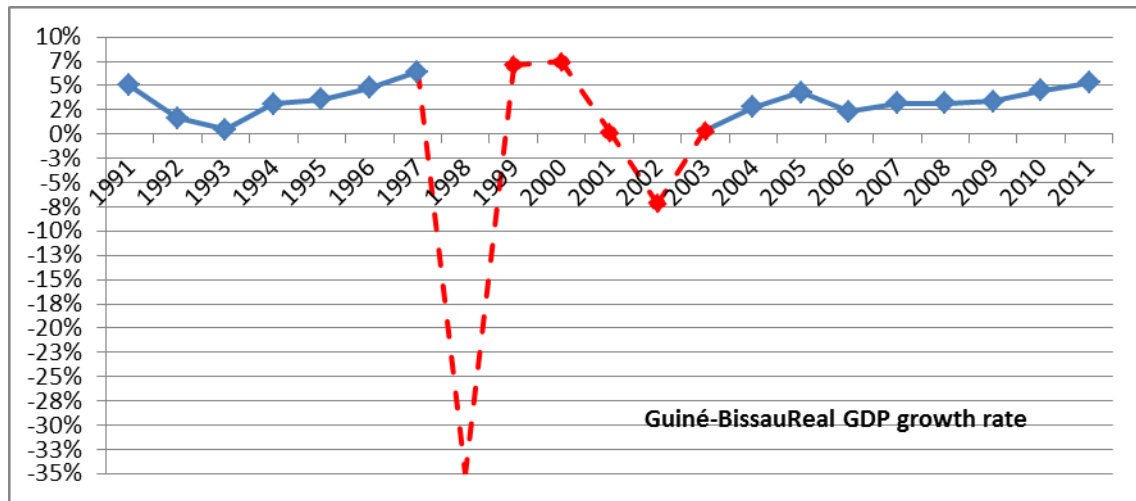
Figure 7: Trend of the growth rate of real GDP in Côte d'Ivoire



Source: Member States and ECOWAS Commission.

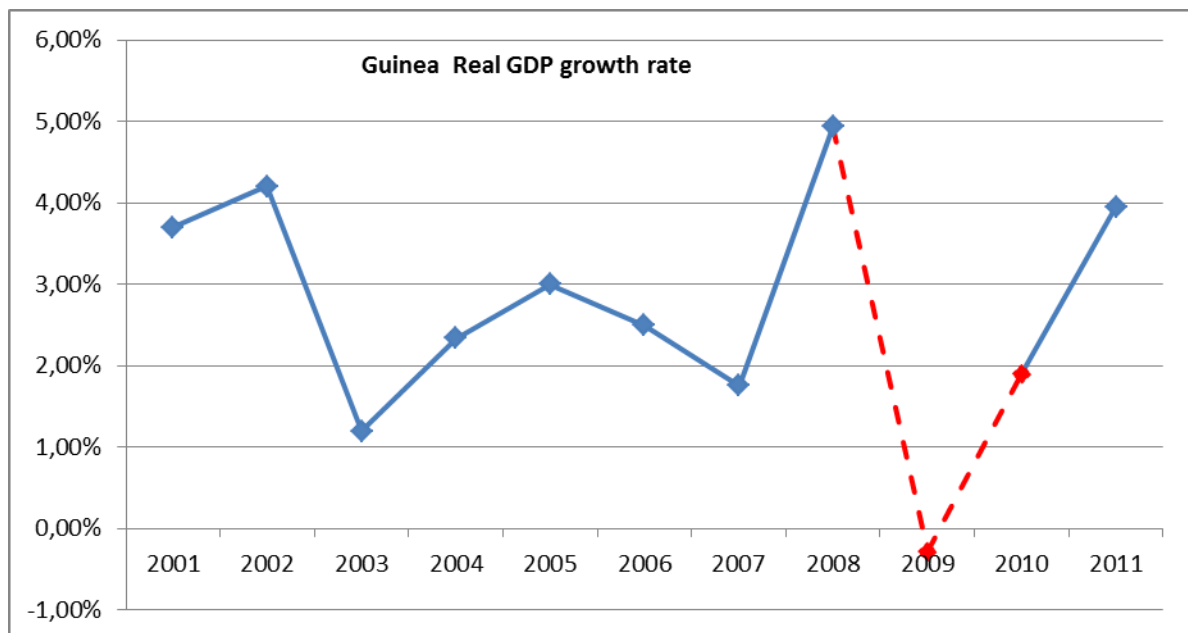
361. It appears from Figure 1 that in Côte d'Ivoire, the economic growth rate drastically dropped in 2000, 2002, 2003 and 2011 which were periods corresponding to political instability with growth rates of -2.2% in 2000, - 1.7% in 2002, -1.4% in 2003 and -4.7% in 2011. The average growth rate for the period 2000-2004 was -0.8%, compared to an average of 5.2% during the period 1995-1999. Thus, it appears that during periods of high socio-political crises the real growth rate of GDP never exceeded 1%.

Figure 8: Trend of the real growth rate of GDP in Guinea-Bissau



362. In Guinea-Bissau, the average growth rate increased from 4.5% between 1994 and 1997 to 5.1% during the period 1998-2001. During the crisis period, growth rates were below 3% with the exception of 1999 and 2000. Moreover, 14 years after the military-political crisis of 1998, the country has not yet reached the level of real GDP attained in 1997, a year before that crisis. Indeed, the country's real GDP in 2011 is estimated at 383.7 billion CFA francs, compared to 414.2 billion CFA francs in 1997, or 92.6% the level in 1997.

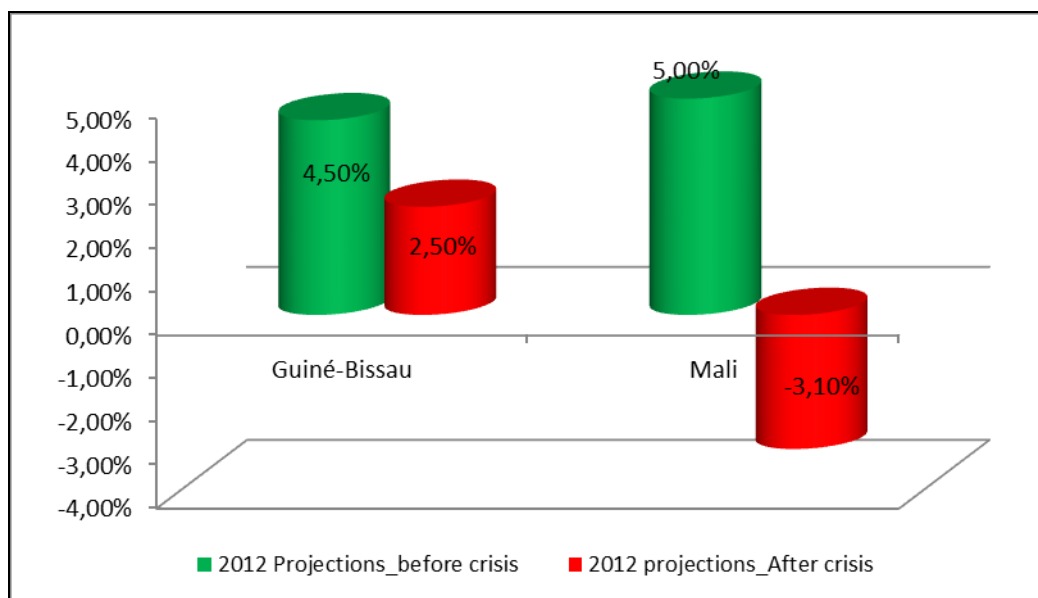
Figure 9: Trend of the growth rate of real GDP in Guinea



Source: Member States and the ECOWAS Commission ;

363. In Guinea, under the influence of the socio-political crisis in late 2008, economic growth rate plummeted to -0.28% in 2009. There was a modest recovery in 2010 (1.9%) and a recovery from 2011, with a growth rate of 3.9%.

Figure 10: Projection of growth rate of real GDP in Guinea-Bissau and Mali



364. The graph above shows the projected growth rates of real GDP in Guinea-Bissau and Mali before and after the outbreak of crises. It is obvious from the graph that in both cases the projections were considerably lowered after the crises broke.

3.5 Challenges and prospects

365. The region continues to face challenges in the area of security in spite of efforts made to maintain peace and security. This situation is characterised, for example, by the occupation of part of Mali's territory, the recent attempts to destabilize Côte d'Ivoire, the menace of the Boko Haram sect in Nigeria and the attempted coup d'état in Guinea Bissau. In this regard, the Commission has concentrated efforts on finding lasting solutions to the crises in Mali and Guinea Bissau.

366. In Mali, a rebellion launched by the Movement for National Liberation of Azawad (MNLA) in January 2012, resulted in the occupation of the northern part of the country covering Kidal, Timbuktu and Gao, and the declaration of independence by the MNLA in March 2012. Meanwhile, the Government of Mali had been overthrown by the military on 22 February, 2012, plunging the country into a constitutional crisis.

367. In Guinea Bissau, a military coup overthrew the government on 12 April 2012, putting on hold the presidential elections process for the election of a successor to the late President Malam Bacai Sanha and once again creating a constitutional crisis.

368. The Commission, in an effort to find solutions to the double crises in Mali and the constitutional crisis in Guinea Bissau, took the following measures:

- Organisation of the 5th Extraordinary Session of the Mediation and Security Council at the ministerial level and the 6th Extraordinary Summit of Authority of Heads of State and Government;
- Launching of a mediation process for Mali, led by President Blaise Compaore of Burkina Faso and putting in place a Regional Contact Group on Guinea Bissau;
- Establishment of a link with AU, UNO and other partners in support of the mediation efforts of ECOWAS in Guinea Bissau and Mali;

- Reactivation of the International Contact Group on Guinea Bissau (ICG-GB) and the preparation of a joint mission to Guinea Bissau by ECOWAS, CPLP, EU, AU and UN on 15 and 16 November to evaluate the current situation in the country with a view to consolidating the transition process and making it inclusive.
369. In addition, within the framework of ECOWAS' antiterrorist strategy and implementation of plans aimed at strengthening the competence of antiterrorist practices in West Africa, the Commission, in collaboration with Institute of Security Studies (ISS) of South Africa, organised from 14 to 31 May 2012 in Dakar, a short pilot training for chiefs of the security services of ECOWAS Member States. Also, the Commission undertook preparatory activities towards the organisation of joint police operations on drug trafficking in some Member States.
370. In spite of these challenges, ECOWAS remains a success model of regional integration, with effectively free movement of all citizens without visa within the Community, financing of its institutions, mechanism for the resolution of conflicts as well as an early-warning system.
371. In conclusion, the purpose of this contribution is to enhance the understanding of the regional integration/political stability dichotomy in West Africa. The analysis demonstrated that notwithstanding the remarkable progress achieved in establishing an environment of peace, security and democracy, some countries of the region are still characterised by instability. The analysis also reviewed the recent conflicts that occurred in the region and ECOWAS' interventions for peacekeeping and monitoring of electoral processes. This presentation was followed by a brief analysis of the impact of political stability on regional integration and economic growth. The analysis indicated that political instability impedes economic integration efforts and the negative impact on the economic performances of the countries depends on the scope of the crisis.

CHAPTER IV: ACTIVITIES OF OTHER COMMUNITY INSTITUTIONS

4.1 The ECOWAS Parliament

372. As may be recalled, the Third Legislature of the ECOWAS Parliament was inaugurated on 11th August 2011. Since then, the various structures of the Parliament were put in place, with the election of the Honourable Speaker, the Four Deputy Speakers as well as the Bureaux of the thirteen (13) Standing Committees. The Parliament also adopted its Rules of Procedure, indicating the readiness for the commencement of real parliamentary business.
373. Of significance however, is the adoption by Members, of the 2011-2015 Strategic Plan of the Parliament. The Strategic Plan, being the first of its kind in the history of the establishment of the Parliament, has been anchored on the existing Regional Strategic Plan. The Parliament identified four strategic objectives in its Strategic plan as follows:
- Strategic Objective 1- To ensure a better representation of the entire population in the decision making process of the Community, with a view to promoting regional integration and development in West Africa;
 - Strategic Objective 2- To strengthen the institutional role and powers of the ECOWAS Parliament with a view to evolving from a consultative to a Legislative Parliament;
 - Strategic Objective 3- To promote and defend human rights, justice, gender, democracy, peace and security;
 - Strategic Objective 4- To strengthen inter-institutional cooperation and promote relations with National Parliaments and their constituents, inter-parliamentary institutions and other international organisations.
374. The Parliament executes several activities, ranging from rendering of advisory opinions based on referrals received from the ECOWAS Commission, as well as self referrals which are usually a product of the activities of Standing Committees. The following Resolutions were adopted based on referrals from the ECOWAS Commission:
- E-Learning Policy and Project Implementation;
 - ECOWAS Policy on Science, Technology and Innovation (ECOPOST) and its 2003-2017 Strategic Action Plan;
 - ECOWAS Humanitarian Policy;
 - Policy for Regulating Information and Communication Practice within ECOWAS.
375. On its part, the ECOWAS Parliament considered relevant aspects concerning the programmes of the Community and consequently came up with recommendations. The subjects considered were:
- The Policies and Programmes of the ECOWAS Commission relating to Agriculture, Environment and Water Resources as well as Infrastructure and Industrial Development;
 - Strategies to fight Malaria, HIV/AIDS and Tuberculosis in the ECOWAS Sub-Region;
 - Free Movement of Persons and Trans-border Security in West Africa;
 - Challenges associated with the illicit use of Information and Communication Technologies in West Africa;
 - Impact of Good Governance on the people of West Africa: The Role of the ECOWAS Parliament;
 - Challenges associated with the creation of a Single Currency in West Africa: An assessment of the process so far;

- Workshop for Members of Parliament on the ECOWAS Budgetary Process.
376. During the period under review, the Parliament organized a Seminar for its Members in Accra, Ghana. The Seminar, with the theme: “The Role of the ECOWAS Parliament in the West African Integration Process”, was meant to provide Members with a clear understanding of their role as Community Parliamentarians. The idea was for them to understand that the ECOWAS Parliament does not have the same role at the sub-regional level, with the National Parliament at national level.
377. The Seminar afforded Members the opportunity to voice out their views on several issues relating to the West African integration process. Specifically, Members expressed their concerns about the continued obstacles to the progress of the integration process and the slow pace of the implementation of Community Programmes and Projects at the national level. They specifically expressed their worry over the poor implementation of the Protocol relating to the Free Movement of Persons, Goods and Services and the Establishment as well as the non implementation of the Protocol on a Common Currency for West Africa. Furthermore, Members were worried about the pressure brought to bear by the European Union on trade liberalisation between the two zones and the effects on West Africa’s economy and the financial autonomy of ECOWAS Institutions. The Seminar also addressed the present challenges in the sub-region especially as they concern the consolidation of peace and good governance. They lamented the worsening security situation in the Sahel-saharan zone and the foreseeable consequences of the Libyan crisis, especially its relations with the political crisis in Mali.
378. One of the key objectives of the current Strategic Plan of the ECOWAS Parliament is that of strengthening the institutional role and enhancement of the powers of the Parliament. Consequently, the Parliament established an adhoc Committee whose main terms of reference were to undertake a study and make a proposals on the Enhancement of the Powers of the ECOWAS Parliament. The ad hoc Committee submitted its report during the period under review. It accompanied the report with a draft Supplementary Act that made proposals to the Community Decision Makers on the form the ECOWAS Parliament should take when its powers are ultimately enhanced.
379. It would be recalled that in 2006, all Community Institutions, including the Parliament, were restructured. Notwithstanding the restructuring exercise, Parliament’s core competence remained unchanged. Meanwhile, Article 4(2) of the Supplementary Protocol relating to the Parliament provides that the Parliament’s powers “shall be progressively enhanced from advisory to co-decision making and subsequently to a law making role in areas to be defined by the Authority.” As a corollary to the above provision, the Authority of Heads of State and Government, had in 2006, expressed the desire to have an ECOWAS Parliament with directly elected members and exercising full legislative powers.
380. Despite the above, the Parliament has remained consultative and advisory as originally established in 2000. So far no progress has been made towards actualizing the desire to advance it to the next level. At the inception of the ECOWAS Parliament in 2000, it was the only Regional Parliament with a solid structure and the prospects of transforming into a full legislative body, throughout the African Continent. Indeed, the ECOWAS Parliament then served as a classical example and a pacesetter for other sub-regional structures within the continent.

381. Overtime however, it has become a major trend for sub-regional Parliaments in Africa to gain legislative powers in specific domains. The internationally acceptable best practice is to democratize the integration process by having a legislative Parliament that will make laws and conduct oversight. This will enhance transparency, accountability and proper separation of powers. The East African Legislative Assembly (EALA) had for some years been operating as a legislative body. The Southern African Development Commission Parliamentary Forum (SADCPF) has embarked on a study to transform into a legislature. Furthermore, studies on transforming the Pan African Parliament (PAP) into a legislature have reached an advanced stage.
382. At present, logistic challenges as well as current realities may not permit the installation of an ECOWAS Parliament with a directly elected membership. This, therefore, justifies the proposal by the ad-hoc Committee for National Parliaments to serve as electoral colleges and elect ordinary citizens as representatives at the ECOWAS Parliament. It, therefore, implies that the Draft Supplementary Act does not envisage duality of membership of Members. The Parliament is also to be empowered to legislate by co-decision with the ECOWAS Council of Ministers. The Draft Supplementary Act also provides that the Parliament is to oversee Community sector policies as well as the provision of the office of the Parliamentary Ombudsman to foster closer ties between the Parliament and the ordinary people of the Community, especially in the area of addressing grievances without necessarily resorting to the judicial process.
383. The Draft Supplementary Act has already been formally presented to the President of the ECOWAS Commission. The Parliament has also established an Advocacy Committee that will sensitise the Community Decision Making bodies on the need to consider and adopt the Draft Supplementary Act relating to the Enhancement of Powers of the ECOWAS Parliament.
384. In the field of democracy, peace and security, the most burning issue in the sub-region concerns events in Mali and Guinea Bissau. The coup d'état in Mali that led to the overthrow of the country's President, was thoroughly condemned by the Parliament. The Honourable Speaker of the ECOWAS Parliament issued press statements expressing the disapproval of the Parliament for any form of unconstitutional take-over of power within the ECOWAS sub-region. A similar condemnation was also done when the military attempted to take over in Guinea Bissau, half way into a Presidential Election in that country. The Parliament supported the efforts of the ECOWAS Authority of Heads of State and Governments in resolving the impasse in the two countries with the institution of temporary arrangements that led to the appointment of transitional leaders.
385. In Mali, the challenge posed by militant Islamic groups holding onto Northern Mali has remained a major concern to Members of the ECOWAS Parliament. This development prompted the Parliament to adopt a Resolution with a view to addressing the prevailing situation in Mali. In the Resolution, the Parliament called on the ECOWAS Authority of Heads of State and Governments not to relent in its efforts towards organizing a speedy military intervention to restore the territorial integrity of Mali. Furthermore, it called on the Authority to consolidate the solidarity within ECOWAS and take speedy action to set the process in motion to establish a common defence strategy, including a system for effectively controlling the Community's borders with the outside world to prevent endemic crises and secure the region. Parliament also called on the Transition Government in Mali to exercise the full extent of its powers to safeguard national independence and the territorial integrity of the country.

386. By way of being proactive, the Parliament has established an ad hoc Committee that is charged with the responsibility of monitoring happenings in Mali and Guinea Bissau and drawing the attention of the Parliament on them for action, where necessary.
387. Concerns for the observance of the full tenets of democracy and Good Governance have made the Parliament to adopt a proposal for the institutionalization of an Award for Good Governance. In addition to encouraging the development of democracy and good governance, the award aims at underscoring the role of the Parliament as a voice and the representative of the people through rewarding excellence.
388. The award is in three categories viz:
- Award for Outstanding contribution to Good Governance, meant for Heads of State of the Sub-Region, both serving and retired. It intends to reward issues addressed by Governments which make the life of an ordinary citizen worth living. This implies policies leading to a general improvement in the conditions of living of the people.
 - Award for Outstanding contribution to Democratic Governance, meant to honour organisations that have contributed towards the sustenance of democracy. The organisations whose mandates relate directly towards promoting democracy and they must have shown enough resilience in the discharge of their duties as to enjoy people's confidence. Such organisations include Electoral Commissions, the Judiciary and Civil Society.
 - Award for Outstanding contribution to Regional Development, meant to honour individuals whose formal or informal contributions have led to the upliftment of the standard of living of the people. Contributions are expected in the area of investments, innovations and discoveries.
389. The Parliament intends to partner with the private sector towards getting this proposal funded. The first sets of awards are expected to be given by the end of 2013.
390. During the period under review, the Handbook on the Parliamentary Control of the Security Sector was formally launched. The project, initiated in 2005, was a joint effort of the ECOWAS Parliament and the Geneva Centre for the Democratic Control of the Armed Forces (DCAF). It provides a practical guide to Members of Parliament on how best to ensure effective parliamentary control of the security sector within the general realms of security sector governance. The importance of the Handbook is not limited to Members of the ECOWAS Parliament, but extends to Members of National Parliaments as well.
391. During the period under the review, the ECOWAS Parliament, in collaboration with the Inter-Parliamentary Union (IPU), the Sahel and West Africa Club and the Organisation for Economic Cooperation and Development (OECD), organized a Regional Seminar on pooling the initiatives and experiences of National Parliaments for an effective campaign against Child Trafficking and Labour. The aim of the seminar was to encourage parliamentary contributions through targeted actions to eradicate practices that cause serious harm to the fulfilment of the rights of the child.
392. The seminar made recommendations, which include the following:
- Harmonisation of national legislations on prevention and suppression of child trafficking and labour;
 - Increasing efforts in the direction of allocation of substantial resources for the implementation of the strategies for combating child trafficking and labour;

- Compulsory and free child registration;
 - Popularisation of the legislative and regulatory texts on child trafficking and labour;
 - Elaboration of a model law for prevention and combating child trafficking and labour;
 - Putting the ECOWAS Parliament at the forefront of parliamentary initiatives for eradicating child trafficking and labour;
 - Establishment of a unit within the ECOWAS Commission to deal with child protection.
393. The collaboration between the ECOWAS Parliament and the IPU does not stop at the seminar. The Parliament has maintained its associate membership of the Union, participating at the session held in Kampala, Uganda in April 2012, as well as the next session which held in Quebec, Canada in October 2012. The Sessions of the IPU have afforded the ECOWAS Parliament an opportunity to partake in deliberating on global issues alongside other Members of Parliament around the world, aimed at proffering parliamentary solutions to them.
394. Relations between the ECOWAS Parliament and National Parliaments of ECOWAS Member States have further blossomed during the period under review. All Presiding Officers of the Parliaments of West Africa were invited to the opening ceremony of the 2012 Second Ordinary Session of the Parliament in September. This was unprecedented in the history of the ECOWAS Parliament. Similarly, discussions have reached an advanced stage on the convening of a West African Conference of Speakers, between the Speaker of the ECOWAS Parliament and the Speaker of the National Assembly of Benin Republic, who is the current chairman of the Conference. The forthcoming Conference, scheduled for Abuja, will hold in early 2013.
395. In furtherance of its objective of strengthening relations with other inter-parliamentary institutions, the Leadership of the ECOWAS Parliament participated in a Conference of Speakers of African Parliaments. The Conference, organized by the Pan African Parliament (PAP), was aimed at fostering effective linkages between the PAP, Sub-Regional Parliaments and National Parliaments of African countries. The main theme of the Conference was boosting Intra-African Trade, focusing essentially on the role of parliaments. The Conference resolved to forge enduring collaborative efforts between parliaments across the Continent, towards encouraging intra-African trade. It also called for the empowerment of the Continental and Sub-Regional Parliaments in Africa, as a way of motivating development.
396. There is no doubt that the Third Legislature of the ECOWAS Parliament has begun on a sound a dynamic footing. The adoption of a Strategic Plan, derived from the Regional Strategic Plan, remained a significant boost in guiding the Parliament towards contributing its quota within the scheme of events in the Community. The Parliament wishes to build further in 2013 and consolidate the existing gains.

4.2 Community Court of Justice

397. The year 2012 marks the twelfth year of existence of the Court as pioneer judges took the oath of office in 2001. This year, the judicial function of the Court experienced growth both in terms of applications lodged and judgments delivered. In the course of the year, the activities of the Court were essentially on judicial matters and promotional activities that would make it more visible in conformity with its main objective in the second decade.

✓ **Judicial activities**

398. As at 27 September 2012, the Court had recorded 17 new cases, held 100 hearings and took 30 decisions among which were 13 final judgments. It is worthy to note that a good number of cases brought before the Court were related to human rights violation. Other sessions organised by the Court included the swearing-in ceremony of the President of ECOWAS Commission on 29 June 2012 at Yamoussoukro as well as the newly appointed Commissioners on 11 June 2012, at the ECOWAS Council of Ministers Meeting held in Abidjan, Côte d'Ivoire.

✓ **Promotion activities of the Court**

399. With a view to promoting the mandate of the ECOWAS Court in the sub-region, a number of activities, including sensitisation missions in Member States, activities with media houses of Member States and conferences were undertaken.

✓ **Sensitisation missions**

400. With the objective of making the Court more known and also to popularise ECOWAS law, the Court went on to implement its sensitisation programme, with the aim of reaching the national actors in the Member States. Also, after visiting 14 Member States in the previous years, the sensitisation activities for Member States in 2010 were concentrated on Nigeria where the seat of the Court is located. Thus, after visiting Kaduna, Kano, Oyo and Lagos States in the previous years, the Court visited Edo State and Cross River State during the course of the year. During these visits, consultations were held with various stakeholders with a view to explaining the relevance of the Court in the sub-region as well as its role in the regional integration process. The stakeholders consulted included political figures, public administrators, traditional leaders, the civil society and the private sector. The meetings were also attended by members of the legal profession, police, customs, and immigration.

✓ **Radio and television programme**

401. The Court simultaneously implemented its programme with the media in Burkina Faso and Sierra Leone. The activities undertaken related to provision of adequate media coverage by the national media to the activities of the Court. The media activities are intended to clarify the role of the Court, as a principal judicial organ of the Community, to the general public for which it was established.

✓ **Conferences and Press Conferences**

402. The conferences provide the occasion for the actors of the judicial system to reflect on pertinent issues confronting the Justice sector as well as sharing ideas on major challenges at stake in the Community. The ECOWAS Court of Justice, in collaboration with the Regional Office of UNDP at Dakar, organised an international conference on the theme: "Human Rights, Democracy and Good Governance: the Role of the ECOWAS Court of Justice". The conference was held in Accra, Ghana. The key objective, among others, was to analyse the democratic values enunciated in the Protocol, examine the role the ECOWAS Court of Justice could play in terms of consolidation of democracy, the exercise of checks and balances on political power, and the observance of human rights in the Member States.

403. As a prelude to the opening ceremony of the 2012-2013 legal year, the Court organised a press conference on 25 September 2012 at its headquarters. Represented at the occasion were delegates from the national and international media based in Abuja.

✓ **External relations and co-operation with international institutions**

404. In the year 2012, the Court established stronger co-operation with external bodies, notably with organs of the United Nations and the Civil Society. The relations between the Court and other Institutions of the Community are also cordial.
405. With the United Nations Systems, the Court has fruitful cooperation with many of its entities. It has especially cooperation with the International Criminal Tribunal for Rwanda (ICTR) and the UNDP Regional Office for West and Central Africa on Democracy and Good Governance.
406. The Court maintained good relations with several civil society organisations like the Media Foundation (an NGO) and the Friedrich-Ebert-Stiftung Foundation. These organisations cooperate with the Court in the realisation of its missions with respect to the execution of the decision of the Court, the role of the Court in the maintenance of peace and security as well as in electoral processes in the region.

✓ **Inter-institutional relations**

407. Several activities and meetings marked inter-institutional relations during the year under review. The Court swore in new Commissioners, participated in the opening session of the ECOWAS Parliament and in sensitisation activities of the Commission. The Commission and the Parliament also participated in the court session marking the opening of the Legal Year of the Court.
408. Swearing in members of the Commission is an important statutory activity of the Court. In fact, Article 18(3) of the Supplementary Protocol states that « on assumption of office, members of the Commission shall swear an oath before the Chief Justice of the Community Court of Justice at a sitting of the Council of Ministers.. ». It was in accordance with this provision that the Court administered the oath to the new ECOWAS Commissioners as well as to the President of the Commission.

✓ **Opening ceremony of the Legal Year**

409. The traditional ceremony marking the opening of the legal year of the Community Court of Justice and the commencement of the 12th Legal Year of the Court, took place on 27 September 2012 at Abuja, the seat of the Court. The chosen theme for the occasion was “The Community Court of Justice and the Effective Implementation of Community Law”. This theme was meant to reflect on the strategies to be adopted for the effective implementation of ECOWAS Community laws. In this regard, it is necessary to examine all unexplored areas of jurisdiction of the Court like referrals.

✓ **Challenges**

410. Accessibility to the Court, which consists of bringing justice to the doorsteps of those whose right it is to seek redress before the Court, and promoting justice for all, is a key element of the ambitions of the Court. As already indicated, the creation of sub-registries of the Court in each Member State of ECOWAS and the setting up of a legal aid scheme will constitute the solutions that will enable the Court to realise this objective.
411. Again, one Court project which remains uncompleted is the Rules of Arbitration of the Court, adopted since 2010 and still awaiting the approval of the Council of Ministers to enter into force. The computerisation of the Court Registry, huge delays in the translation of court

processes and pleadings and harmonisation of the texts of the Court are equally some of the challenges that should be addressed in the coming years.

✓ **Prospects**

412. Next year will be a year of heightened promotion of ECOWAS law, with a view to seeking its effective implementation. Strategies will be put in place to encourage stakeholders, citizens and the domestic courts to apply Community law on their territory, by way of referrals for preliminary determination. So as to gain a proper grasp of ECOWAS law, the Court advocates the creation of institutes of Community law, the introduction of Community law into academic and professional training programmes, provision for ease of access of auxiliary judicial staff and judges of domestic courts to training programmes at the ECOWAS Court of Justice.

4.3 West African Health Organisation (WAHO)

413. Activities carried out by WAHO in 2012, as in the previous years, fall within the scope of the implementation of its 2009 – 2013 Strategic Plan. The areas of focus for the Strategic plan are:
- Support for enhanced quality in the health systems of the ECOWAS sub-region;
 - Support for enhanced health coverage in the ECOWAS sub-region;
 - Support for the development of sustainable health financing;
 - Institutional Development of WAHO.

4.3.1 2012 set objectives

414. The objectives remain those of the 2009 – 2013 Strategic Plan and are as follows:
- Promote the coordination and harmonization of health policies in the ECOWAS region;
 - Strengthen management of health information systems for the prevention and control of diseases in the ECOWAS region;
 - Promote health research in the ECOWAS region;
 - Support health professionals training institutions in order to implement harmonized curricula and accreditation criteria to facilitate health human resources mobility in the ECOWAS region;
 - Facilitate access to essential medicines, vaccines and other quality health commodities and cut down on the use of uncertified medicines in the Member States;
 - Support the institutionalization of Traditional Medicine in health systems in the region;
 - Promote new financing mechanisms and conduct advocacy for increased health budget allocation.

4.3.2. Summary results of WAHO's achievements

4.3.2.1 Coordination and harmonisation of policies

415. The main results can be broken down as follows:
- Niger has a 2013 – 2017 National Plan for Vision 2020;
 - Côte d'Ivoire has a 2013 – 2015 Strategic Plan for Vision 2020;
 - A resolution on the establishment of the Regional Council for Health Professionals Education (RCHPE) was adopted at the 13th AHM in Conakry in 2012;
 - The Harmonized Code of Practice of Physicians and Dentists of ECOWAS has been validated, translated and is ready for Editing ;

- A repository of code of professional ethics for Nurses and Midwives of ECOWAS Member States is finalized ;
 - Ethical codes of practice and regulations of Environmental Health Officers, Community Health Officers are available, to be submitted for approval at the 2013 AHM.
416. **As regards malaria control:** WAHO in collaboration with all countries and partners has developed a roadmap, the implementation of which must give birth to a regional strategic plan before the next Assembly of Health Ministers. The said plan should be accompanied with a resource mobilization plan and an implementation monitoring plan.
417. To be comprehensive, the strategic plan must take into account vector control interventions that are being conducted at the ECOWAS Commission.
418. **As regards nutrition and non communicable diseases:** WAHO in collaboration with partners undertook the following key actions:
419. **Nutrition:**
- Promotion of Essential Nutrition Actions in Guinea and Niger;
 - Integration of nutrition indicators into the food security investigation in Ghana, in collaboration with *CILSS*.
420. Finally, the 13th edition of the biennial ECOWAS Nutrition Forum was organized on the Theme: "Roles of local authorities, communities, civil society and private sector in scaling up nutrition interventions".
421. **Non communicable diseases:**
- Capacity building of National Managers of Non communicable Diseases of four English-speaking countries in resource mobilization and NCDs monitoring programmes in collaboration with the Commonwealth Secretariat and WHO/AFRO.
 - Validation of a comprehensive and multi-sectoral national policy on non-communicable diseases control in Togo, with WAHO's financial contribution.
422. **As regards Health Systems Strengthening,** WAHO in collaboration with its strategic partner RIPAQS, conducted a multi-country survey (8 countries, of which five French-speaking, two English-speaking and one Portuguese-speaking) on the status of implementation of health care quality assurance standards in the ECOWAS region. The results of this study were circulated at the International Conference of Health Ministers on patient safety and health care quality management, held on December 2012 in Cotonou (BENIN). WAHO's interventions strategic thrusts in terms of harmonization of health care quality assurance standards were thus defined after this conference.
423. **As regards Mother and Child Health:** WAHO provided technical and financial support to countries such as:
- **Sierra Leone** to improve the technical capacity for Maternal and Neonatal health care service delivery at the Lungi Hospital;
 - **Mali** to map out health care service delivery (COS) in Reproductive Health / Emergency Obstetrics and Neonatal Care RH/EmONC;
 - **Nigeria** to start the process of introducing maternal and newborn deaths audits (ADM) at Community level in the Demonstration Sites ;
 - **Benin** to convene the General Assembly meeting on immunization as well as develop, in collaboration with AMP, the job description of the National Immunization Technical Advisory Group (NITAG) for interventions strengthening.

424. Moreover, since 2011, WAHO has instituted the annual review of the implementation of mother and child health national programmes to monitor and analyze progress towards achieving MDGs 4 and 5 and the prospects.
425. Thus, concurrently with the second annual review of MCH national programmes, WAHO intends to convene, this year, the Reproductive Health (RH) Partners' Forum in Cape Verde in December, in accordance with the recommendations of the Health Partners' Forum held during the 13th Meeting of the Assembly of Health Ministers in Conakry.
426. **As regards HIV & AIDS control:**
- A paper on the convergence criteria for a minimum legal framework on HIV is available ;
 - The sites mapping of most at risk populations to HIV and hot spots along the Abidjan-Lagos corridor is available;
 - The Multisector Committee on HIV control in ECOWAS was set up.

4.3.2.2 Health Information Strengthening

427. **As regards epidemics control:**
- The epidemic disease testing laboratory of reference in Abidjan has been equipped;
 - The Adaptation of the revised guidelines on Integrated Disease Surveillance and Response in 9 ECOWAS countries.

4.3.2.3 Promotion and dissemination of best practices

428. As regards promotion and dissemination of best practices, the activities are as follows:
- Implementation at Community level of the package of high impact interventions on child health in Benin has been documented in order to be promoted in the region.
 - Technical and financial support was provided to Guinea to help the country to implement *RapidSMS*, a mobile phone based model, to improve patients referral and counter-referral for the Reduction of Maternal and Neonatal Mortality in the Municipality of RATOMA ;
 - WAHO in collaboration with Maternal and Child Health Integrated Program (MCHIP), provided technical and financial support for implementing the Champions in maternal and newborn health initiative in five ECOWAS countries (Benin, Guinea, Liberia, Mali, Senegal) through provision of training to country Champion teams and conducting field missions to monitor trained Champions.

4.3.2.4 Promotion of Health Research

429. WAHO in collaboration with the International Development Research Centre (IDRC) initiated a second 4-year project on the use of the findings of health research in the ECOWAS region, entitled : "West African Initiative for Capacity Building through Research on Health Systems (On governance for equity in health systems). " 65% of the funds will go directly to funding research projects and 35% to WAHO's management of the process leading to ownership of research findings by policy makers.

4.3.2.5 Development of Health Human Resources

430. WAHO provided countries with technical and financial support for capacity building of health professionals in various fields, due to the relevance of Health Human Resources. The main results are as follows :

- Volume 2 of the Harmonized Curricula of 17 medico-surgical specialties was published and distributed ;
- The Curriculum of General Practice in the ECOWAS Region is nearing completion for editing in the 3 languages of ECOWAS;
- Harmonized Curricula of Anglophone Colleges: WACS WACP, NPMC, GCPS and an action plan for next steps are available;
- Nursing and Midwifery Training Institutions of Francophone and Lusophone Countries have harmonized training curricula;
- 22 Professionals benefited from the Language immersion and Professional Exchange Programme (PEPL) to improve their language and professional skills;
- 16 Young Health Professionals in the ECOWAS region are undergoing training to improve their skills (YPIP) ;
- The Nomenclature of identified specialties of Nursing and Midwifery practices of Francophone and Lusophone countries of ECOWAS has been harmonized ;
- Capacity building of 61 trainers in Niger and Guinea in skill-based approach (APC) and who are using it in their Institutions ;
- The harmonized Curricula for basic training in Pharmacy, Environmental Health and Community Health are ready to be submitted for approval by the next Assembly of Health Ministers of ECOWAS (2013) ;
- The harmonized Curricula for specialized training in Pharmacy in the ECOWAS region are available.

4.3.2.6 Medicine and Vaccines

431. In this area, the following activities have been achieved:

- Support to Togo, Benin, Guinea-Bissau and Cape Verde through supply of ARVs and HIV screening reagents;
- Policy document on flexibilities of Intellectual Property Agreements and implementation guidelines developed and validated;
- Legislative framework for Anti-counterfeit medicines established;
- Regional plan and roadmap for Anti-counterfeit medicines developed and validated;
- National Medicines Regulatory Authorities have started the process of harmonizing the registration of medicines;
- Support to six medicines manufacturing industries (Ghana, Nigeria, Cape Verde);
- Facilitating EBID financial support to Manufacturing industries of the region;
- Publication of a newsletter on the implementation of the Coordinated Informed Buying system with the attendant list of medicines manufacturers and suppliers in ECOWAS countries.
- Ghana, Senegal, Sierra Leone and Cape Verde units were supported with computer equipment for entering data on essential medicines procurement.

4.3.2.7 Traditional Medicine

432. WAHO's training curriculum in pharmacology and herbal medicines therapy was introduced in the last year of medicine at the Higher Institute of Health Sciences (INSSA) in Bobo-Dioulasso in Burkina Faso.

433. WAHO continued promoting dialogue between practitioners of traditional medicine and those of conventional medicine or scientific researchers by successfully hosting the 5th Scientific Congress which was attended by representatives of both sectors..

4.3.2.8 Diversification of health financing mechanisms

434. The National Health Accounts being the tools for traceability in health financing, there was capacity building for Six (6) Staff (WAHO: 1 Niger: 3 and Mali: 2) and Côte d'Ivoire has created a National Health Account (NHA) with WAHO's support.

4.3.2.9 Actions conducted under partnership

435. Working sessions were held with partners and helped to review the status of cooperation between both parties who confirmed their willingness to pursue and strengthen their collaboration.

436. Besides, for the period under review, four (4) Memoranda of Understanding and 1 (one) Financing Agreement were drafted and signed with partners.

4.3.2.10 Monitoring and Evaluation

437. The mid-term review of the Strategic Plan was undertaken; the monitoring of programmes of the said Plan as well as provision of items of support to ECOWAS Member States is ongoing.

438. Through Monitoring of the implementation of programmes, various interim and annual reports, as well as monitoring reports of country support were written.

4.3.3 Challenges

439. In addition to the challenges related to the health status of the ECOWAS region, particularly the recurrence of epidemics and the low level of some health indicators, the main factors hampering WAHO's performance are as follows:

- Pegging of WAHO's annual budget growth;
- Delay in disbursement (quarterly basis) of financial resources from the Commission to WAHO ignoring the needs expressed through replenishment requests ;
- Recruitment of two Divisional Directors (still pending) ;
- Collaboration with partners, particularly with regard to improving the synergy of actions;
- Implementation of resolutions, decisions and recommendations of the various deliberative bodies ;
- Mobilization of additional resources for the implementation of the Strategic Plan.

4.4 Intergovernmental Group Against Money Laundering in West Africa (GIABA)

440. As part of its mandate of assisting ECOWAS Member States to put in place effective Anti-Money Laundering and Counter Terrorist Financing (AML/CFT) regimes, the Intergovernmental Action Group against Money Laundering in West Africa (GIABA) under its 2011-2014 Strategic Action Plan implemented the following activities during the course of 2012:

✓ GIABA 17TH Technical Commission / Plenary

441. The 17th Technical Commission/Plenary Meeting of GIABA was held in Abidjan, Côte d'Ivoire, from 2-4 May 2012. The Plenary was preceded by the following preliminary meetings:

- Working Group on Mutual Evaluations and Implementation (WGMEI) meeting on review and discussion of Mutual Evaluation Reports (MERS) Follow Up Reports (FURs) of member States;

- Working Group on Mutual Evaluations and Implementation (WGMEI) meeting on review and discussion of action plans of member States.
442. The Plenary considered and adopted the following:
- GIABA Communication Strategy incorporating the dissemination plan of the revised FATF Standards.
 - Membership application of the Democratic Republic of Sao Tome and Principe (STP), subject to STP fulfilling its obligations to GIABA under the memorandum of understanding signed with the Secretariat.
 - The issuance of a Public Statement on The Gambia by 1st July 2012, if the AML/CFT law is not passed by June 30, 2012. The law will facilitate the implementation of the required measures to address the strategic deficiencies in the country's AML/CFT system.
 - The withdrawal of the Public Statement on the Republic of Sierra Leone for the lack of progress in the implementation of the recommendations contained in that country's Mutual Evaluation Report which was adopted in 2007. This was done in view of the passage into law the revised AML/CFT Bill in February 2012.
 - The Secretariat's proposal to transfer ownership of follow up actions to member States by identifying experts from one country to analyze the follow up report of another country on a peer review basis.
 - Typology reports on "Tax Fraud and Money Laundering in West Africa";
 - The proposed joint GIABA/FATF typologies exercise on the financing of terrorism in West Africa;
 - The organization of a GIABA/FATF joint typologies workshop in 2012.

✓ ***Eleventh GIABA Ministerial Meeting***

443. The 11th GIABA Ministerial Committee (GMC) Meeting held on 5 May 2012 endorsed the decisions of the 16th and 17th GIABA Technical Commission/Plenary Meetings held from 14 to 16 November, 2011 in Lome, Togo and 2 to 4 May, 2012, in Abidjan, Côte d'Ivoire, respectively. The President of the FATF was in attendance at the GMC meeting.
444. A major outcome of the GMC was the request by all the participating Ministers for GIABA to extend technical assistance to their various countries especially for the installation of currency scanners at major international airports. The ministers also endorsed the application of Sao Tome and Principe (STP) for membership of GIABA subject to the country meeting its financial obligations under the memorandum of understanding signed with GIABA and the approval of the ECOWAS Council of Ministers. The GMC endorsed the Revised FATF Recommendations, as well as the GIABA Communication Strategy.
445. The Republic of Sao Tome and Principe (STP) has paid the sum of \$50,000 as its financial obligations to GIABA under the memorandum of understanding it signed and is therefore eligible to participate in all GIABA programmes and activities at its cost.
446. The Republic of The Gambia passed the revised AML/CFT Bill into Law on 27 June 2012. This will facilitate the implementation of the required measures to address the strategic deficiencies in that country's AML/CFT system. The President of The Gambia assented to the new law on 17 August 2012. With the adoption of this law, the Plenary may wish to reconsider its position on the issuance of a public statement on The Gambia.

✓ ***Mutual evaluations***

- ***Conclusion of First Round of On-site visits***

447. The on-site visits to the Republics of Côte d'Ivoire and Guinea were conducted from 07 to 21 May 2012 and 04 to 18 June 2012 respectively. The draft Mutual Evaluation Reports (MERs) of the two countries would be presented for discussion at the next GIABA Technical Commission/Plenary Meeting.
448. The visit to the Republic of Sao Tome and Principe (STP), originally scheduled for October 28 to November 9, 2012, was postponed until early December 2012, at the request of the STP. GIABA STP recalled the need to ensure that the visit is conducted by the end of 2012.
449. These visits will complete the first round of mutual evaluations of member states of GIABA.

- Follow Up Actions in the Framework of Mutual Evaluations

450. In the continuous efforts to sensitize political authorities and to elicit further commitment to AML/CFT issues, the following high level missions were undertaken during the period under review:

Ghana

451. Following the FATF Plenary in February 2012, a high level Ghanaian delegation led by the Deputy Chief of Staff to the President visited the GIABA Secretariat on 14 March 2012 to discuss the implementation of the Action Plan of Ghana.
452. The visit of the Ghanaian Delegation to the GIABA Secretariat resulted in the passage of the Anti-Terrorism amendment act by Ghana on 15th April, 2012 and the issuance of an executive instrument (instructions) for the effective implementation of the UNSCRs 1267, 1373 and 1718 on 26th April 2012.
453. In addition, the Director General led a high level mission to Ghana on 4 and 5 October 2012, to discuss Ghana's progress in implementing the action plan agreed with the Regional Review Group of the FATF International Co-operation Review Group (RRG/ICRG) as contained in the RRG's report of June 2012, as well as the implementation of Ghana's National AML/CFT strategy.
454. The mission met with high level national authorities, including the Minister of Finance and Economic Planning and Board members of the Ghana Financial Intelligence Centre (GFIC). The mission reiterated the need to reconcile Ghana's executive instrument with the anti-terrorism regulations (Instructions for implementation of the United Nations Security Council Resolutions - UNSCRs -), among other issues. The Hon. Minister assured the mission of Ghana's commitment to rectifying the identified deficiencies.

Benin

455. A GIABA mission visited Benin from 11 to 13 March 2012. The mission met with the Honourable Speaker of the National Assembly who confirmed that the draft counter-terrorist financing bill had been forwarded to the National Assembly for consideration and adoption. The Mission was informed that discussion of the bill has been postponed several times due to the busy schedule of the relevant competent ministers. The Director General humbly sought support for a speedy passage of the legislation on terrorist financing and for the establishment of appropriate internal mechanisms for its implementation in line with acceptable international standards and in accordance with Benin's obligations under the United Nations Security Council Resolutions (UNSCRs) 1267 and 1373 respectively.
456. The Director General solicited support for the Financial Intelligence Unit (FIU) to be more operational and for the revitalization of the AML/CFT Inter-Ministerial Committee to ensure effective coordination of stakeholders in the fight against money laundering in Benin.

Nigeria

457. Due to the slow progress in the implementation of its action plan, a GIABA mission visited Nigeria and met with the Hon. Attorney General & Minister of Justice. The mission was informed that all necessary efforts were being made to amend the Money Laundering (Prohibition) Act, as well as the Terrorism Prevention Act of 2011 to conform to acceptable international standards. The Director General provided some inputs to assist the country to revise the legislations and promised to provide further support as may be needed in the context of the implementation of the MER and the ICRG process.

Guinea

458. The Director General led a GIABA mission to Conakry, Guinea, from 27-29 March 2012. The Mission met with the line ministers and discussed the urgent need to establish the Financial Intelligence Unit (FIU) in Guinea in line with the provisions of Law No. L/2006/010/AN of 24 October 2007 on the fight against money laundering in Guinea. The law has clear provisions on the functions, powers and composition of the CENTIF. The Mission called on the Authorities to ensure that the law is in force and implemented.

459. The Director General also discussed the fundamental issue of promulgation and adoption of the Counter-Terrorist Financing Law. The Mission enjoined Guinea to put in place all appropriate mechanisms including the establishment of CENTIF and passage of relevant legislation. The DG pledged to assist the Guinean AML/CFT Inter-Ministerial Committee to ensure that the on-site visit is carried out smoothly.

Liberia

460. A high level mission to Liberia led by the Director General was undertaken, from 10 to 14 July, 2012. The Mission had meetings with the Deputy Speaker of the Liberian National Assembly, the Acting Chief Justice of Liberia and the Governor of the Central Bank. The mission highlighted the need to urgently implement AML/CFT measures of acceptable standards in the country, including the urgency to revise the FIU provisions in the AML/CFT Bill in order to expand its composition, guarantee its operational independence and continuity in its administration, and finally establish the FIU by appointing its members.

461. The Director General also had the opportunity to make a presentation on the revised FATF Recommendations to the Committee of Governors of the Central Banks of ECOWAS Member States and solicited the support of the Governors in implementing the revised Recommendations.

462. The Governors committed themselves to the implementation of the revised Recommendations which were endorsed by the ECOWAS Member States at the 17th GIABA Technical Commission/Plenary Meeting held from 02 to 04 May 2012 and by the GIABA Ministerial Committee at its meeting held on 6th May, 2012, in Abidjan, Côte d'Ivoire.

Niger

463. A high level mission led by the Director General visited Niamey, Republic of Niger, from 24 to 26 April 2012. The mission met with the key authorities of Niger including H.E. the President of the Republic, the Hon. Prime Minister and Head of Government and three line ministers (Finance, Security and Justice). The Director General congratulated the country for passing the terrorist financing law and encouraged them to take AML/CFT issues more seriously. He further called for more support to the CENTIF to enable it discharge its duties. The mission also met with the newly established AML/CFT Inter-Ministerial Committee to congratulate its members

and to sensitize them on their functions in the implementation of acceptable international AML/CFT regime in Niger.

464. Overall, these missions produced significant outcomes, including the passage of the AML/CFT laws, amendments to existing legislations, increase in funding to the FIUs and more support to the Inter-Ministerial Committees of these countries.

✓ **TYPOLOGIES**

465. As a follow up to the report on typologies on cash transactions, GIABA provided Côte d'Ivoire with a cash detection scanner which has been installed at the airport in Abidjan.
466. The typologies on cash transactions noted the vulnerability of West Africa to money laundering and terrorist financing arising from the preference of cash transactions and called for a greater enforcement of cash smuggling operations.

✓ **TECHNICAL ASSISTANCE PROGRAMS**

467. In line with its mandate to provide technical assistance to Member States, GIABA continued to provide necessary capacity building support and assistance to its members, particularly in the area of establishing and/or strengthening the FIUs in their respective countries.

- ***Deployment of AML/CFT Analytical Software to FIUs***

468. Following the successful deployment of the AML/CFT analytical software in The Gambia, GIABA has commenced the deployment of this software in Burkina Faso, Cape Verde and Ghana. It is hoped that the deployment of the software to the 13 benefitting FIUs would be completed before the end of 2013.

- ***FIU Development***

469. The GIABA Secretariat assisted staff of the Ghana Financial Intelligence Centre (GFIC) to undertake a study tour to the Nigeria Financial Intelligence Unit (NFIU) from 25 to 29 June 2012. The Secretariat also provided an expert to train analysts and compliance officers of the GFIC from 9 to 12 July 2012. The study tour was aimed at facilitating experience sharing and cooperation among FIUs in the region while the training was aimed at enhancing the capacity of the staff of the GFIC.

470. The GIBIA Secretariat recruited a financial analyst for CENTIF-Niger for a period of one year from August 2012 to July 2013, to assist the CENTIF-Niger to effectively discharge its responsibilities of receiving, analyzing and disseminating suspicious transaction reports and other strategic reports. The Secretariat also sponsored three (3) staff of CENTIF-Niger on a study tour to CTIF Belgium from 22 to 26 October 2012 to enhance their eligibility for Egmont Group membership.

471. GIABA also continued to support its Member States' FIUs to attain membership of the Egmont Group of FIUs. At the Egmont Group meeting held in Saint Petersburg, Russia, from 9-13 July 2012, the Group granted membership to the Burkina Faso FIU. This brings to five (05) the number of GIABA Member States' FIUs that belong to the Egmont Group. GIABA will continue to promote and support eligible FIUs in the region to seek for membership of the Egmont Group.

- ***2nd International Conference for Committee of Chief Compliance Officers of Banks in Nigeria (CCCOBIN) – Lagos March 21- 23, 2012***

472. GIABA supported the Committee of Chief Compliance Officers of Banks in Nigeria (CCCOBIN) for hosting their 2nd International Conference with the theme: "The role of Customer Due Diligence in Combating Financial Crimes and Terrorism in Nigerian Banks: Issues, Challenges and Prospects". The event took place at the Protea Hotel in Lagos on March 21 – 23, 2012.
473. The objective of the conference was to acquaint the compliance officers with the revised FATF 40 Recommendations and to elicit full compliance with acceptable international AML/CFT standards. The conference also provided experience sharing opportunity for participants.
- **AML/CFT Seminar for Capital Market in Accra, Ghana, 10-11 April 2012**
474. GIABA supported the Ghana Financial Intelligence Centre (GFIC) and the Security and Exchange Commission (SEC) of Ghana to organize a national anti-money laundering and combating the financing of terrorism (AML/CFT) seminar for Capital Market Operators (CMOs) in Ghana from 10-11 April 2012.
475. The objective of the seminar was to sensitise officials of SEC and CMOs in Ghana on the risks, threats and effects of money laundering, the financing of terrorism and financing of proliferation of weapons of mass destruction, as well as relevant issues relating to global AML/CFT requirements. It was also to sensitise the CMOs on their role in AML/CFT especially their reporting obligations on STRs.
476. The seminar helped to increase the awareness of participants on money laundering and terrorist financing and enhanced their capacity to effectively discharge their duties in the fight against money laundering and terrorist financing.
- **Stakeholders meeting on the review of the draft Anti-Money Laundering (AML) Bill, Monrovia, Liberia on 27 and 28 April 2012**
477. The Secretariat assisted the authorities of Liberia to organise a workshop for AML/CFT stakeholders in Liberia and 27 and 28 April, 2012. The objective of the Workshop was to review the AML/CFT Bill prepared by Liberia with the assistance of GIABA and other development partners. Participants reviewed the Bill in accordance with international requirements on AMLCFT, including the FATF Recommendations. It is expected that the enactment of the AML/CFT Bill will assist Liberia to effectively implement AML/CFT measures of acceptable international standard.
- **Regional AML/CFT awareness raising workshop for the Executives and Chief Compliance Officers of Commercial Banks, 30-31 May 2012, Accra, Ghana**
478. As part of on-going efforts to promote the implementation of acceptable international AML/CFT standards in our region, the Secretariat organised a regional AML/CFT awareness raising workshop for Chief Executives and Chief Compliance Officers of commercial banks in Accra, Ghana on 30 and 31 May 2012.
479. This workshop was aimed at sensitising the Chief Executives and Chief Compliance Officers of commercial banks on their obligations under the revised FATF Recommendations as well as to improving their working relationships. About 160 participants participated in the programme.
- **Public presentation of a book: "Strategies and Techniques of Prosecuting Economic and Financial Crimes", 5 June 2012, Abuja, Nigeria**
480. As part of its technical assistance to ECOWAS Member States to assist prosecutors with the techniques of establishing the elements of the offences they prosecute, GIABA has produced a

- book entitled "***Strategies and Techniques of Prosecuting Economic and Financial Crimes***" The book was presented on 5 June 2012 at the ECOWAS Parliament in Abuja, Nigeria.
481. The event brought together Chief Executives of law enforcement organizations, institutions promoting legal research and criminal justice, members of judiciaries of member States and some ECOWAS institutions.
- ***International Study Tour to improve the skills and knowledge of Judges on Economic and Financial Crimes, St Paul Hotel, Minnesota, USA, 24-30 June 2012 and Paris, France, 22-26 October 2012***
482. Concerned about the dearth of convictions on economic and financial crimes, GIABA, in collaboration with LEX Training LLC of the USA, organised an international study tour for High Court Judges of Anglophone countries in ECOWAS from 24 to 30 June 2012 in Minnesota, USA. A similar tour for Judges of Francophone West Africa took place in Paris, France, from 22 to 26 October 2012.
483. Participants at these Study Tours included the Chief Justices of the Republic of Ghana, the Federal Republic of Nigeria and the Republic of Sierra Leone as well as Judges of Supreme Courts and Courts of Appeal of The Gambia, Ghana, Liberia, Nigeria and Sierra Leone, Benin, Burkina Faso, Côte d'Ivoire, Guinea, Mali, Niger, Senegal and Togo.
484. These study tours were designed to:
- enable the judges to explore processes of prosecuting and adjudicating cases relating to economic and financial crime in developed countries and gain a deeper understanding on them, particularly those of the USA and France; and
 - provide participating judges with the opportunity to propose strategies for the effective implementation of global initiatives to combat economic and financial crimes, particularly in the context of the revised FATF Recommendations.
485. Overall, the objectives of these study tours have been achieved. The tours provided the resource persons and participants opportunities to proffer ways to achieve speedy and effective adjudication of economic and financial crime cases in West Africa. In particular, the tours provided a platform for participants to identify the challenges hindering the effective implementation of acceptable international AML/CFT standards within the judiciary. The study tours also enhanced the knowledge and skills of policy makers in the judiciary thus, providing a viable way to effect policy change to ensure that the criminal justice systems in the region are better equipped to combat economic and financial crimes. Finally, the tours provided an opportunity for mutual exchange of views and experiences, and reinforced the need for further capacity building programmes on AML/CFT for members of the judiciary.
- ***Regional Workshop on the Role of UEMOA Certified Chartered Accountants in the Fight against Money Laundering and the Combating of Terrorism Financing (AML/CFT) in West Africa, Dakar, Senegal, 16-17 July 2012.***
486. GIABA, in collaboration with the permanent Secretariat of the School of Accounting and Finance of the West African Economic and Monetary Union (DECOFI/UEOA), organised a regional workshop on the role of Chartered Accountants in the implementation of AML/CFT measures from 16 to 17 July 2012, at the African Centre for Advanced Management Studies (CESAG), Dakar, Senegal.

487. The workshop sensitized 39 UEMOA Chartered Accountants on their role in the implementation of acceptable international AML/CFT measures, particularly the revised FATF Recommendations.

- ***Regional Sensitization Workshop on Anti-Money Laundering/Counter-Financing of Terrorism (AML/CFT) for Civil Society Organizations (CSOs), August 6, 2012, Dakar, Senegal***

488. With a view to involving all stakeholders in the fight against money laundering and terrorist financing, the Secretariat organised a regional sensitization workshop for civil society organisations in Dakar, Senegal, 7-8 August 2012.

489. The workshop was aimed at sensitising members of civil society organisations on AML/CFT issues, especially their role in the implementation of effective AML/CFT regimes in the region. The workshop also sought to establish and sustain a network for civil society organisations in the region to partner in the common efforts at promoting the implementation of acceptable international AML/CFT standards. About 47 civil society organisations that participated in the seminar decided to establish a network against money laundering and terrorist financing

- ***Sensitization seminars on AML/CFT for Journalists from Anglophone West Africa, Banjul, The Gambia, 26-28 June, 2012 and ECOWAS Francophone and Lusophone Speaking Countries, Praia, Cape Verde, 29-30 August, 2012***

490. In our continued efforts to promote collaboration and all-inclusive awareness raising on the deleterious effects of money laundering and terrorist financing, An AML/CFT sensitization seminar for journalists from Anglophone West Africa was held in Banjul, The Gambia from 26 to 28 June 2012. Another seminar for ECOWAS Francophone and Lusophone Speaking Countries was organised in Praia, Cape Verde, from 29 to 30 August 2012.

491. Among others, this workshop was aimed at building a strong alliance with the media; acquaint them with initiatives on AML/CFT and encourage the formation of a network of journalists to promote information sharing on AML/CFT issues. About 70 Journalists participated in the two seminars.

PROMOTING PARTNERSHIP WITH CIVIL SOCIETY AND PROFESSIONAL ORGANISATIONS

492. A joint GIABA/Banking Commission/ACP-Bank of France AML/CFT training seminar was organized from 2 to 4 April 2012 in Abidjan (Côte d'Ivoire) for Inspectors from the Banking Commission of the West African Monetary Union (WAMU). The seminar was coordinated by the Deputy Director General - GIABA and a total of thirty-one (31) participants were in attendance. At the end of the seminar, the following recommendations were made

- To strengthen the Banking Commission - CENTIFs cooperation on AML/CFT matters;
- Banking Commission to provide for disciplinary and financial penalties on banks that fail to comply with the AML/CFT requirements;
- Strengthening of sensitization and training of bank staff on legal obligations (BCEAO laws and directives);
- Establishment or revitalization of the internal AML/CFT devices in financial institutions;
- Establishment and dissemination of written procedures in AML/CFT matters within financial institutions;
- (Internal) Ongoing capacity building for bank staff by the Anti-Money Laundering Unit;

- Development within the Banking Commission of a methodology to control deployed AML/CFT devices in banks.
493. The Secretariat participated in the regional workshop on the harmonisation of regulatory and supervisory frameworks for banks and non-bank financial institutions in ECOWAS, organised by the West African Monetary Agency (WAMA) and the West African Monetary Institute (WAMI), in collaboration with the Central Bank of the Republic of Guinea from 1 to 3 October 2012.
494. The seminar, which aims at proposing a scheme for the harmonisation of the regulatory and supervisory frameworks of banks, insurance companies and microfinance institutions in the region, was attended by 14 Central Banks in the region. The International Monetary Fund (IMF), GIABA, the Bank of Central African States (BEAC), the West African Institute for Financial and Economic Management (WAIFEM), and representations of professional association of insurance companies also participated.
495. A major outcome of the workshop was the decision to incorporate the revised FATF standards in the harmonisation of regulatory and supervisory frameworks of banks and non-bank financial institutions in ECOWAS. The harmonisation of the regulatory and supervisory frameworks is expected to be completed by the end of 2017.

✓ INTERNATIONAL COOPERATION

- *Participation in FATF activities*

496. During the period under review, GIABA participated in the FATF/ICRG Regional Review Group (RRG) for Africa and the Middle East meetings to discuss reports from jurisdictions that were targeted for prima facie review, as well as progress reports from countries that were under the ICRG review process. GIABA also participated in the FATF Special Plenary meeting that was held in January 2012 to finalize the draft revised standards as well the FATF plenary meeting that was held in February 2012 to adopt the revised FATF Recommendations.

4.5 ECOWAS Bank for Investment and Development (EBID)

497. This contribution to the ECOWAS Commission's 2012 Activity Report presents progress made by ECOWAS Bank for Investment and Development (EBID) during the period between 1st January and 31st December, 2012.
498. In pursuance of the objectives assigned by the decision-making bodies, the activities undertaken by the Bank were within the framework of enhancing its interventions in favour of Member States, improving upon governance and intensifying efforts to mobilize resources to finance operations of the Bank.
499. The first chapter (I) of this report presents activities of the decision-making bodies. The second chapter (II) treats administrative activities while the third (III) chapter presents the progress report on the financing of operations. The fourth (IV) chapter presents resource mobilization initiatives. The last chapter (V) presents the financial situation of the Bank as at 31st December, 2012 and outlines the lessons to be learnt

4.5.1 Activities of the decision-making bodies

Board of Governors

500. During the period, the Board of Governors of the Bank held its 10th ordinary session on August 24th, 2012 in Conakry, the Republic of Guinea. This Session was essentially devoted to the adoption of the resolution relating to the governance of the Bank, approval of the financial statement as at 31st December 2011 and the activity report of the Bank for the period 2011.
501. The Board also took note of the state of implementation of activities assigned to the top management of the Bank during the 6th Extraordinary Session which was held in Accra on 10th October, 2011, the report of the Bank's activities as at 30th June 2012, the state of execution of the line on credit extended by the Indian Government to EBID and the conclusions of deliberations made at the 34th, 35th, 36th and 37th Meetings of the Board of Directors which were held on 28th October, 2011, 22nd December 2011, 24th April, 2012 and 31st July 2012 respectively.

Board of Directors

502. From January 1st to 31st December, 2012, the Board of Directors of the Bank held its 36th, 37th, 38th and 39th meetings on April 24th, 2012 and July 31st, 2012, 30th October and 20th December, 2012 in Lome, Togo.
503. During these meetings, the directors approved funding for eighteen (18) projects. Also, they examined and adopted several resolutions which included, among others, the adoption of the financial statement as at 31st December 2011, the activity report for 2011, nomination of the Vice President for Finance and Institutional Services and the budget of the Bank for 2013.

4.5.2 Activities relating to administration and modernization of the Bank;

- Management of human resources

504. As at 31st December 2012 the total staff of the Bank stood at 139 which included 3 top management personnel, 91 permanent staff and 45 were contract staff.
505. These developments are presented in the table below:

Table 2: Staff situation in EBID as at 30th December, 2012

Category	Effective			30/12/2012
	31/12/2011	Recruited	Disengaged	
President	1	0	0	1
Vice-President	1	1	0	2
Management Personnel	2	1	0	3
Professional Staff (P and D)	41	1	2	40
Support staff (G and M)	51	0	0	51
Total Permanent	92	1	2	91
Contract staff	42	6	3	45
Total	136	8	5	139

-Status of implementation of rehabilitation works in the bank's building

506. In order to undertake rehabilitation works on the main building of the Bank's headquarters, the Board of Directors, at their session held on 21st December 2010, approved a budget in the sum of 4.7 million UA, being equivalent to 3.7 billion FCFA. Works relating to the rehabilitation of the headquarters building were divided into four (4) phases namely:

- phase1: detailed examination and preparation of the works to be implemented and preparation of the tenders dossier;
- phase2: publication of the call for tenders, receipt of tender documents, processing of tenders and awarding of contracts;
- phase3: implementation of works, project management and control operations;
- phase 4: acceptance of works including the submission of the documentation required for the use and technical management of the building.

507. At the end of December 2012, the first two phases had been completed and the works were about to commence. Furthermore, the three (03) elevators which were scheduled for replacement during the 2011 financial year were delivered and installed

- Modernization of the Information Technology System

508. In order to provide EBID with a viable, secure and upgradable information technology system in accordance with the relevant international standards, the decision-making bodies ratified the initiative of Management to implement an innovative information technology systems master plan. This would result in the reconstruction of the Bank's IT system, including the renewal of infrastructure, computer equipment and licences (local network, VSAT antenna, data centre, computer equipment, various licences, etc.) and the enhancement of human resources.

509. The project commenced in 2010 with the transformation of the application platform for the Bank's financial management

510. The main activities listed below have been implemented:

- the change over to the new IT network;
- deployment of the new computer system;
- transformation of the application platform for the Bank's financial management;
- configuration of terminals in line with the safety standards in force.

511. Furthermore, the French Development Agency (AFD) has agreed to provide, in addition to technical assistance which is currently on-going, financial assistance for the recruitment of an expert in information technology who will be responsible for the formulation of an IT policy and preparation of a new IT master plan for the period 2013-2017 and its implementation plan in order to consolidate previous gains and respond to the new strategic choices and prospects of the Bank.

- Governance and Control

512. Under the auspices of the Human Resources, Audit, Risk and Credit Committees of the Board of Directors, several activities were undertaken within the framework of enhancing governance and control of the Bank's activities.

513. Specifically, the audit missions which began in 2011 continued with new missions initiated during the period under review in particular, those relating to the Language Services Division, Treasury, Guarantees, the Boards, Documentation Centre, Equity participation, loan projects, vacations and social services. Also, in an effort to rationalise the utilisation of the Bank's resources and coordination of control over projects financed by the Bank, the Department of Audit and Operations Evaluation undertook four(4) audit and project evaluation missions in Togo (3) and Ghana (1).

4.5.3 Operational Activities

514. The operational activities undertaken by the Bank from 1st January to 31st December, 2012 involved project appraisal, approval of loans, signing of loan agreements and supervision of projects.

- Project appraisal

515. During the period considered, twenty-three (23) projects were appraised. Ten (10) of the projects were from the public sector and thirteen (13) from the private sector.

516. With regard to the amount involved, the public sector projects amounted to UA 49.4 million (US\$ 75 million) corresponding to 36.2% of the total amount extended by the Bank, whilst the amount for the private sector was UA 87 million (US\$ 132.1 million), representing 63.8% of the total amount.

517. In addition, the Bank is the co-arranger for the mobilization of FCFA 135 billion on behalf of a private project (A 3582 MW 5NET combined-cycle electricity generation plant construction project for STAR ENERGIE-2073) for the generation of electricity at the regional level.

- Loan Approval

518. Between 1st January and 31st December, 2012, the Board of Directors approved eighteen (18) project loans in the amount of UA 93 618 629 (US\$ 142.1 million).

- Project Supervision

519. During the period under review, a total of twenty (20) projects were supervised including eleven (11) in the public sector and nine (9) in the private sector.

- Loan Agreements Signed

520. From 1st January to 31st December, 2012, seventeen (17) loan agreements were signed between the Bank and Benin, Guinea, Cape Verde, Côte d'Ivoire, Liberia, Mali, Niger and Togo respectively, in the amount of UA 84.8 million or US\$ 128.9 million, distributed in the proportion of 41.6% and 58.4% between the private and public sectors respectively.

521. Apart from these loan agreements, a new tranche relating to the equity of the Agricultural Fund for Africa was disbursed in the amount of UA 813 552 which brings the contribution of EBID to UA 1 034 930 as at 31st December, 2012.

- Commitments of EBID as at 31st December, 2012

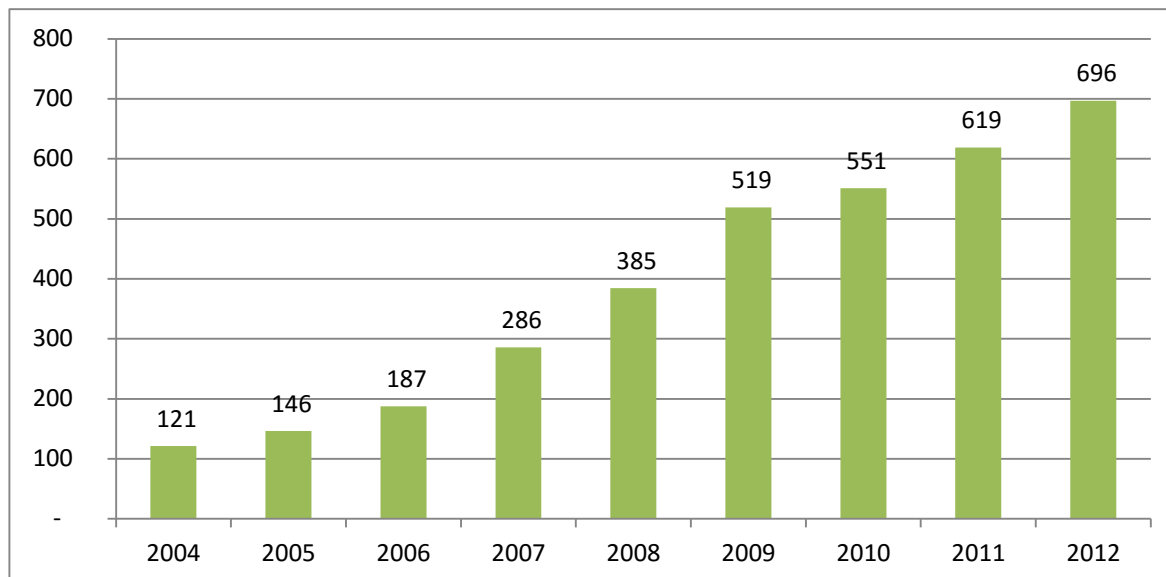
✓ Situation of commitments

522. As at 31st December, 2012, the total net commitments of the Bank in favour of the Member States of the Community amounted to UA 696 466 093 (US\$ 1 057 393 627) compared to UA

618 988 453 (US\$ 985 547 225) as at 31st December in 2011, in respect of 124 active projects. This represents an increase of 12.5%.

523. As indicated in the graph below, in nearly ten (10) years of activity (2004 – December 2012), the Bank multiplied its net cumulative commitments six (6) times from UA 121 million in 2004 to UA 696 million at the end of December 2012.

Figure 11: Net cumulative commitments of EBID between 2004 and 2012 (in millions of UA)



✓ Breakdown of Commitments

➤ by sector of activity

524. EBID continued to channel its interventions into the financing of infrastructure in all sectors; electricity interconnectivity works, the construction of inter-State roads, development of ports or the financing of port equipment, opening up of rural areas and development of digital coverage areas. These activities absorbed about 65.8% of the Bank's net cumulative commits indicated in the graph below.

Figure 12: Breakdown of net cumulative commitments of EBID by area of intervention as at 31/12/2012 (%)

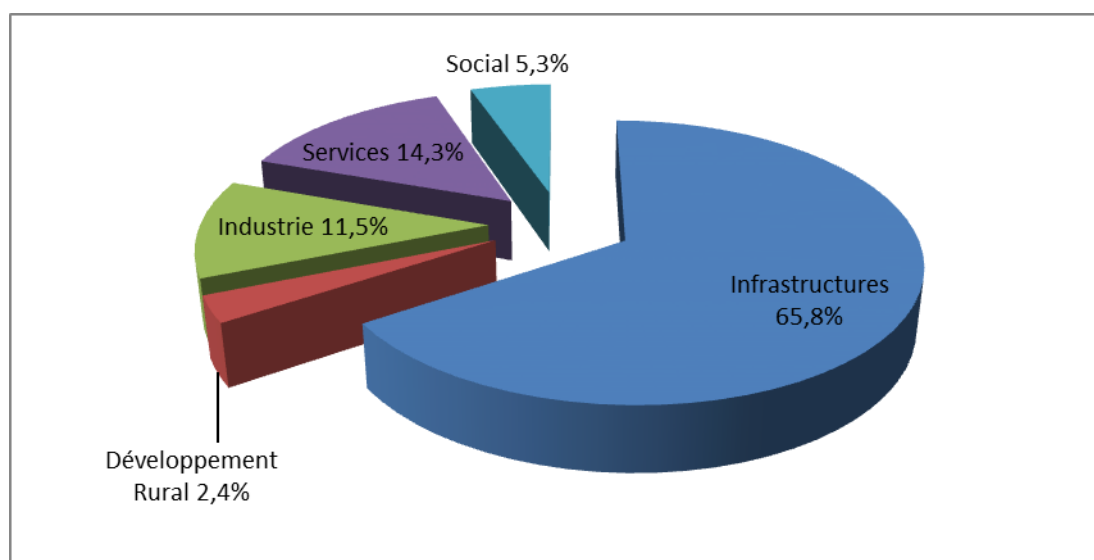


Table 3: Net cumulative commitments of EBID between 2011 and 2012 (in UA)

Type	Sectors	2011		2012		Variation (%)	
		Num.	Amount	Num.	Amount	Num.	Amount
Loan	Infrastructure	59	402 537 599	65	443 608 435	10,2%	10,2%
	Rural Development	6	14 750 308	7	21 488 624	16,7%	45,7%
	Industry	8	50 534 106	12	63 142 055	50,0%	24,9%
	Services	14	56 610 730	16	72 854 798	14,3%	28,7%
	Social	4	30 704 299	5	37 090 117	25,0%	20,8%
	Total Loans	91	555 137 042	105	638 184 029	15,4%	15,0%
Equity Participation	Services	10	23 490 655	13	26 665 112	30,0%	13,5%
	Total Participation	10	23 490 655	13	26 665 112	30,0%	13,5%
Guarantees	Infrastructures	3	20 678 311	3	14 573 337	0,0%	-29,5%
	Industry	3	19 638 926	3	17 043 615	0,0%	-13,2%
	Services	1	43 519	-	-	-100,0%	-100,0%
	Total Guarantees	7	40 360 756	6	31 616 952	-14,3%	-21,7%
COMMITMENTS		108	618 988 453	124	696 466 093	14,8%	12,5%

by sector:

525. As at 31st December, 2012, EBID granted loans in the amount of UA 434 729 459 for the financing of 66 public sector projects representing, 62.4% of the Bank's net cumulative commitments.
526. With regard to assistance for the development and promotion of the private sector the Bank made available the amount of UA 261 736 634 (representing 37.6% of the net cumulative commitments) for the financing of 58 projects.
527. Compared to the situation as at 31/12/2011 the Bank's net cumulative commitments in favour of the public and private sectors increased by 9.2% and 18.6% respectively.

Table 4: Breakdown of the net cumulative commitments of EBID by sector as at 31/12/2012

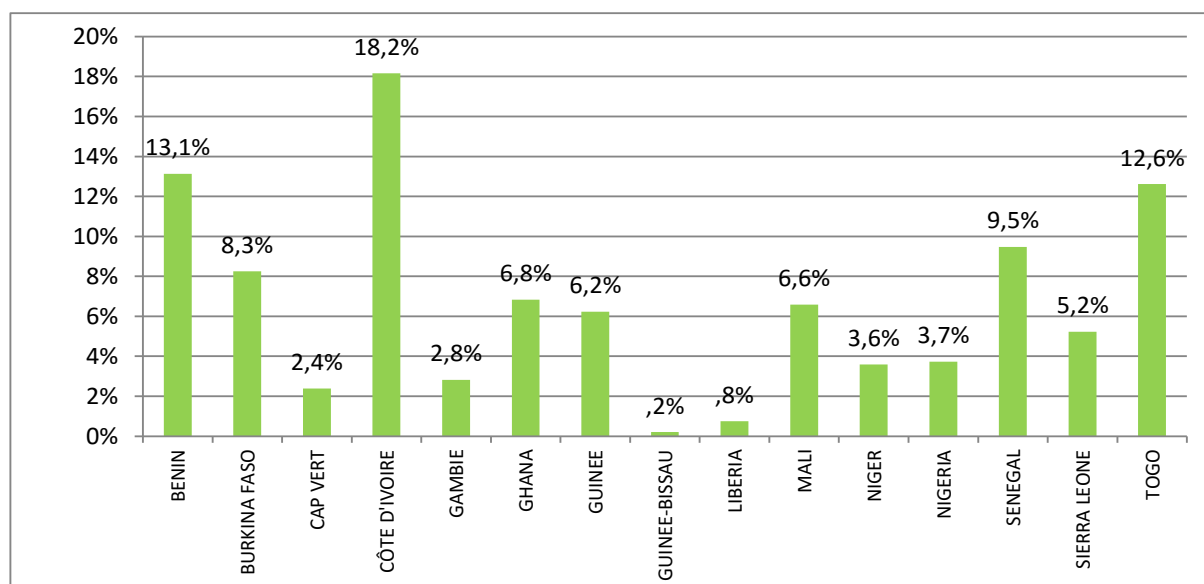
Sector	Nbr	Amount UA	Amount USD	% commitment
Public sector	66	434 729 459	660 018 002	62,4%
Private sector	58	261 736 634	397 375 625	37,6%
Total	124	696 466 093	1 057 393 627	100%

by country:

528. Even though all Member States of the Community benefited from the assistance of EBID, the breakdown of net cumulative commitment as presented in the table and graph below shows a concentration of the Bank's assistance on Côte d'Ivoire (18.2%), Benin (13.1%), Togo (12.6%) and Senegal (9.5%) and Burkina Faso (8.3%).

529. However, it should be pointed out that the Bank's commitments in Côte d'Ivoire comprise 21.4% of guarantees (representing 85.51% of the Bank's guarantee commitments). With regard to Togo, the Bank's commitments amount to 84.65 % in equity participation because the headquarters of the beneficiary entities (ASKY, ETI, CRRH-UEMOA, ABREF, SFT, etc...) are located in the country.

Figure 13: Breakdown of net cumulative commitment by country as at 31st December, 2012(in %)



530. As indicated in table 7 below, the interventions of EBID in 2012 were mainly in favour of Niger (+98.0%), Liberia (+79.0%), Cote d'Ivoire (+26%) and Togo (+24%).

Table 5 : Breakdown of net cumulative commitments by country as at 31/12/2012 (in UA)

Country	Commitment as at the end of Dec.2011	Commitment as at the end of Dec 2012	Variance 2011/2012	% Commitment
	UA	UA		
BENIN	85 077 893	91 463 711	8%	13,1%
BURKINA FASO	60 720 978	57 459 301	-5%	8,3%

CABO VERDE	13 273 599	16 582 141	25%	2,4%
CÔTE D'IVOIRE	100 136 005	126 500 393	26%	18,2%
GAMBIA	19 683 339	19 683 339	0%	2,8%
GHANA	47 562 883	47 562 883	0%	6,8%
GUINEA	37 259 468	43 429 837	17%	6,2%
GUINEA-BISSAU	1 421 512	1 421 512	0%	0,2%
LIBERIA	2 927 580	5 243 425	79%	0,8%
MALI	39 148 962	45 887 278	17%	6,6%
NIGER	12 607 880	25 007 151	98%	3,6%
NIGERIA	26 006 532	26 006 532	0%	3,7%
SENEGAL	66 018 101	66 018 101	0%	9,5%
SIERRA LEONE	36 355 175	36 355 175	0%	5,2%
TOGO	70 788 546	87 845 314	24%	12,6%
TOTAL	618 988 453	696 466 093	12,5%	100,0%

✓ *Disbursements as at 31st December, 2012*

531. From 1st January to 31st December, 2012, disbursements amounted to UA61 806 497 bringing the cumulative total to UA 321 915 094 against UA 260 108 597 achieved in 2011 representing an increase of 23.8%. The rate of disbursements of active loans increases by 50.0% over its commitments as at 31st December 2012.

532. Following the repayments effected, the loans outstanding amounted to UA 265 500 251 (US\$ 403 089 650) as at 31st December, 2012.

533. The situation of outstanding loans by country is as follows:

Table 6 : Breakdown of Loans Outstanding by Country as at 31st December, 2012 (in UA)

Country	Nbr	Commitment	Disbursement	Undisbursed	Princ. Due	Reimb. Princ.	Amount outstanding	
							Amount	Portion (%)
BENIN	15	91 146 420	48 021 476	43 124 944	10 758 935	9 847 598	38 173 878	14,4%
BURKINA FASO	10	53 337 509	30 193 116	23 144 393	6 663 612	4 404 683	25 788 433	9,7%
CABO VERDE	4	16 582 141	9 498 095	7 084 046	584 861	574 118	8 923 977	3,4%
CÔTE D'IVOIRE	12	97 962 076	27 797 319	70 164 757	7 604 544	7 331 304	20 466 015	7,7%
The GAMBIA	3	19 683 339	3 312 375	16 370 964	449 145	392 002	2 863 230	1,1%
GHANA	7	47 562 883	15 755 183	31 807 700	1 714 687	1 537 607	14 217 576	5,4%
GUINEA	7	43 429 837	32 224 546	11 205 291	6 958 902	5 307 215	26 917 331	10,1%
GUINEA BISSAU	4	1 421 512	1 421 512	-	1 020 584	136 419	1 285 093	0,5%
LIBERIA	2	3 924 410	1 964 766	1 959 644	-	-	1 964 766	0,7%
MALI	9	45 887 278	31 892 821	13 994 457	4 010 410	3 635 005	28 257 816	10,6%
NIGER	6	25 007 151	4 549 026	20 458 125	84 517	54 219	4 494 807	1,7%
NIGERIA	3	26 006 532	6 525 300	19 481 232	2 593 904	2 369 431	4 155 869	1,6%
SENEGAL	8	66 018 101	48 922 325	17 095 776	14 565 526	11 725 028	37 197 297	14,0%
SIERRA LEONE	3	36 355 175	21 431 372	14 923 803	239 763	238 763	21 192 609	8,0%
TOGO	12	63 859 665	38 405 862	25 453 803	8 716 065	8 804 308	29 601 554	11,1%
TOTAL LOANS	105	638 184 029	321 915 094	316 268 935	65 965 455	56 357 700	265 500 251	100,0%

4.5.4 Cooperation and resource mobilization activities

534. The implementation of activities relating to cooperation, partnership and the mobilization of financial resources is an important aspect in the development strategy of EBID. The Bank maintains the triple objective of raising awareness about the institution within the Community and development partners, searching for the various forms of technical assistance required for the development of the Bank and an adequate resource base to boost project financing activities to guarantee profitability and a secure future.

- Cooperation and partnership activities

535. The main cooperation and partnership initiatives recorded in 2012 are as follows:

- a tripartite meeting with the ADF and ADB was organized in January 2012 at the headquarters of the Bank in Lome within the framework of coordinating their support to EBID. At the end of the meeting the ADB pledged to provide support to the Bank in the area of human resources development and putting in place a modern archival system. As a result, a mission from ADB visited the Bank from 24th to 28th September 2012 to finalize the technical assistance programme to be submitted to the Fund for African Private Sector Assistance (FAPA) during its October 2012 session. At a total cost of about one million dollars (US) the programme is intended to strengthen the strategic orientation of EBID in order to allow it to improve the efficiency in carrying out its mandate as an instrument for financing regional development and poverty reduction through its private sector window. More specifically, the programme has the triple objective of:
 - ✓ strengthening the interventions of the Bank in the private sector;
 - ✓ developing the technical competence of its personnel; and
 - ✓ improving the Bank's capacity for mobilising financial resources.
- commencement of a contract for technical assistance from the ADF in February 2012 for a period of seventeen (17) months. Furthermore, it should be recalled that the grant in the amount of 500 000 euros was earmarked for capacity building regarding the monitoring of risks, upgrading anti-money laundering procedures, upgrading the procedures for controlling the financing of terrorism as well as upgrading the social and environmental responsibility policy;
- organization of two awareness raising and promotion missions to Owerri (IMO State) and Dutse (JIGAWA State) in Nigeria with a view to attracting economic operators from the country in order to consolidate the Bank's private sector portfolio;
- Participation in an awareness raising mission by all ECOWAS institutions which was jointly organized by the Ministry of Foreign Affairs of Nigeria and the ECOWAS Commission from 18-20 September, 2012 in Lagos.

- Resource Mobilization Activities

536. The resource mobilization activities undertaken by the Bank were in respect of capital, borrowings and special resources.

537. With regard to capital, the Bank received payment from Senegal and Côte d'Ivoire (UA 3 824 271) as part-payment of the arrears due from them over the call up of the first tranche of capital. To date only six countries namely, Benin, Burkina Faso, Ghana, Mali, Nigeria and Togo have paid up their share of amounts due from the first tranche of capital.
538. Furthermore, the President of the Bank embarked on missions to the Heads of State of the Community in relation to the payment of the second tranche of UA 245 million which was called in January 2012 following the increase called up to in October 2011 which raised the Bank's capital from UA 603 million to UA 1 billion. In this regard, it is important to note the payments in the sum of UA 14 127 917 made by Ghana (UA 12 216 011) and Togo (UA 1 911 906) respectively.
539. With regard **to borrowings**, the main progress recorded during the period under review were in respect of:
- ✓ continuation of the discussions initiated in 2011 with Afrexim Bank within the framework of mobilizing US\$ 40 million comprising US\$ 25 million in medium term loans and US\$ 15 million in short term loans for trade financing;
 - ✓ continuation of the negotiations with IDC with a view to renewing the line of credit in the amount of US\$ 30 million ;
 - ✓ continuation of the measures to raise funds from Nigeria's financial markets (Nigeria Stock Exchange);
 - ✓ the signing of a Memorandum of Understanding with Thathani Investment Holdings (PTY) LTD, to assist EBID in mobilizing resources in South Africa from Public Investment Corporation (PIC);
 - ✓ an MoU to be signed between EBID and Public Investment Corporation of South Africa for co-financing of projects, taking stake in shares and opening lines of credit for the Bank;
 - ✓ commencement of negotiations on 10th December 2012 with the Japanese International Cooperation Agency (JICA) which will enable the mobilisation of resources for the Bank. JICA is a new Japanese facility for financing the development of the private sector in Africa. Their interventions take the form of lines of credit, direct loans and technical assistance.
540. Special resources: the progress made in this regard was mainly in respect of the mobilization of resources within the Community, specifically, from the Community Levy. Progress made in this direction during the year related to discussions held between the Bank and the ECOWAS Commission on the operationalisation of the decision taken by the ECOWAS Authority of Heads of State and Government at their meeting held on 16 1nd 17 February 2012 in Abuja requesting the ECOWAS Commission to transfer the surplus of the Community Levy to EBID to enable the Bank finance infrastructure. However, the financial implications of the political crises in the region seem to slow down the effective implementation of this decision. The Heads of State and Government have requested that a study be undertaken to have a better appreciation of the situation in order find a sustainable solution to this perennial issue of the Bank.

541. Over all, resource mobilization remains a major challenge for the Bank in view of the enormous needs relating to the financing of regional projects and programmes and those originating from each of the fifteen ECOWAS Member States.
542. Within this framework, the contribution of the Member States to the capital and access to funds from the Community Levy would constitute viable alternatives for the enhancement of the Bank's own resources.

4.5.5 Financial Situation of the Bank as at 31st December, 2012

543. The financial situation of the Bank as at 31st December is summarized as follows:

✓ Balance Sheet as at 31st December, 2012

544. Compared to December 2011, an analysis of the provisional accounts of the Bank carried out in December, 2012 revealed an increase of 17.3% from UA 304.7 million the previous year to UA 357.5 million. This represents an increase of Ua 52.8 million, being US\$ 84.1 million.

Table 7: Balance Sheet as at 31st December, 2012 (in thousands of UA)

ITEM	31/12/2011	31/12/2012	Variance	
			Absolute	Relative
ASSET				
Cash and bank accounts	2 819	3 929	1 110	39,4%
Short term investments	41 376	47 743	6 367	15,4%
Loans to Member States	217 612	255 696	38 084	17,5%
Inter-institutional accounts	708	425	-283	-40,0%
Other negative balances	9 549	10 546	997	10,4%
Long term investments	15 500	22 301	6 801	43,9%
Fixed assets	17 136	16 876	-260	-1,5%
Total assets	304 700	357 515	52 815	17,3%
LIABILITY				
Credit balances	6 648	6 878	230	3,5%
Borrowings	136 939	171 147	34 208	25,0%
Inter-institutional accounts	72	1 465	1 393	1934,1%
Capital	124 161	142 130	17 969	14,5%
Free reserves	28 055	26 672	-1 382	-4,9%
	295 874	348 292	52 418	17,7%
Minority interests	8 826	9 223	397	4,5%
Total liability	304 700	357 515	52 815	17,3%
OFF BALANCE SHEET				
Guarantee outstanding	40 361	31 617	-8 744	-21,7%

✓ **Income Statement as at 31st December, 2012**

545. As indicated in the profit and loss account shown below, despite a consolidation of activities, the Bank only made a profit of UA 0.07 million after achieving a profit of UA 1.886 million in 2011. This poor performance resulted essentially from the provisions made to cover possible losses, notably on two loans extended to the private sector. Gross operating income for the period amounted to UA 3.1 million as at the end of December 2012, representing nearly three times that recorded in 2011 (UA 1.1 million).

Table 8: Income statement as at 31st December, 2012 (in thousands of UA)

INCOME		ITEM	EXPENSES	
31/12/2011	31/12/2012		31/12/2011	31/12/2012
12 631	12 682	Interest and incomes/similar charges	6 057	6 057
3 177	3 491	Commissions (income/charges)	-	-
15 808	16 173	Total Interest and commissions	6 057	6 057
9 751	9 976	INTEREST MARGIN		
1 145	586	Gains or losses on placement portfolios	- 60	- 60
16 953	16 759	Total income/bank charges	5 997	5 997
10 956	10 540	NET BANKING INCOME		
124	464	Other incomes / General operating expenses	9 079	9 079
		Subv /Amortization of fixed and intangible assets	872	872
17 076	17 223	Total income/expenses	15 948	15 948
1 128	3 117	GROSS OPERATING INCOME		
		Risk-related cost	920	-920
2 048	464	OPERATING INCOME		
		Minority holdings	162	162
1 886	69	NET RESULT		

✓ Analysis of Financial Ratios

546. Analysis of the annual account of the Bank at the end of the financial year ended 31st December 2012 indicates that EBID had a worse fiscal year than the previous year. Indeed, at the end of the fiscal year 2012, the financial position of the Bank showed a net profit of UA 68,307 compared to a profit of UA 1.886 million in 2011.
547. By way of detail, during the period under review the interest margin showed a slight increase of 2.31%, amounting to UA 9.976 million against UA 9.751 million at the end of December 2011. In contrast to interest margin, net banking income recorded a decrease of 3.79% compared to its level in the previous year, linked to the decline in interest in fixed deposits. It stood at UA 10.54 million against UA 10.956 million recorded a year earlier.

Table 9: Some Important Aggregates at 2012 (UA '000)

AGGREGATES	VALUE (UA million)		VARIATION (%)
	31/12/2011	31/12/2012	
Interest Margin	9,751	9,976	2,31%
Net Banking Income	10,956	10 540	-3,79%
Cost of Risk	- 0,920	2 653	-388,32%
Net Results	1,886	69	-96,33%

548. As a result of a better control of the other operating expenses which decreased by 24.9% compared to its level in 2011 (UA 6.8 million compared to UA 9.1 million in 2011), the operating income improved significantly to UA 3.1 million, almost three times its level in 2011.

549. In this process, the net operating income ratio saw a sharp improvement, attaining 64.7% against 82.87% recorded in 2011. Thus, this rate fell below the accepted standard of 65%.
550. With regard to operating profitability, which is the ratio of net income to bank operating product (PEB), this fell to 0.66% from 17.21% in 2011, on account of the low level of profit for the year.
551. Concerning the co-efficient of performance, which indicates the efficiency of the resources employed for the activities of the bank, it stood at 0.02% while the required minimum level should be 1.0%.
552. Finally, unlike the previous two ratios that do not meet standards, the ration of financial strength stood very comfortable at 49.8% in 2012 compared to 52.85% in 2011. It demonstrates the consistency of capital, which represents almost half of the total assets of the Bank as the minimum desirable for banks in this area is 2%.

Table 10: Some financial ratios as at 31st December, 2012

Financial ratio	Formular	Values As At		Standard
		31/12/2011	31/12/2012	
Operating Ratio	General cost	82,87%	64,70%	< 65%
	Net banking income			
Operating Profitability Ratio	Net result	17,21%	0,66%	> 5%
	Net banking income			
Profitability Ratio	Net result	0,62%	0,02%	> 1%
	Total balance sheet			
Ratio of Financial Base	Own resources	52,85%	49,80%	> 2%
	Total balance sheet			

553. Despite the consolidation of operational activities, the income statement of the Bank is hardly shining due to the level of provisions made to address possible loses associated with two loans to the private sector.
554. On the other hand, after three years of implementing the 2010-2014 Strategic Plan of the institution, the main objectives have not been fully achieved due to the lack of adequate resources. Indeed, although consolidated commitments amount to UA 280.8 million accounting for only 47.5% of the projected of UA 590.7 million set for the period. Thus, between 2009 (the base year of this plan) and 2012, accumulated net commitments increased by 35%, from UA 519 million in December 2009 to UA 696.5 million at end of December 2012. This situation is mainly attributed to the lack of adequate funding for public projects, since the objectives in terms of financing private projects were exceeded.
555. From this emerge two major challenges facing the institution, namely, the availability of sustainable financial resources for financing infrastructural projects and better management of risks inherent in the operations of the private sector.
556. In this respect, mobilising capital resources while increasing equity of the Bank constitute, undoubtedly, an undeniable way and important lever for bringing in funds from outside the region. Similarly, discussions with the ECOWAS Commission to set aside a proportion of the Community Levy for financing community programmes must be pursued. Within this framework the support of Member States to the institution would be most welcome.

CONCLUSION

557. Through the present Annual Report an exhaustive account of the activities undertaken by the Commission and other institutions of ECOWAS during the period has been presented. This document confirms that the guidelines for the implementation of the Commission's 2012 work programme have been generally adhered to, in spite of a few constraints mainly due to inadequate budgetary and human resources.
558. In the domain of political governance, the 40th Ordinary Session of the Authority of Heads of State and Government, held in Abuja on 16 and 17 February 2012 elected H.E. Alassane Dramane Ouattara, President of the Republic of Côte d'Ivoire, as Chairman of the Authority of ECOWAS Heads of State and Government for a one-year mandate. Furthermore, the Summit appointed H.E. Kadré Désiré Ouédraogo, a national of Burkina Faso, former Prime Minister and Ambassador of Burkina Faso to Brussels, as President of the ECOWAS Commission for four-year tenure.
559. With respect to regional peace and security, in Mali, a rebellion launched by the National Movement for the Liberation of Azawad in January 2012 culminated in the occupation of the northern part of the country and a coup d'état in March the same year. Similarly, in Guinea Bissau, the military takeover on 12 April 2012 halted an on-going presidential election to choose the successor to the late President Malam Bacai Sanha, and thus created another constitutional crisis. As a result, the Commission is pre-occupied with the task of finding peaceful solutions to ending the crises in Mali and Guinea Bissau.
560. As regards the economic situation, whilst global economic growth is projected to decelerate from 3.8% in 2011 to around 3.3% in 2012, that of West Africa is expected to rise steadily to around 6.6% in 2012 from 5.9% in 2011. This impressive growth performance for the ECOWAS Member States in 2012 is accounted for by the diverse growth rates projected for the region, which range from -1.2% for Mali to 17.9 percent for Sierra Leone. In fact, forecasts show that eight ECOWAS Member States would record growth rates not less than 5 percent in 2012. In particular, countries of the West African Monetary Zone (WAMZ) including The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone, will record stronger growth compared to the UEMOA countries owing to the progress achieved in political governance as well as economic reforms.
561. In terms of regional infrastructure, the principal activity of the Commission has been the implementation of the regional road transport and transit facilitation programme. The Construction of Joint Border Posts (JBPs) at Seme/Krake (Nigeria/Benin) and Noepe (Ghana/Togo) with EU funding has attained overall physical progress of about 35% for Seme/Krake and 60% for Noepe. With regards to the West African rail masterplan, the Commission has launched a process for detailed engineering studies of the highest ranking link connecting the Abidjan-Ouagadougou railway line to the Republic of Niger.
562. With regard to agricultural development, the Commission is strongly committed to reducing food vulnerability and promoting sustainable access to food in ECOWAS Member States. With a view to facilitating the implementation of the ECOWAS Agricultural Policy, the ECOWAS Council of Ministers approved the allocation of additional funds, i.e., thirty million US dollars (US \$30,000,000.00) per annum to the Regional Fund for a five-year (5) period. A total of thirty five Young Agro-entrepreneurs from the 15 ECOWAS member states (nearly 50% of young women)

have successfully completed a programme of specialized training through partnerships developed with the Songhai Centre in Porto Novo.

563. In the area of climate change and fight against desertification, the Commission undertook a number of activities during the period under review to ensure good environmental governance and the promotion of sustainable development through the sustainable management of natural resources, with a view to improving the regional economy in keeping with environmental safeguards. Towards that end, the Commission has finalized the terms of reference to launch a study on the development of overall policy agenda of ECOWAS climate change as well as strengthened the capacity of negotiators on the United Nations Convention on the fight against desertification.
564. Significant progress was also achieved in the implementation of multilateral surveillance programmes on the economic performance of Member States with the finalization of the ECOWAS Macroeconomic Database for Multilateral Surveillance (ECOMAC) and preparation of country and regional macroeconomic surveillance reports. As part of the effective implementation of the Roadmap for the ECOWAS single currency, the Commission held two regional workshops to validate reports on the harmonization of public finance policies and practices relating to the procurement and management of public debt. Concrete achievements were also recorded in the area of private sector promotion and development as well as in the implementation of trade-related integration programmes aimed at accelerating progress towards monetary and economic integration in the region. Moreover, the deployment of the Commission's strategic plan is continuing with the ongoing finalization of the medium term plans as well as the monitoring-evaluation instruments
565. It is important to note that all Member States of the Community have been implementing the ECOWAS Community Levy as required by the ECOWAS Protocol. However, the degree of implementation varies from one Member State to the other. There are obvious difficulties in the implementation by some Member States as regards the tax base, collections and effective deposits of the Levy into the ECOWAS account at the Central Bank of Member States.
566. These achievements are quite encouraging. Nonetheless, the Commission should direct its efforts towards endowing the Institution with full powers to undertake regional projects. It is therefore worth making the following recommendations:

RECOMMENDATIONS

- i. The Commission should resolutely continue its good efforts to preserve human rights and political stability in the region, including its efforts in Mali and Guinea Bissau as well as in other countries where it has provided support in the past.
- ii. The Commission should endeavour at all times to maintain the considerable progress made with respect to economic growth. This should be made more inclusive in order to have impact on poverty reduction.
- iii. The Commission should continue its commitment to the development of regional infrastructure and make advancement in strengthening food security in the region as well as mitigating constraints to free movement.
- iv. The Commission should continue its efforts in mobilising adequate financial resources and adapted to the needs of the region with a view to promoting productive investment, in particular for financing agricultural investment programmes.
- v. The implementation of the ECOWAS Single Currency Roadmap should be accelerated with a view to expediting the process of implementing a single currency in the region;
- vi. Member States should be encouraged to continue to apply, rigorously, the Community provisions, particularly those in the area of the free movement of persons, goods, capital and the right of residence; and
- vii. Finally, Member States should continue to comply with all the provisions of the Community Levy protocol.

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ANNEXES