

2016 ANNUAL REPORT

***“ECOWAS COMMON EXTERNAL TARIFF (CET): ACHIEVEMENTS,
CHALLENGES AND PROSPECTS”***

Abuja, November 2016

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ABBREVIATIONS AND ACRONYMS

ACP	African, Caribbean and Pacific Group of States
ACBF	African Capacity Building Foundation
AECID	Agency for International Development
AfDB	African Development Bank
AFRISTAT	African Statistical Observatory Office (Bamako)
AIF	Inter-governmental Agency of the Francophonie
AML/CFT	Anti Money laundering and Counter Terrorism Financing
BCEAO	Central Bank of West African States
BOAD	West African Development Bank
CAADP	Comprehensive African Agricultural Development Programme (of NEPAD)
CCC	Community Computer Centre
CCR	Center for Conflict Resolution
CCSP	Coordinating Committee of ECOWAS Strategic Planning
CET	Common External Tariff
CIDA	Canadian International Development Agency
CILSS	Inter-State Committee on Drought Control in the Sahel
CORAF	West and Central African Council on Agricultural Research
CSD	United Nations Commission on Sustainable Development
CSF	Community Strategic Framework
CSOs	Civil Society Organisations
EBID	ECOWAS Bank for Investment and Development
ECCAS	Economic Community of Central African States
ECOFEST	ECOWAS Festival of Arts & Culture
ECOMAC	ECOWAS Common Statistics Database System for Multilateral Surveillance
ECOQUAL	ECOWAS Quality Policy
ECOSAP	ECOWAS Small Arms Control Programme
ECOWAP	ECOWAS Agricultural Policy
ECOWARN	ECOWAS-wide Warning and Response Network
ECOWIC	ECOWAS Investment Code
ECOWIP	ECOWAS Investment Policy
EDF	European Development Fund
EMPC	ECOWAS Monetary cooperation programme
EPA	Economic Partnership Agreement
EPF	ECOWAS Peace Fund
ERDF	ECOWAS Regional Development Fund
EU	European Union
EUROSTAT	European Statistical Office (Luxembourg)
FAO	Food and Agriculture Organisation
GIABA	Inter-governmental Action Group against Money Laundering in Africa
ICT	Information and Communications Technology
IDRC	International Development Research Centre
IGOs	Inter-governmental Organisations
IMF	International Monetary Fund
IPAS	Investment Promotion Agencies
IPAWAS	Investment Promotion Agencies of West Africa

IPPF	Infrastructural Project Preparation Facility (NEPAD Facility)
ISRT	Inter-State road transit (ECOWAS convention)
MDGs	Millennium Development Goals
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organisation
NSA	Non State Actors
OECD	Organisation for Economic Cooperation and Development
OMC	Observation and Monitoring Centre (ECOWAS facility)
OMVG	Organisation for Development of the Gambia Basin
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
REC	Regional Economic Communities
RTIS	Regional Trade Information System
SAP	Systems, Applications and products
SIDA	Swedish International Development Agency
TNCB	Trade Negotiation Capacity Building Project
TRAPCA	Trade Policy Training Centre for Africa
UEMOA	West African Economic and Monetary Union
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNECA	United Nations Commission for Africa
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNHCR	United Nations High Commission for Refugees
UNIDO	United Nations Industrial Development Organisation
USAID	United States Agency for International Development
WABA	West African Bankers Association
WACSOFF	West African Civil Society Forum
WAHO	West African Health Organisation
WAMA	West African Monetary Agency
WAMI	West African Monetary Institute
WAPP	West African Power Pool
WHO	World Health Organisation

ACKNOWLEDGEMENT

The 2016 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 M. Mamadou TRAORÉ, Commissioner of Macroeconomic Policy and Economic Research.

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The editorial team would like to take this opportunity to thank all Commissioners and Directors of the Commission as well as heads of other Community Institutions and Agencies for their important contributions to this annual report. We also wish to acknowledge the support of the ECOWAS Language Unit and the team of translators whose tireless effort enabled the translation of the document.

MESSAGE FROM THE PRESIDENT OF THE ECOWAS COMMISSION

The year 2016 witnessed the assumption of office of new Commissioners, Vice President and President of the ECOWAS Commission, as well as inauguration of the Fourth Legislature of the Community Parliament.

In the area of integration, significant strides have been made in policy harmonisation and implementation of activities geared towards the free movement of persons and goods in the Community.

The official inauguration of the Task Force on the ECOWAS Trade Liberalisation Scheme in May 2016 in Ouagadougou, is expected to reduce non-tariff barriers that hinder intra-regional trade development alongside improving the current low level of trade.

It should be recalled that the Task Force is composed of seven eminent persons and chaired by Mr. Salou DJIBO, former Nigerien Head of State.

With respect to peace and security, efforts made by the Heads of State and Government culminated in significant progress in the consolidation of peace in Member States and resolution of the crisis in Guinea Bissau.

However, many challenges remain in the form of terrorist attacks that continue to hit hardworking populations particularly in Mali, Burkina Faso, Cote d'Ivoire, Niger and Nigeria.

On maritime security, it is important to emphasise the operationalisation of the West African Regional Centre for Maritime Security (CRESMAO) based in Cote d'Ivoire, which will enhance the capacity of the Member States concerned in the fight against maritime piracy. The implementation of the conclusions of the recent African Union Summit held on 15 October 2016 in Lomé on Maritime Security and Safety and Development in Africa will help develop systematic measures to combat maritime piracy, improve security at ports and facilitate trade.

As regards the economy, the year 2016 was characterised by varying degrees of success in Member States. While growth remained robust in certain Member States such as Cote d'Ivoire and Senegal, it was, however, very slow, if not negative in other countries of the Community. For instance, Nigeria, the region's largest economy, experienced negative growth rate due to the combined effect of lower oil prices and acts of vandalism on oil facilities in the Niger Delta region. Indeed, from 6.3% in 2014, Nigeria's growth rate declined to 2.7% in 2015 and IMF projections published in October 2016 indicate a growth rate of -0.2% in 2016.

In this connection, the 2016 ECOWAS economic outlook indicates a contraction in growth rate projected to reach -1.7% against 6.1% and 3.0% in 2014 and 2015 respectively.

In view of the challenges encountered by Member States, it is imperative to shift attention to policies aimed at promoting the structural transformation of our economies and boosting intra-Community trade.

In deciding on the theme of the 2015 Annual Report, “**ECOWAS Common External Tariff: Achievements, Challenges and Prospects**”, we wanted to emphasise the importance of trade among Member States in the construction of the economic and monetary union, *viz*, the advent of the 16th economy that is an ECOWAS working and evolving as a single entity.

Through this theme, we also intend to call on Member States yet to ratify and implement the ECOWAS CET, to speed up the process and urge all countries in our Community to work towards the effective implementation of the ECOWAS Trade Liberalisation Scheme.

Our desire to build a Community of shared prosperity and achieve the aspirations of our Founding Fathers cannot be fulfilled without true mobility of persons and goods. I avail myself of this opportunity to express my appreciation to the Heads of State and Government for their continued support to ECOWAS Institutions in the implementation of integration projects.

On behalf of Community Institutions, I would like to express our gratitude to the Heads of State and Government and extend our sincere appreciation to Her Excellency Ellen Johnson Sirleaf, President of the Republic of Liberia and current Chairperson of the ECOWAS Authority of Heads of State and Government, for her leadership and wise counsel in steering the affairs of ECOWAS.

Our Community remains the benchmark for preventive diplomacy in the area of peace and security. Despite a few rough spells, the region has always been able to arrive at a compromise through dialogue, particularly under the supervision of the Heads of State and Government. In that regard, I would like to commend the Agreement reached on the resolution of the political crisis in Guinea Bissau alongside the conclusions of the mediation that took place from 11 to 14 October 2016 in Conakry, under the chairmanship of His Excellency Prof Alpha Conde, President of the Republic of Guinea, which resulted in a consensus to end the crisis. It is my hope that this agreement will mark a new beginning for this country that has suffered so much from instability.

I should also like to express my deep gratitude to all partners who trust ECOWAS and accompany us through various technical and financial support.

Notwithstanding the challenging environment, the results achieved in the execution of programmes are a source of satisfaction. I, therefore, extend my warmest congratulations to all staff of Community Institutions for their selfless dedication and contribution to the success of ECOWAS.

I am confident that together, and with the continued and renewed support of Statutory Bodies of the Community, we will achieve ECOWAS Vision of peace, prosperity and happiness.

**H.E. Marcel A. de SOUZA +
President of the Commission**

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EXECUTIVE SUMMARY

- i. The 2016 Annual Report was prepared from the contributions of the different Departments of the Commission and other Community Institutions regarding the progress made in the implementation of their work programmes in the period under review. It is divided into four major chapters. Chapter I reviews recent economic developments in the region, against the backdrop of the global economic environment, while Chapter II highlights the status of implementation of the Community work programme. Chapter III covers the theme of the report which for 2016, focuses on the implementation of the ECOWAS Common External Tariff. Chapter IV analyses the activities of other ECOWAS Institutions and the last section presents the conclusions and recommendations.
- ii. **Economic Performance:** The global economy is expected to grow at 3.1 percent in 2016 compared to 3.2 percent in 2015, however, it has been forecasted to increase by 3.4 in 2017. Factors driving the subdued performance in 2016 include shocks such as the Brexit on Euro-area, rebalancing in China, protracted low commodity prices, persistent low inflation in advanced economies as well as noneconomic factor such as geopolitical conflicts.
- III. This growth prospect differs substantially across countries and regions, with emerging Asia and particularly India achieving a robust growth, while Sub-Sahara Africa undergoes a harsh slowdown due to protracted low commodity prices.
- iv. West Africa, which for a long time was one of the highest performing regions of the continent, will be the most affected by the decline in global activity in 2016. Average real GDP growth is expected to be negative at -0.2%, compared to 3.1% in 2015. The sharp fall in the region's growth dynamics is due essentially to the economic recession in Nigeria, the major economy in the region, which will record a significant drop of -1.7% in real GDP in 2016, compared to 2.7% in 2015. However, the overall negative ECOWAS situation contrasts with the favourable economic performance of most of the countries in the West African region. Thus, regional economic forecasts highlight the disparities among countries and the sometimes asymmetric nature of the shocks affecting Member States.

Macroeconomic Policy and Research

- V. **Monetary Integration :** The Commission, in collaboration with the regional institutions involved in the implementation of the ECOWAS Monetary Cooperation Programme, facilitated the effective monitoring and implementation of the ECOWAS Multilateral Surveillance Mechanism and the roadmap for the ECOWAS Single Currency through the execution of several activities including the conduct of half-yearly Joint ECOWAS Commission – West African Monetary Agency (WAMA)- West African Monetary Institute (WAMI) multilateral Surveillance Missions to ECOWAS Member States to evaluate the status of macroeconomic stability and convergence in the region.
- vi. **Research and Statistics:** the major activities in this area concern: (i) ongoing diagnostic study on the status of research, which led to the finalisation of the Regional Economic Research Programme (2017-2021 RERP), ii) continued implementation of statistics harmonisation methodology on the consumer price index, national accounts, balance of payments, and (iii) monitoring of ECOBASE.
- vii. **Community Development Programme (CDP):** activities revolved around preparations for the donor roundtable for financing CDP projects, which will be held in Abidjan in March 2017. The activities focused on the technical preparation of documents for the seven priority projects,

meetings with technical and financial partners and the private sector, with a view to obtaining support in the organisation of the roundtable.

- viii. **Economic Policy Analysis Unit:** activities centred on knowledge production to aid decision-making, including the organisation of the International Conference on child poverty and social welfare in West and Central Africa in collaboration with UNICEF, study on innovating funding mechanisms for the Commission and study on the reduction of travel costs at the Commission.

Private Sector Promotion, Trade, Customs, Industry, Free Movement and Tourism

- ix. **Private Sector:** In addition to the establishment of the West African Securities Regulators Association, (WASRA) in July 2016 by a charter among the Securities and Exchange Commissions of Nigeria and Ghana respectively, the Commission reviewed and finalized the draft ECOWAS Investment Code and Policy in collaboration with the Member States and organised a Transfer Pricing Conference for all Tax and Revenue Administration authorities in ECOWAS from 11th to 13th of October, 2016 to share experiences and build requisite capacities in Transfer Pricing regulatory frameworks.
- x. **Trade:** Significant progress was made in the formulation of an ECOWAS Common Trade Policy (CTP) and the implementation of trade promotion activities in the region including the strengthening of regional capacities in trade negotiations and the establishment of ECOWAS Regional Competition Authority (ERCA) in The Gambia. The ECOWAS Commission also embarked on a number of priority activities to prepare the region for the implementation of the Economic Partnership Agreement (EPA) between the EU and West Africa which has already been signed by 28 EU countries and 14 of the 16 West African Member States.
- xi. **Customs:** in 2016, the Commission focused efforts on making the Customs Union effective through the application of the ECOWAS Common External Tariff (CET) and formulation of a strategy for enhanced implementation of the ECOWAS Trade Liberalisation Scheme (ETLS). Also, a Task Force on the trade liberalisation scheme was set up during the year to facilitate implementation of Community texts by Member States.
- xii. The ECOWAS CET is currently being implemented in ten Member States, the last country to commence implementation was Guinea Bissau which officially launched the tariff on 24 October 2016.
- xiii. In order to improve the regional trade environment and encourage Member States to implement ETLS Protocols and Regulations as was directed by the extraordinary session of the Authority of Heads of State held in Dakar, Senegal on 25 October 2013, a Task Force on the free movement of goods within ECOWAS was created. Task Force members were officially inaugurated by the President of Burkina Faso on 20 May 2016 in Ouagadougou.
- xiv. **Free Movement:** the ECOWAS Biometric ID, which replaces the ECOWAS Travel Certificate, is currently being implemented. Senegal, Mali and Niger were the first countries to commence implementation.
- xv. In order to check racketeering and guarantee the security of people, an operational mechanism to monitor vehicles was launched in Cote d'Ivoire, Mali, Togo, Benin, Burkina Faso and Niger.
- xvi. **Tourism:** ECOWAS has prepared a regional tourism policy and action plan (ECOTOUR 17/27) which is in the process of adoption and has commenced introduction of new rules on the classification of hotels and other accommodation and foodservice establishments.

Agriculture and Environment

- xvii. **Agriculture and Food Security:** an appraisal of the ten years of implementation of the ECOWAS Agricultural Policy (ECOWAP) revealed:
- a number of activities deployed aimed at improving productivity and the production of strategic crops (rice, maize, cassava) and livestock products through the intensification of farming systems and improvement of productivity, as well as the restructuring of sub-sectors;
 - implementation of initiatives by ECOWAS to guarantee food security for West Africans through the “Zero Hunger” initiative aimed at overcoming hunger and malnutrition by 2025. This will involve the revision and adoption of the Charter for the prevention and management of food crises in West Africa, extended to Chad and Mauritania and the establishment of the “Global Alliance for Resilience in Sahel and West Africa;
 - establishment of a Regional Food Security Reserve as a regional instrument founded on solidarity and to complement national strategies.
- xviii. Other activities were carried out in the period under review including support for fruit fly control, fertiliser development, seeds development, management of pesticides and obsolete pesticides and cross-border transhumance and pastoralism.
- xix. **Environment:** The Commission’s 2016 activities in the environment sector contributed to the region’s sustainable development and focused on the three priority areas of the ECOWAS Environment Policy, namely: (i) enhancement of environmental governance and capacity building, (ii) promotion of sustainable resource management for the development of an environment-friendly sub-regional economy, and (iii) enhancement of the management of pollution, nuisance and dangerous waste.

Infrastructure Development

- xx. **Transport:** The principal activity in the Land Transport Sector was the continued implementation of the ECOWAS Regional Road Transport and Transit Facilitation Programme including the ECOWAS Joint Border Posts (JBP) Programme, the Nigeria-Cameroon Multinational Highway and Transport Facilitation Programme and the Abidjan-Lagos Corridor Development Programme.
- xxi. The principal activity in the air transport sector focused on the continued implementation and sensitisation on the Yamoussoukro Decision (YD) for air transport liberalization with specific focus on the World Bank “Open Sky in West Africa” Regional Air Transport Policy Reform Programme.
- xxii. **Project Preparation and Development Unit (PPDU):** Achievements recorded included the establishment and operationalisation of the Project Preparation and Development Unit (PPDU) in Lomé and the completion of some regional priority infrastructural studies including the submission of the final study report on the establishment of a Fund for the Development and Financing of the Transport and Energy Sectors - (FODETE-ECOWAS).
- xxiii. **Energy: The main activities undertaken were** preparations towards the meeting of ECOWAS Energy Experts and Ministers and the meeting of ECOWAS Agencies and Specialized Institutions in the energy sector. The selection process for a consultant to conduct the Study for the ECOWAS Energy Policy and the survey on rural and semi-urban electrification in West Africa continued during the period under review. The ECOWAS Commission continued to supervise

the implementation of the emergency electrical supply programmes of ECOWAS in The Gambia, Mali and Sierra Leone, which are now at the practical implementation phase.

- xxiv. **In the mining sector**, the Commission continued implementation of activities related to the 'Promotion of Multi-stakeholder Consultation Mechanisms in all aspects of the Mineral Sector' by organising the ECOWAS Joint Working Group / Regional Geo-extractives Sector Civil Society Organizations (CSOs) Joint Forum in Abuja, Nigeria. The Commission also pursued the procurement of services for the formulation of an ECOWAS Mining and Minerals Development Act (Code, EMMDA) and the ECOWAS Hydrocarbons Development Policy (EHDP)

Human Development

- xxv. **Education, Science and technology:** the following major activities were carried out: organisation of the international symposium on mathematics from 16 to 20 May 2016 in Abuja; Capacity building workshop for Science journalists in Anglophone and Lusophony countries; and organisation of the *African Union Kwame Nkrumah Award* for women scientists.
- xxvi. **Humanitarian and social affairs:** the main activities undertaken related to follow-up on the commitments already made in 2015 which include the management of the post-Ebola period in the 3 countries affected by the epidemic (Liberia, Guinea and Sierra Leone), including support for orphans and survivors. ECOWAS Commission signed the grant agreements to provide these countries with funds amounting to \$70,000. The Commission also adopted its standard framework for disaster risk management and disaster reduction.
- xxvii. **Youth and Sports Development:** To promote the development and empowerment of the youth in the region and the development of sports as a tool for the promotion of regional peace, the activities focused on sports development, youth empowerment and the volunteers programme.
- xxviii. In the area of sports development, as part of the implementation of the ECOWAS Sports Policy adopted in 2010, several sports competitions took place in Member States, thus providing greater visibility to ECOWAS of the People. The regular organisation of the ECOWAS traditional wrestling tournaments impacted positively on the culture of West African regional integration among sports movement stakeholders and enhanced the sense of belonging to the same Community.
- xxix. **With respect to youth development and empowerment**, the activities were part of the implementation of the youth programme adopted in 2007. Regarding capacity building for the youth, a partnership agreement was signed with the *Centre de Formation Professionnelle de Référence de Ziniaré* (Burkina Faso) on the modules Refrigeration and Air-conditioning and Motor Vehicles.
- xxx. **As part of the ECOWAS Volunteers Programme**, the Commission continued the implementation of the last activities of the Programme's pilot phase. In that regard, the ECOWAS Commission supported the last set of 40 ECOWAS volunteers. Consequently, on 28 July and 26 September 2016 respectively, the ECOWAS Commission organised a ceremony where certificates were awarded to the last set of 40 ECOWAS volunteers in Sierra Leone and Guinea. The Commission's continued technical collaboration with the United Nations Volunteers Programme (UNV) resulted in a financial support of more than USD 330.000 for the Volunteers Programme.
- xxxi. **Drug and illegal trafficking control:** The ECOWAS Commission officially launched the capacity building programme for the ECOWAS Drug Control Unit, on the margins of the 71st Session of the United Nations on 19 September 2016 in New York. Alongside the West African Epidemiology Network on Drug Use (WENDU), the Commission held a technical workshop for

National Experts and Focal Points on 13 and 14 July 2016. Lastly, the 2016-2020 Regional Action Plan on Drug Control was approved during the meeting of ECOWAS and Mauritania Ministers in charge of drug-related issues held in Abuja on 5 September 2016.

- xxxii. **Integration of Gender and Children into development programmes:** The main activities centred on the (i) launch of the pilot phase of the Business Incubator for African Women Entrepreneurs (BIAWE) programme in Burkina Faso and Sierra Leone financed by the Spanish Cooperation through NEPAD and (ii) holding of the technical meeting for the review of the ECOWAS Strategic Framework on Gender and Elections in Lomé from 21 to 23 June.
- xxxiii. ***Excellence-based scholarships for girls:*** In order to promote gender-equality and equity in the education sector, the Commission is currently supporting one hundred and eighty-three (183) brilliant but needy girls in specialised technical and professional training in all ECOWAS Member States through the award of scholarships.
- xxxiv. ***Medical and financial support to women and girls suffering from obstetric fistula:*** Activities have been undertaken and culminated in the holding of national coordinating meetings in thirteen (13) Member States to provide a status report on the implementation of the programme and work out modalities for the implementation of the 2016 and 2017 programme.
- xxxv. ***Technical and financial support to women involved in the processing of agricultural, forestry and artisanal products:*** Aside the meetings the women took part in, the main activity was capacity building in the processing of agricultural, fishery and artisanal products to enable women create and manage profitable and sustainable businesses

Political Affairs, Regional Peace and Security

- xxxvi. **Political Affairs and International Cooperation:** Key activities implemented included the (i) collaboration with various development partners and attendance at several international and regional fora to assess the security environment in the region including the adoption of the 6-point roadmap to resolve the Guinea-Bissau crisis and setting up of the International Support Group for the Consolidation of Democracy and Economic Recovery in Burkina Faso (GIS-BF). Sensitisation workshops on awareness creation on the ECOWAS Conflict Prevention Framework (ECPF) were organised for civil society organisations and relevant regional stakeholders to facilitate its effective implementation in the Member States.
- xxxvii. **Early Warning and Response Mechanism:** In order to enhance ECOWAS Member States' capabilities to engage in the prevention, management and resolution of local and national low intensity conflicts, the Commission, through National Early Warning and Response Mechanisms (NEWRM), continued to undertake activities for the effective and efficient deployment of the NEWRM through a participatory approach involving key stakeholders in the Member States.
- xxxviii. **Mediation and Facilitation:** The Commission implemented several initiatives that helped mitigate political tensions, and strengthened knowledge management and mediation capacity in the region. These, among others, include supporting the efforts of the ECOWAS Special Envoy for Guinea Bissau and the ECOWAS Mediator in facilitating political dialogue involving stakeholders in Guinea Bissau
- xxxix. **Democracy and Good Governance:** Key activities implemented included the establishment of a civil society Organisation Platform to institutionalize CSO involvement in the promotion of Accountability and Transparency; evaluation of the report on the human rights situations and the rule of law in the ECOWAS region; and the organisation of a meeting to promote media involvement in participatory governance.

- xl. **Electoral Assistance:** In line with its electoral assistance mandate, the Commission deployed a Pre-electoral fact-finding Missions and Long Term Election Observation Missions to observe the successful conduct of presidential and parliamentary elections in five Member States namely, Niger, Benin, Cabo Verde, The Gambia, and Ghana.
- xli. **Peace Support Operations:** Achievements recorded by the ESF during the review period included the execution and evaluation of Amani Africa II Field Training Exercises; completion of Western Accord 2016 Planning Life Cycle; and participation in several training courses including courses in the counter-terrorism and peace. The Commission also continued with the implementation of the ECOWAS Convention on Small Arms and Light Weapons, their Ammunition and Other Related Materials continued both at regional and national levels based on the 5 – year priority plan, 2010 – 2015. Sustained efforts were also made to address the lingering outstanding financial obligations owed to the ECOWAS Mission in Guinea Bissau (ECOMIB) and the Africa-Led International Support Mission in Mali (AFISMA).

International Cooperation and Institutional Matters

- xlii. **International Cooperation:** The ECOWAS Commission continued measures aimed not only at ensuring ownership of regional programmes by Member States but also strengthening coordination in resource mobilisation for the implementation of the regional agenda in compliance with international commitments.
- xliii. **In** the area of development cooperation, the Commission signed Memoranda of Understanding with the Islamic Development Bank and the African Petroleum Producers' Association (APPA). Other Memoranda are being finalised in particular with the International Monetary Fund and the United Nations Economic Commission for Africa.
- xliv. **Strategic Planning:** The Commission focused its efforts primarily on the finalisation of the Community Strategic Framework (CSF) 2016 – 2020 through a participatory process involving Civil Society Organizations (CSOs), Professional bodies and National Planning Experts in Members States to ensure the alignment of the CSF with the AU Agenda 2063 and National Development Strategies of Member States.
- xlv. **Monitoring and Evaluation:** In line with its mandate to ensure probity and accountability in the implementation of all regional integration programmes and projects, the Commission finalised the Draft Result Framework for the Community Strategic Framework (CSF), 2016 -2020, and prepared various management reports namely, the 2015 Annual Programme Performance Report, 2016 Quarterly Performance Reports and 2016 Community Performance Report.
- xlvi. **Communication:** The Commission contributed immensely to building the capacity of Regional journalists and media practitioners practice in understanding and reporting on the regional integration programmes. In sustenance of its efforts to key into the online platform as a medium to enhance visibility, the Commission upgraded and modernized the ECOWAS website to a modernized html5 standard in which users can now access it with different kinds of devices ranging from smartphones to computers as well as social media platforms including Facebook and Twitter.

Other Community Institutions

- xlvii. **ECOWAS Parliament:** At its inaugural session of the Fourth Parliament, the ECOWAS Parliament adopted its Rules of Procedure and appointed the permanent members of its thirteen committees. A new five-member bureau chaired by Honorable Moustapha Cissé Lo of Senegal was appointed as well as a new management team for the general secretariat of Parliament. Furthermore, in the 5-year Strategic Plan (2016-2020), the activity programme of the Fourth

Parliament and the draft Supplementary Act on the enhancement of the powers of Parliament were also considered and adopted at an extraordinary session.

- xlvi. **ECOWAS Court of Justice:** Judicial activities of the Court during the period January to October 2016 included an increase in the number of cases filed before it to 36 while the number of sessions held stood at 75 and 25 judgements delivered and eight rulings at its headquarters. Eleven other cases were heard at the 2016 External Court Session held in Cote d'Ivoire during which judgements were rendered in six of the cases. On the margins of the Session in Abidjan, the Court inaugurated the West African Jurists Association (WAJA), the culmination of years of efforts by the Court to deliver on this platform through which it will engage with Judges and Jurists as critical stakeholders in the sub-regional effort to develop synergy in the delivery of justice and the enthronement of a region-wide regime of respect for the rule of law.
- xlix. **West African Health Organisation (WAHO):** Key activities implemented to address disease control and epidemics and health emergencies in the region included development and validation of a regional plan on Non-communicable Diseases (NCD), provision of support to countries for vitamin A supplementation and care for key populations under HIV AIDS control, and the establishment of the ECOWAS Regional Centre for Surveillance and Disease Control for addressing epidemics and health emergencies in the region. Other accomplishments included the setting up of an expert committee to develop the herbal pharmacopoeia for the treatment of newly emerging diseases and targeted interventions in addressing health related issues in the various ECOWAS Member States.
- i. **Intergovernmental Action Group Against Money Laundry in West Africa (GIABA) :** During the year under review, in addition to attending different international meetings and conferences on activities related to the fight against Money Laundering and Terrorism Financing (AML/CFT), The GIABA Secretariat carried out activities as part of the mutual evaluation process, training, technical assistance and regional and international cooperation.
 - ii. With regard to the mutual evaluation process, GIABA undertook four (4) activities including: (i) *the on-site visit for Ghana's mutual evaluation from 19 September to 4 October 2016. Furthermore, as part of the training and technical assistance in the fight against money laundering, GIABA implemented eleven (11) activities during the period under review including: seven (7) technical workshops, two (2) advocacy visits, one (1) open day and one (1) Regional Stakeholders' Forum on AML/CFT emerging issues and implications for GIABA Member States..*
 - iii. **ECOWAS Bank for Investment and development:** As at 30th September 2016, the operational activities of the Bank have largely been impacted by the pressure on its treasury as a result of the constraints linked to the lack of concessional resources to meet up with the financing requests from Member States.
 - iiii. The financial situation of the bank was characterised by a fall of UA 16.4 million observed in the balance sheet, while a surplus of UA 4.2 million was realized.
 - lv. In the area of resources mobilisation, the Bank continues to intensify efforts in mobilizing adequate resources to finance its project portfolio, ensure its viability and its profitability. In this regard, some arrears of the first and second tranches of the called-up capital for a total amount of UA 10.2 million were paid to the Bank.
 - lv. Notwithstanding these, the major challenge facing the Bank remains the mobilization of adequate resources, especially at the Community level. To this end, the payment of the arrears on the first and second tranches of the called up capital by all Member States constitutes an important leverage to mobilize resources from other partners. In the same vein, it has become necessary to put in place in the ECOWAS region, a mechanism for the mobilization of

concessional resources with a view to financing major infrastructure projects to accelerate regional integration. In this regard, the strengthening of cooperation with the ECOWAS Commission portends good prospects.

Conclusion and Recommendations

- lvi. The review of the status of implementation of the Community's work programme, despite the current challenges that slowed the pace of implementation of the activities, mainly during the first half of the year, shows a good level of execution.
- lvii. The results achieved in this particularly difficult context reflect the commitment of men and women committed to the causes of regional integration. Therefore, in order to continue and strengthen the current dynamism and consolidate ECOWAS Institutions, the following recommendations are made to the Member States:
 - Continue efforts at the structural transformation of the economies of the region and the development of infrastructure in the light of developments in the international economic environment;
 - Continue and intensify efforts to implement the regional integration programmes such as the ECOWAS CET, trade liberalisation scheme, free movement of persons and goods;
 - Continue efforts at consolidating good macro-economic management of the national economies, a necessary condition for the establishment of a stable and viable monetary union;
 - Compliance with the provisions of the protocol on Community levy;
 - Sustained efforts at the consolidation of regional peace and security;
 - Accelerate the institutional reforms of the commission and other institutions with a view to making them more efficient and operational.

INTRODUCTION

1. The year 2016 was marked by the renewal of Management with the appointment of a new President for the Commission as well as new members of the Community Parliament. The region equally faced many security challenges during the year under review.
2. Despite the challenges, significant results have been achieved in the area of peace and security as well as in the implementation of regional integration programmes and policies. The remarkable progress made in the implementation of the ECOWAS Common Agricultural Policy, which is being assessed this year and the application of the Common External Tariff in most Member States consolidate the efforts of Community Institutions to make the ECOWAS Economic and Monetary Union come into effect.
3. With regard to the economy, the recent economic downtrend in Nigeria, the region's largest economy, has continued unabated. The fact that Nigeria's economy went into recession in the second quarter of 2016 negatively affected the economy of some Member States. The expected growth rate for 2016 would be -1.75%. Due to the poor performance of the Nigerian economy, ECOWAS growth rate initially projected to reach 3% would decline to -0.2% in 2016.
4. In the area of regional peace and security, the year under review was marked by significant progress in the fight against terrorism and political instability. The Nigerian Government's military strikes against Boko Haram in the North-Eastern part of the country succeeded in weakening the sect alongside reducing the frequency and death toll resulting from the operations of the sect, as well as its influence in the area. Despite the success recorded by the military intervention, Boko Haram continues to launch isolated attacks in the area particularly in Borno State and Niger Republic.
5. What is more, the increased number of clashes between farmers and cattle breeders is regarded as a security concern for the region. Although this situation is currently widespread in Nigeria, it also poses a real threat in Cote d'Ivoire and Ghana. Repeated clashes between herdsmen and farmers have caused thousands of deaths. There is the need to implement a coordinated system for exploiting natural resources linked to transhumance (pasture, water and salt), which could promote a conflict-free environment and be beneficial to both farmers and cattle breeders.
6. While reviewing 40 years of ECOWAS in 2015, the Heads of State and Government reaffirmed their determination to make every effort to achieve the vision, values, commitments and principles of ECOWAS Founding Fathers, particularly with regard to:
 - achieving Free Movement of Persons and Goods;
 - establishing the Common Market;
 - consolidating Peace, Security and Good Governance and
 - making Community Institutions more efficient through the full implementation of reforms.
7. These commitments therefore served as guidelines for the preparation of the 2016 Community Work Programme. Thus, with a view to accelerating the regional integration process and consolidating the achievements of Community Institutions, the following areas have been selected in conformity with the ECOWAS Strategic Plan in order to:
 - support political reforms aimed at improving socio-economic integration in the area of Free Movement of Persons and Goods, Security and Food Self-sufficiency;
 - sustain the process for the integration of economies in the global market and step up the monetary integration;
 - promote infrastructural development and a competitive business environment;

- promote democracy, good governance and rule of law and
 - build institutional capacity and improve work processes.
8. The 2016 Annual Report is structured into four major chapters. Chapter I reviews recent economic developments of the region within the context of the global economic environment. Chapter II highlights the status of implementation of the Community Work Programme. Chapter III deals with the theme of the report which, this year, focuses on the implementation of the ECOWAS Common External Tariff and Trade Liberalisation Scheme while Chapter IV reviews the activities of other ECOWAS Institutions. The last section is on conclusion and recommendations

CHAPTER I: RECENT ECONOMIC DEVELOPMENTS IN WEST AFRICA.

1.1 Global economic situation

9. Global economy has been forecast to grow at a slower pace of 3.1 percent in 2016 compared to 3.2 percent in 2015. However, growth is expected to be recuperating to 3.4 percent in 2017. Based on quarterly economic performance reviews, global economic performance has been slackening successively since the beginning of the year. This fading trend is mainly the result of a slowing down in emerging and developing economies, particularly in China, Russia and Brazil. Advanced economies performed better in the first and second quarters of the year, even though they too are now portraying signs of fatigue. The main factors responsible for this subdued performance in 2016 include some new shocks such as the Brexit vote on June 23, 2016, rebalancing in China and adjustment of commodity exporters to protracted decline in the terms of trade due to persistent low commodity prices. Other factors have also contributed to the global economic downturn, including low world trade, low inflation in advanced economies, or non-economic factors such as geopolitical conflicts.
10. This growth prospect differs considerably across countries and regions, with emerging Asia, particularly India, achieving a robust growth, while Sub-Sahara Africa undergoes a harsh slowdown. Generally, downward revision was made to the growth forecast for the commodity exporters, in the midst of serious domestic uncertainties and a more challenging external environment. The subdued outlook for the advanced economies is mainly due to the uncertainty and downside risks that may arise from the Brexit and weaker-than-expected growth in the US economy in the third quarter of 2016.
11. The value of world output is projected to increase by 2.19 percent from US\$73.599 trillion in 2015 to US\$75.213 trillion in 2016 and further increase by 5.75 percent in 2017 to reach US\$79.536 trillion output. (Table 1). These modest increases in 2015 and 2016 were preceded by a severe decline in the value of global output by 5.7 percent in 2014 due mainly to the sharp decline in commodity prices that year. The sluggish increase in the world output is due to less than expected pickup in global commodity prices and decline in the China's economy following the domestic rebalancing as well as gradual adjustment of commodity exporting countries to the protracted low commodity prices.
12. The major areas of concerns that are likely to have significant impact on the 2016 economic outlook and forecast include the following: The emergence of political tensions and inward-looking policies in advanced economies such as the Brexit vote and the ongoing US Presidential election campaign which has raised concerns about cross border economic integration and the impact of foreign competition on jobs and wages.
13. Stagnation in industrialized countries as global growth remains weak, hence the scare of protracted decline in private demand and investment, especially in extractive industry, which may further exacerbate the already sluggish growth and lower inflation and in some cases deflation.
14. China's ongoing adjustment and its consequence on other economies still persist. The effect of China's rebalancing from reliance on investment, industry and exports in favour of greater dependence on consumption and services could trigger uncertainty than anticipated. This may have further serious implications for commodity and machinery exporting countries and those that relies heavily on China for financial services.

15. The fragile financial situations in emerging countries - high corporate debts, declining profitability and high banks' bad debts and commodity dependence leaves the economies exposed to external shocks without any serious defensive mechanism.
16. Other noneconomic factors in various regions such as severe shortage of rainfall in eastern and southern Africa, civil and domestic conflicts in Middle East and North Africa, refugee crisis in Europe and Zika virus disease in Latin America and Caribbean are having devastating consequences on global economic activities.

Table 1: Overview of the World Economic Outlook in 2016 (As percentage Change)

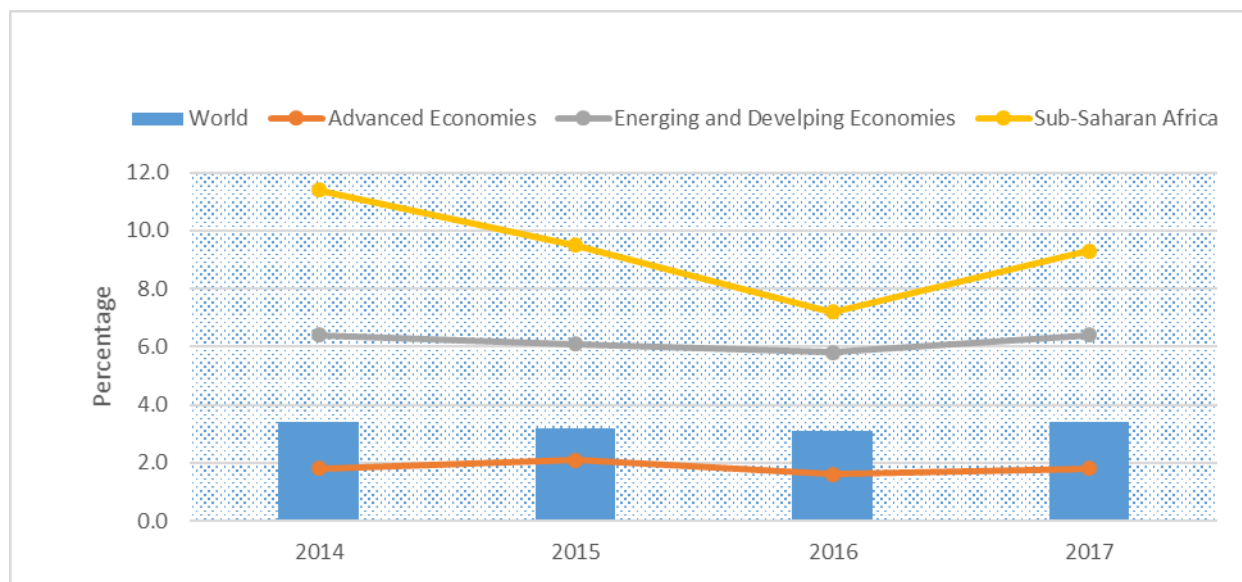
Regions/Countries	Estimates		Projections	
	2014	2015	2016	2017
World Output	3.4	3.2	3.1	3.4
Advanced Economies	1.8	2.1	1.6	1.8
United States of America	1.9	2.6	1.6	2.2
Euro Area	1.1	2	1.7	1.5
United Kingdom	3.1	2.2	1.8	1.1
Japan	0.0	0.5	0.5	0.6
Emerging Market and Developing Economies	4.6	4.0	4.2	4.6
China	7.3	6.9	6.6	6.2
India	7.2	7.6	7.6	7.6
Russia	0.7	-3.7	-0.8	1.1
Brazil	0.1	-3.8	-3.3	0.5
Sub-Saharan Africa	5.0	3.4	1.4	2.9
Nigeria	6.3	2.7	-1.7	0.6
South Africa	1.6	1.3	0.1	0.8
Value of World Output (Billions of US\$)	78,042	73,599	75,213	79,536

17. Most industrialized countries are at various stages of post-crisis recovery but are generally expected to post weak growth in 2016. High and rising public debt and near -zero lower bound monetary policy rate are some of the concerns of these economies. Thus, growth is projected to rise by 2.1 percent in 2016 compared to 1.9 percent in 2015. However, due to recent economic developments, especially in Europe and and America, the momentum cannot be sustained in the coming years. Growth is expected to be down to 1.8 percent in 2017.
18. In US, economic activities remain subdued in spite of the development of optimism in the second and third quarters of the year. GDP is forecast to grow by 1.6 percent in 2016 compared to 2.1 percent in 2015. Employment growth and positive housing trends, supported by consumer spending, are not a sufficient stimulus for the economy to perform better than 2015 level. The effect of continued appreciation of the dollar on manufacturing activity and lower oil prices limiting investment in extractive industry and equipment, are the crucial sources of sluggish U.S economic performance. The US economy is forecast to grow at 1.8 percent in 2017. However, a combination of rising wage levels and low productivity provides an increasing threat to the forecast.
19. The Euro-Area is projected to post a modest growth of 1.7 percent in 2016 compared to 2.0 percent in 2015. In general, the short-term economic environment in Europe is relatively favourable compared to other advanced economies as improvement in domestic demand and

labour markets continue to sustain the current moderate performance. Investment and output are forecast to continue to improve considerably in the medium term. However, the forecast is dependent on the final outcome of the Brexit on the rest of the Euro-Area Economy which, for the moment, is not very much felt outside the United Kingdom.

20. In Japan, the economy is expected to grow at the same rate as in 2015, at 0.5 percent. The economy is barely growing despite the injection of fiscal stimulus in recent years trying to stimulate growth and fight deflation. The economy is also suffering from currency appreciation, having appreciated more than 18 percent against the US dollar in 2016. That hurts exporters by making goods produced in Japan more expensive abroad.
21. in the emerging markets and developing countries is expected to improve slightly to 4.2 percent in 2016 compared to 4.0 percent in 2015; growth is expected to pick up to 4.6 percent from 2017 onward. However, the forecast for this group is uneven and fragile because of some glaring challenges. These conditions include a slowing pace of growth in China, which has chain effects because of the import dependent and nature of the economy. Commodity exporting countries will continue to have terms of trade difficulties because of lower revenues, the effect of persistent weak demand in advanced countries and several political discords and tensions. In addition, while emerging Asia, particularly China and India, continue to post impressive growth, Nigeria, South Africa and Angola, the biggest economies in Africa, are facing sharp declines, even recession in some cases, mainly as a result of lower commodity prices and domestic political conditions. The challenging macroeconomic situations facing Brazil and Russia are expected to continue. However, recent forecast indicated an improvement and they may as well be heading out of recession.

Figure 1 Global economic performance



22. In terms of growth performance, Latin America is trailing behind the other regions. Sharp and continuous falls in oil and commodity prices have adversely impacted Latin American economies, especially Brazil, the biggest economy in the region. Growth of the region is expected to decline to -0.6 percent in 2016 compared to 0.0 percent in 2015. Regarding Brazil, even though economic indicators point to the direction that the economy may be out of recession, as it is expected to post a positive growth of 0.5 percent in 2017, it still requires more foreign investment and private intervention as well as integration of the informal sector into the formal modern business sector to lift the economy out of the woods.

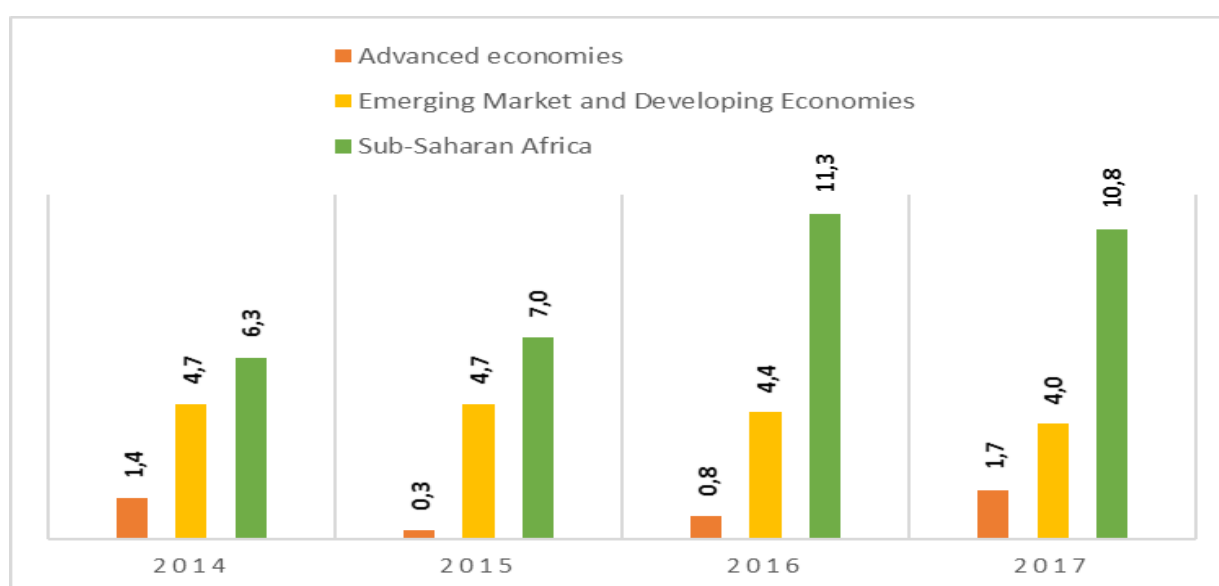
23. In Sub-Saharan Africa, the current positive growth projection is still tentative because of the protracted low commodity prices, as well as fragile growth in Nigeria and South Africa. The region is facing eminent slowdown of their economies with growth rates falling from 5.1 percent in 2014 to 3.4 in 2015 and now projected to further decline to 1.4 percent in 2016, which is the region's slowest growth performance in two decades. Weaker exports demand, lower commodity prices, net capital inflow and weak investment growth and, in some cases military conflict, natural disaster and adverse weather effects on agricultural output, exerted downward pressure on growth. Notwithstanding, the region still has a lot of prospects for economic development in the medium to long term, largely due to its huge demographic dividend and sufficient opportunities for catch-up. However, significant challenges including political and institutional constraints remain to be overcome.

Table 2 : Consumer Prices (Annual Average Inflation) and Value of World Output

Regions	2014	2015	2016	2017
Advanced economies	1.4	0.3	0.8	1.7
Emerging Market and Developing Economies	4.7	4.7	4.4	4.0
Sub-Saharan Africa	6.3	7.0	11.3	10.8

24. Average global inflation continues to decline amid persistently subdued economic activity, modest wage growth and lower commodity prices. In 2015, average inflation in advanced economies was estimated at 0.3 percent, the least since 2009, due to declining oil and commodity prices. However, in 2016 it is projected to rise to 0.8 percent as the effects of oil prices moderate. Inflation level in Emerging Markets and Developing Economies is expected to be maintained at 4.7 percent in 2016, same as in 2015, due to stable exchange rates. In developing countries, inflation is expected to rise in 2016 due to currency depreciation in a number of countries and higher import prices.

Figure 2 : Global annual average inflation rate



25. Risks of deflation, however, still persist in developed countries, mainly in Japan and the Euro Area, and to a lesser degree in US. Low energy prices is the main driver of the current disinflationary situation in the advanced economies. In response, many central banks have reduced interest rates to the barest minimum and introduced relevant monetary policies.

1.2 Growth of the African Economy

26. Growth forecasts indicate a further slowdown of Africa's Gross Domestic Product. Following the decline to 3.3% in 2015, the continent's real growth rate will slump to 1.7% in 2016, its lowest level in at least two decades. Economic difficulties in major African economies (in particular Nigeria and South Africa), which feel the impact of falling commodity prices, contribute to the downturn. This negative trend is observed in all the main regions¹ of the continent, even though the scale of contraction in global activity is quite heterogeneous (see table 1 and figure 2).

Table 3 : Key indicators for the main African regions

	Nominal GDP (Billion \$US)			Growth rate (%)			GDP per capita (\$)			Population (million)		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
South	528,2	472,4	494,0	2,0	0,7	1,5	2766,9	2416,2	2466,8	190,9	195,5	200,3
Central	116,7	118,3	126,6	3,7	1,8	2,9	908,-8	896,7	933,8	128,4	131,9	135,6
East	304,9	327,8	367,2	6,2	4,7	5,3	1012,8	1063,0	1162,1	301,1	308,4	316,0
North	685,7	702,8	748,4	3,3	2,9	4,3	3734,7	3757,3	3928,5	183,6	187,0	190,5
West	637,4	571,4	583,3	3,1	-0,2	2,0	1866,1	1628,5	1618,2	341,6	350,9	360,5
SSA	1587,2	1490,0	1571,1	3,4	1,4	2,9	1650,1	1510,0	1552,0	961,9	986,7	1012,3
Africa	2272,9	2192,8	2319,5	3,3	1,7	3,1	1984,2	1868,1	1928,4	1145,5	1173,8	1202,8

Source: IMF - WEO, October 2016

27. **West Africa**, with 30% and 28% of Africa's population and GDP respectively (at current price in 2015), is the hardest hit by the downswing in overall economic activity. Its average real GDP growth is set to decelerate sharply to -0.2%, largely due to the economic recession in Nigeria, the region's largest economy. The region's wealth is projected to decrease to USD 571.4 billion in 2016 against USD 637.4 billion in 2015. Consequently, ECOWAS' average per capita income is expected to decline by almost 13% to USD 1629 compared to USD 1866 in 2015. However, West Africa's overall negative situation contrasts with the favourable economic performance of most countries in the region. Section 1.3 below provides a detailed analysis of ECOWAS Member States' growth prospects and provides the opportunity to better appreciate the disparities and at times, the asymmetric nature of shocks that affect Member States.
28. **Southern Africa**, accounting for 17% and 23% of the continent's population and GDP respectively, is the second region expected to record a sharp deceleration in its real GDP growth. The 2016 projected growth rate of 0.7% is a marked downturn compared to the 2% achieved in 2015.

¹ Geographical regions selected under the African Economic Outlook of the African Union, AfDB and OECD.

Southern Africa: Angola, Botswana, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Zambia, Zimbabwe.

Central Africa: Cameroon, Central African Republic, Chad, Congo, Democratic Republic of Congo, Equatorial Guinea, Gabon, Sao Tome and Principe.

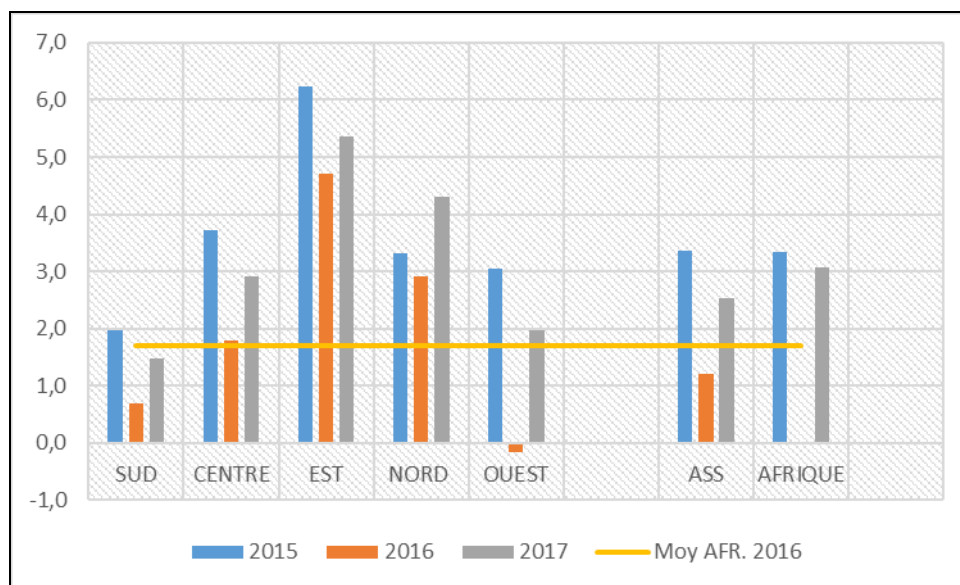
East Africa: Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Rwanda, Seychelles, **Somalia**, Sudan, South Sudan, Tanzania, Uganda.

North Africa: Algeria, Egypt, Libya, Mauritania, Morocco, Tunisia

West Africa: Benin, Burkina Faso, Cabo Verde; Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo

Nominal GDP would decline to USD 472.4 billion in 2016 against USD 528.2 billion in 2015. This mixed result that has now lasted several years is largely due to the difficult economic situation in South Africa, the region's largest economy, which is set for a sluggish real growth in 2016 (0.12%). Since the onset of the global financial crisis in 2008, the country has been affected more than any other country in the region, and even on the continent, by the negative impact of the fragile international economic conditions. To a lesser extent, Southern Africa's difficult economic situation is also spurred by a significant decline in growth in Angola (0%) which is affected by the adverse consequences of falling commodity prices, most especially oil.

Figure 3 : Real GDP growth of African regions



29. **Central Africa** represents 11% and 5% of Africa's population and GDP respectively. Real GDP growth is projected to fall from 3.7% in 2015 to 1.8% in 2016, following the expected downturn in overall economic activity in oil producing countries such as Equatorial Guinea and Chad, whose growth rates are set to decline to -9.9% and -1.1% respectively. In addition, the recurrent political violence due to lack of consensus on the electoral process in Congo and DRC continue to cast serious doubts on the economic prospects of these countries whose real GDP would decrease from 6.9% to 2.3% in 2015 and from 3.9% to 1.7% in 2016 respectively.
30. **East Africa** would consolidate its position as the continent's most dynamic region in recent years, particularly in the wake of the economic meltdown in West Africa. Although in decline, its real growth would be sustained in 2016 at 4.2% following the rate of 6.2% achieved in 2015, that is, 2.5% above Central Africa (3.7%) which occupies the second position in terms of growth rate. East Africa's economy would grow by 4 percentage points above the African average (1.7%) and 4.3 points above Sub-Saharan Africa (1.4%). This positive and sustained performance is largely due to the robustness and economic dynamism of Ethiopia, Kenya and Tanzania. As regards the first country, its growth rate would be pegged at 6.5% in 2016, following the strong acceleration of 10.2% in 2015. With respect to Kenya, its real GDP would increase to 6% in 2016 against 5.6% a year ago. Finally, growth in Tanzania would remain at 7.2% in 2016, following the rate of 7% recorded in 2015.
31. **North Africa** is gradually recovering from the Arab Spring and has become Africa's leading economy with share of 30% of the Continent's GDP (at current price in 2015). It took over this position from ECOWAS in the wake of the Nigerian recession. Although in a slight decline of 2.9% compared to 3.3% in 2015, its 2016 projected economic growth is well above this level following the political crisis in Egypt, the region's largest economy, and Tunisia. The positive momentum

recorded in recent years is linked to the return to growth in those two countries, which is expected to be pegged at 3.8% and 1.5% in 2016 against 4.2% and 0.8% in 2015 respectively. The region's positive result is also due to the relative performance of Algeria, the second largest economy in North Africa, whose growth rate would slightly decrease to 3.6% in 2016 compared to the 3.9% recorded in 2015. However, the continuing crisis in Libya is affecting the region's economic strength.

1.3 West African Economies

32. Representing 17% and 30% of Africa's surface area and population respectively, West Africa (or ECOWAS) is the most densely populated area on the continent. It is one of the best performing regions in terms of production, accounting for 28% of GDP at current price on the entire continent and 40% of Sub-Saharan Africa's GDP in 2015

1.3.1. Economic growth

33. Real growth of the ECOWAS region has consistently been above 5% from the beginning of 2000 until 2014, mainly driven by the dynamism of the Nigerian economy, which is by far West Africa's economic powerhouse (nearly 70% of the region's GDP). The region's economic forecasts clearly underpin this pro-cyclical bias, that is reflecting the fluctuations of the Nigerian economy (see table 3 and 4).

Table 4 : Key indicators of the region's economy

	2006-2008	2009-2011	2012-2014	2015	2016	2017
Nominal GDP (billion of US dollars)	367,0	480,5	665,7	637,4	571,4	583,3
Real Growth rate (%)	6,5	7,3	5,6	3,1	-0,2	2,0
Real Growth rate (excluding Nigeria)	4,6	4,5	6,4	4,7	5,3	6,6
GDP per capita (US dollar)	1331,8	1606,7	2054,4	1866,1	1628,5	1618,2
Population (million)	274,8	298,4	323,7	341,6	350,9	360,5

Source: Calculated from IMF-WEO's country data, October 2016

34. Growth prospects suggest an economic recession in 2016, with an expected growth rate of -0.2%, which has been unprecedented for about two decades. The main reason for this significant slowdown in the region's growth dynamics is the fall in commodity prices, particularly oil, which declined by at least 50% since the last quarter of 2014. The adverse cumulative effects of the sharp reduction in oil prices on the Nigerian economy, Africa's largest oil producer, are quite critical and are summed up as follows: sharp fall in export revenues, sharp depreciation of the Naira, resulting in a drop in real GDP, which is expected to fall sharply to -1.7% against 2.7% in 2015 (see table 5).

Table 5: Real growth rate of ECOWAS economies (in percentage)

	BEN	BFA	CPV	CIV	GMB	GHA	GUI	GNB	LBR	MLI	NER	NGA	SEN	SLE	TGO
2014	6,5	4,0	1,9	7,9	-0,2	4,0	1,1	2,5	0,7	7,0	7,1	6,3	4,3	4,6	5,4
2015	5,0	4,0	1,5	8,5	4,4	3,9	0,1	4,8	0,0	6,0	3,5	2,7	6,5	-21,1	5,4
2016	4,6	5,2	3,6	8,0	2,3	3,3	3,8	4,8	2,0	5,3	5,2	-1,7	6,6	4,3	5,3
2017	5,4	5,9	4,0	8,0	3,3	7,4	4,4	5,0	4,0	5,2	5,0	0,6	6,8	5,0	5,0

Source: IMF - WEO, October 2016

35. Although strongly significant for the region's economic growth prospects, the negative result recorded by Nigeria appears to be an isolated case (see table 3 and 4). Thus, in 2016, economic growth excluding Nigeria would be pegged at 5.3% against 4.7% in 2015. This positive momentum is linked to sustained growth in almost all Member States. Six of them, namely Burkina Faso (5.2%), Cote d'Ivoire (8%), Mali (5.3%), Niger (5.2%), Senegal (6.6%) and Togo (5.3%) would have sustained growth rates higher than 5%. Real GDP would grow positively in Cabo Verde (3.6%), Guinea (3.8%), Liberia (2%) and Sierra Leone (4.3% following the sharp decline of -21.1% in 2015).
36. However, although the impact of the economic recession in Nigeria is not yet felt beyond its borders, the protracted economic downturn in the country could adversely affect other countries, in particular Benin due to the close economic ties between the two countries.

1.3.2. Inflation

37. ECOWAS annual average inflation rate, which was below 10% in the last decade and pegged at 8% in 2015 would rise to 12.1% in 2016 (see table 6). This negative result could further undermine the gains made in recent years with regard to the Community target of achieving a single-digit inflation rate below 5% starting 2019.

Table 6 : ECOWAS Inflation rate

Inflation CEDEAO (%)	2006-2008	2009-2011	2012-2014	2015	2016	2017
Annual average	8,1	9,6	7,9	8,0	12,1	12,5
Year on year	9,4	9,2	7,8	8,5	13,8	12,2
UEMOA average	4,1	1,8	1,3	0,9	1,2	1,8
WAMI average	8,9	11,1	9,2	9,4	14,2	14,6

Source: Calculated from IMF-WEO's country data, October 2016

38. The four-percentage point rise in inflation rate in the region in 2016 is partly attributable to the sharp increase in commodities price index in Nigeria (15.4% against 9.0% in 2015). The direct and indirect effects of the significant depreciation of the Naira, alongside higher electricity and fuel prices, explain mainly the spike in inflation in the country (see table 7).

Table 7 : Inflation rate of ECOWAS Member States (in percentage)

	BEN	BFA	CPV	CIV	GMB	GHA	GUI	GNB	LBR	MLI	NER	NGA	SEN	SLE	TGO
2006-2008	4,2	4,3	5,3	3,6	4,0	13,0	25,3	5,3	12,8	4,0	3,8	8,4	4,8	12,0	3,9
2009-2011	1,9	1,0	2,5	2,4	4,8	9,2	13,8	1,5	7,7	2,2	1,5	12,4	0,8	15,2	2,9
2012-2014	2,2	1,4	1,3	1,4	5,4	11,4	12,3	0,6	8,1	1,9	0,6	9,6	0,3	10,6	1,5
2015	0,3	0,9	0,1	1,2	6,8	17,2	8,2	1,5	7,7	1,4	1,0	9,0	0,1	9,0	1,8
2016	0,6	1,6	0,1	1,0	8,3	17,0	8,2	2,6	8,6	1,0	1,6	15,4	1,0	9,7	2,1
2017	2,2	2,0	1,3	1,5	7,6	10,0	8,1	2,8	8,5	1,3	2,0	17,1	1,8	9,0	2,5

Source: IMF - WEO, October 2016

39. In addition, the protracted price hike in Ghana, which is expected to be at approximately 17% in 2016 just as the previous year (17.2%) and 15.5% in 2014, contributes to a situation of uncertainty regarding the reduction and stabilisation of average inflation rate within ECOWAS. Beyond the specific case of those two countries, which is arguably due to a slowdown in economic activity, it is particularly interesting to note the heterogeneity of inflation dynamics between the two ECOWAS monetary zones, namely UEMOA including Cabo Verde and WAMZ, as well as disparities between countries of the latter zone.

Figure 4 : Countries below the inflation threshold

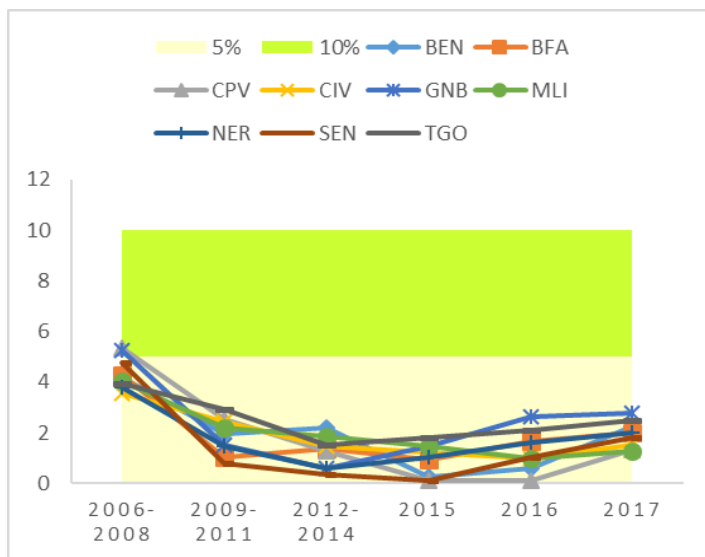
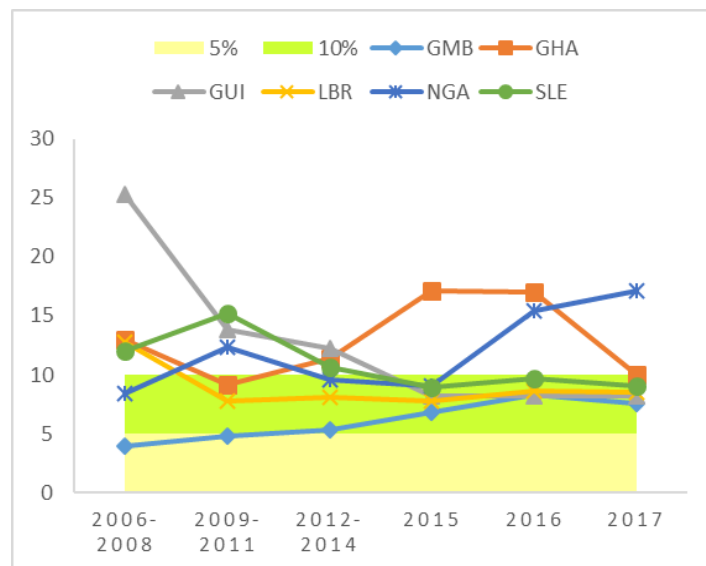
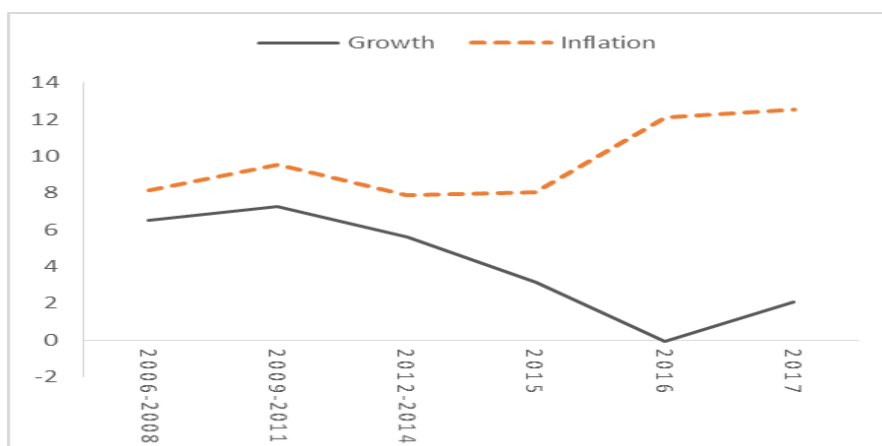


Figure 5: Countries above the inflation threshold



40. Two strong trends can be identified. All UEMOA countries including Cabo Verde have price levels that would be permanently pegged below the long-term 5% threshold (see figure 4). UEMOA’s average inflation rate would be at 1.8% in 2016 against 1.2% in 2015. On the other hand, no WAMZ country would have an inflation rate below the 5% threshold. WAMZ average inflation rate would be at 14.2% in 2016 against 9.4% in 2015. It is, however, encouraging to note that almost all countries within this second zone have inflation rates converging below the short-term 10% threshold. Nigeria, in view of its current economic situation, alongside Ghana would arguably be the only countries to miss out on this inflation convergence threshold in 2017 (see figure 5). Nonetheless, persistent inflationary pressures in Sierra Leone, Guinea and Liberia call for vigilance.

Figure 6 : ECOWAS growth-to-inflation ratio



41. On the whole, monitoring the trend in price index variation is of fundamental importance given its impact on the population’s standard of living and economic growth. Figure 6 shows a negative but significant relation (correlation coefficient of -0.70) between average inflation and real growth in ECOWAS.

1.3.3. Budget deficit

42. ECOWAS public finance generally deteriorated in recent years, threatening to undermine macroeconomic management measures being implemented since 2000. The region's average deficit-to-GDP ratio would further deteriorate in 2016 to 4.5% from 4% in 2015, against an average of 2.2% between 2012 and 2014 (see table 7 and figure 7). During the reporting period, only Cabo Verde, The Gambia, Ghana, Senegal and Togo had public deficit ratio well above the Community's maximum threshold of 3 percent set out in the ECOWAS Multilateral Convergence Mechanism (see table 7).
43. By contrast, in 2015, only Burkina Faso (2.3%), Cote d'Ivoire (3.0%) and Mali (1.8%) recorded deficit ratio below the threshold. The public finance of countries in the region is not expected to improve in 2016, with the notable exception of Guinea and Guinea Bissau where the ratio is expected to attain 1.9% and 2.1% against 8.8% and 7.1% respectively a year ago. On the other hand, the positive result recorded by Mali and Cote d'Ivoire in 2015 would quickly result in a negative situation in 2016 with ratios of 4.3% and 4% respectively.

Table 8: Public deficit in ECOWAS Member States

	BEN	BFA	CPV	CIV	GMB	GHA	GUI	GNB	LBR	MLI	NER	NGA	SEN	SLE	TGO	CEDEAO
2006-2008	0,0	2,1	-2,2	-0,8	-1,2	-6,2	-0,2	-3,4	-0,8	7,7	13,6	4,4	-4,2	5,0	-1,8	3,2
2009-2011	-1,6	-3,0	-8,1	-2,4	-4,0	-8,3	-7,5	1,6	-6,3	-3,2	-3,1	-3,3	-5,2	-4,0	-3,5	-3,6
2012-2014	-1,5	-1,5	-8,8	-2,5	-7,6	-11,4	-4,2	-1,8	-2,7	-2,1	-3,9	-1,1	-5,2	-3,7	-5,5	-2,2
2015	-7,5	-2,3	-3,8	-3,0	-6,5	-4,7	-8,8	-7,1	-11,4	-1,8	-9,1	-3,8	-4,8	-4,4	-6,7	-4,0
2016	-4,2	-3,1	-3,3	-4,0	-9,8	-3,8	-1,9	-2,1	-7,1	-4,3	-6,9	-4,6	-4,2	-5,0	-6,3	-4,5
2017	-4,3	-3,0	-2,8	-3,6	-12,9	-2,0	-0,9	-1,8	-8,4	-3,8	-5,3	-4,0	-3,7	-3,7	-6,3	-3,8

Source: Calculated from IMF-WEO's country data, October 2016

44. In addition, the analysis of this ratio brings to the fore certain important developments, breaking with current historic trend. They include:
- Rapid deterioration of the fiscal deficit in Benin which, before 2015 was one of the model countries in fiscal discipline. The budget deficit ratio averaged barely 1% between 2006 and 2014 before increasing sharply to 7.5% in 2015. The expected level in 2016 is 4.2%;
 - Consistent tight fiscal policy in Burkina Faso where the budget deficit ratio is permanently pegged below the 3% threshold for at least a decade;
 - Continued deterioration of budget deficit in The Gambia, which is expected to reach 9.8% and even 12.9% in 2017 after a level of 6.5% in 2015 and 7.6% between 2012 and 2014 ;
 - Expected deterioration of the fiscal deficit in Liberia, with the ratio sharply rising to 11.4% in 2015 and 7.1% in 2016 ;
 - Lastly, deterioration of public finance in Nigeria, which is expected to reach 3.8% in 2015 and 4.6% in 2016, a development breaking with the country's previous budgetary performance.

Figure 7: ECOWAS' Public deficit

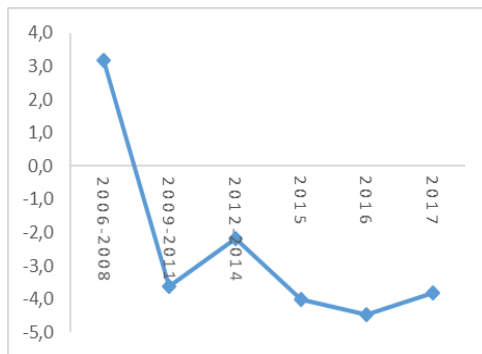


Figure 8: Expenditure/growth

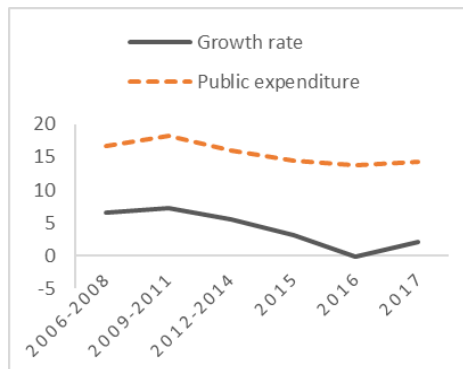
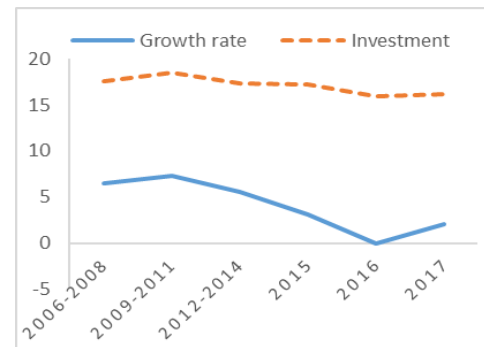


Figure 9: investment/growth



45. Overall, the difficulties encountered in meeting the budget deficit threshold as set out in the ECOWAS multilateral convergence mechanism is to a large extent linked to the significant role of public expenditure as a source of growth. Indeed, there is a positive but significant relation (correlation coefficient of 0.93) between government expenditure and ECOWAS economic growth (figure 8). However, the positive impact of government expenditure depends on its allocation. Public expenditure is more efficient when it is mainly allocated to investment whose positive effect on economic growth is theoretically and empirically established. Thus, the positive but highly significant relation (correlation coefficient of 0.94) in the case of ECOWAS confirms the role of investment as a driver of growth (figure 9).

1.3.4. Public Debt

46. ECOWAS public debt to GDP ratio remains broadly within the 70% threshold, the economically sustainable limit for the region's countries. However, there is a tendency for re-indebtedness, sometimes worrisome, which may erode the gains made under debt cancellation and relief initiatives the region's countries benefited from with the exception of Cabo Verde. Thus, ECOWAS public debt ratio is expected to reach 24% in 2016 against 22% in 2015 and 18% on average over the period from 2006 to 2014 (see table 9 and figure 10).

Table 9: Debt ratio of ECOWAS Member States

	BEN	BFA	CPV	CIV	GMB	GHA	GUI	GNB	LBR	MLI	NER	NGA	SEN	SLE	TGO	CEDEAO
2006-2008	19	24	67	75	64	30	107	182	462	19	24	8	23	63	98	17
2009-2011	28	29	72	65	70	42	89	91	79	24	27	9	37	47	58	18
2012-2014	28	28	100	45	87	61	42	52	29	26	29	11	48	34	53	19
2015	39	33	121	49	92	71	53	53	39	31	45	12	57	44	62	22
2016	43	36	119	49	99	66	53	47	43	30	49	15	57	48	63	24
2017	44	36	118	48	104	62	50	46	46	30	50	15	56	47	65	24

Source: IMF - WEO, October 2016

47. However, ECOWAS' aggregated position hides significant disparities between countries. Cabo Verde and The Gambia, with projected debt ratios of 119% and 99% respectively in 2016 remain the only Member States whose debt stock would be largely pegged above the threshold set by the Community. Similarly, the rate of debt accumulation in some countries portends a detrimental cumulative situation. In particular, Ghana's debt ratio rose sharply to 71% in 2015 with an anticipated decline by 66% in 2016. Togo's debt would also increase to 63% in 2016 against 62% in 2015. Senegal's debt ratio would be pegged at 57% in 2015 and 2016.

48. Apart from the above cases, the debt situation in other countries is economically sustainable and would be largely between 30% and 50% with the exception of Nigeria whose ratio is the lowest in the region, and expected to be set at 15% in 2016 against 12% in 2015. The 3 percentage point change is linked to the planned borrowing by government to deal with the economic recession facing the country.

Figure 10 : Debt ratio of ECOWAS

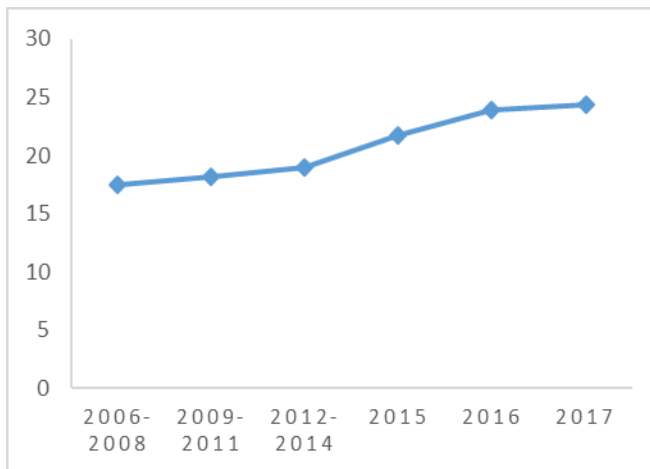
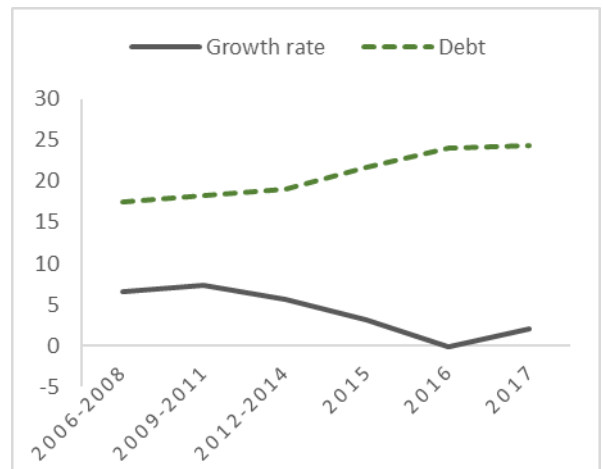


Figure 11: Growth/Debt Ratio



49. The analysis of ECOWAS data shows a negative but highly significant (correlation coefficient of -0.95) between public debt and economic growth (figure 11). This situation reflects the negative impact of debt accumulation on economic performance.

1.3.5. Current account balance

50. ECOWAS current account balance is expected to be at negative 2.2% in 2016, an improvement from the sharp deterioration of 4.2% in 2015 (see table 10 and figure 12). These overall negative results represent a drastic change in the ratio of the current account balance, from a historically surplus position (3% between 2006 and 2014) to a deficit situation since 2015. This situation is largely due to the sharp deterioration of Nigeria's external position, a country traditionally with a surplus account (see table 10). Thus, the sharp contraction of Nigeria's export sector, following the steep rise in oil prices, led the country from a comfortable surplus of current account balance (an average of 6% between 2006 and 2014) into a deficit of 3% in 2015.

Table 10: Ratio of current account balance of ECOWAS Member States

	BEN	BFA	CPV	CIV	GMB	GHA	GUI	GNB	LBR	MLI	NER	NGA	SEN	SLE	TGO	CEDEAO
2006-2008	-7	-10	-10	1	-12	-10	-9	-3	-21	-7	-10	12	-11	-7	-8	7,4
2009-2011	-8	-3	-14	6	-14	-8	-14	-6	-28	-9	-22	4	-6	-34	-7	1,5
2012-2014	-8	-8	-9	-1	-10	-11	-20	-7	-28	-3	-15	3	-10	-23	-10	0,1
2015	-11	-6	-4	-2	-15	-8	-19	-1	-35	-5	-17	-3	-8	-15	-7	-4,2
2016	-10	-6	-8	-2	-13	-6	-13	-2	-30	-6	-18	-1	-8	-16	-8	-2,2
2017	-12	-5	-9	-2	-14	-6	-11	-3	-27	-5	-18	0	-8	-16	-8	-2,0

Source: IMF - WEO, October 2016

51. Despite, the expected rise in oil prices, especially following OPEC's decision to reduce its oil production with a view to prompting a rebound in prices, prices would remain below the record levels reached between 2011 and 2014, due to a fragile global recovery. The expected rise in oil prices would reduce Nigeria's external deficit to about 1% in 2016 and 0% in 2017. Although there is no critical threshold regarding this ratio in the ECOWAS multilateral convergence mechanism, an uncontrolled deterioration, in particular beyond 5%, constitutes a major risk for the external balance of countries. As shown in figure 13, the deterioration of the current account balance negatively and significantly affects economic growth (correlation coefficient of 0.70).

Figure 12 : Trend in ECOWAS current account

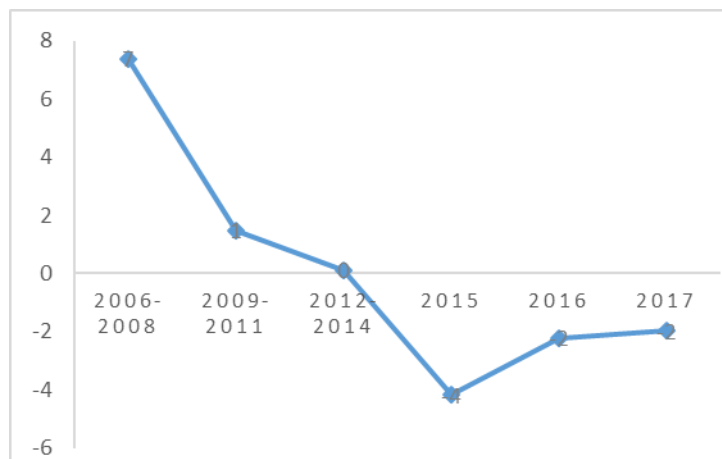
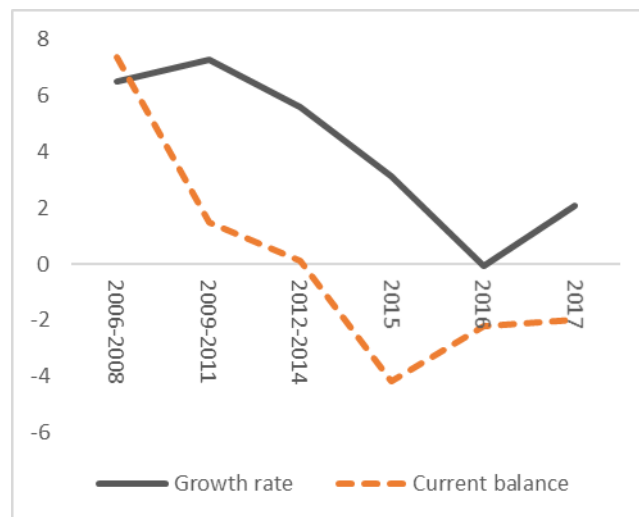


Figure 13 : Growth-to-Current account balance ratio



52. Aside Nigeria, Cote d'Ivoire and Guinea Bissau would be the only countries to maintain this ratio below the economically sustainable limit. The ratio would be pegged at 2% in 2016 in those two countries. Estimates of the ratio of current account balance for 2016 in Ghana (6%), Burkina Faso (6%), Mali (6%) and to a lesser extent Cabo Verde (8%), Senegal (8%) and Togo (8%) show the relative fragility of their external position. In contrast, the situation of these countries is far from alarming, contrary to Liberia (30%), Sierra Leone (16%), The Gambia (13%), Guinea (13%), Benin (10%) and Niger (18%). The situation of the last two countries, alongside UEMOA countries, could to a certain extent be less problematic since the institutional arrangement for streamlining external reserves is an automatic adjustment mechanism for negative shocks to their current account balance. This arrangement within UEMOA provides a collective assurance against asymmetric shocks and beyond, against the deterioration of the external position of countries. However, the effectiveness of this mechanism calls for the mitigation of the moral hazard associated with any shared system. Indeed, the assurance against external shocks provided to UEMOA Member States should not encourage actions that are likely to cause instability of the external account balance.
53. On the whole, the difficult economic situation in Nigeria, arising from the fall in oil prices and casting doubts on the region's growth prospects, underpins the need for a structural transformation of ECOWAS economies. Efforts made by ECOWAS Member States for accelerated growth and development are always affected by some structural factors including poor diversification and processing of primary commodities, due to overly rigid economic structures in the region, as well as poor production capacity, particularly in the manufacturing sector.
54. In this connection, countries in the region should expeditiously adopt appropriate measures to adapt to low commodity prices, make their economies less vulnerable to shocks and develop new sources of sustainable growth that will benefit all Community citizens. Improved agricultural

productivity will increase household income, especially in rural areas, reduce food prices and develop the agro-processing industry in the region. Medium and long-term priorities should revolve around measures that may transform economic structures in order to diversify the sources of growth to make it more robust and resilient as well as create more jobs in all sectors of the economy.

1.4 Review of Economic Performance and Reforms in ECOWAS Member States

Benin

55. Following successful presidential elections in the country, a new President was sworn into office in April 2016. The government found a difficult macroeconomic and treasury situation upon assumption of office. While fiscal policy was generally sound in earlier years, the fiscal deficit increased to around 8.5 percent of GDP in 2015, with continued spending overruns in the first quarter of 2016. This widening fiscal deficit was financed by large bond issuances on the regional financial market, adding significantly to future debt service. In order to deal with this challenge the government initiated reforms to improve governance and the regulatory framework, in particular for energy, to facilitate private sector investment.
56. These efforts were directed not only at reducing the investment burden on the budget, but also at facilitating the private-sector led growth necessary to create employment. The efforts also included reforms to improve the efficiency of government spending, in particular, by addressing severe weaknesses in audit, mobilize additional revenues and to develop the appropriate regulatory framework for PPP which will be necessary to safeguard against future risks for the budget. The government also started initiatives to improve the governance of state-owned enterprises in support of a privatization agenda.

Burkina Faso

57. The presidential and parliamentary elections in late 2015 ended a period marked by the 2014 popular uprising and the foiled military coup in September 2015. The political uncertainty took a toll on economic activity, with GDP growth remaining at 4 percent in 2014 and 2015 (compared with 6.4 percent in 2009-13). The January 2016 terrorist attack tendered to dampen the post-election rebound. However, growth was projected to increase to 5.2 percent in 2016 supported by a broad-based recovery and the coming on stream of new gold mines. Quick implementation of a supplementary budget law and a favourable agricultural campaign could support growth further. In the medium term, growth is projected to recover gradually to historical averages (6-6.5 percent).
58. The 2016 supplementary budget focuses on raising domestic revenue collection in order to rebuild fiscal space for priority investments, in the context of a two percentage points of GDP decline in tax revenue between 2013 and 2015. The revised budget targets an ambitious revenue increase of about 1.5 percent of GDP relative to 2015, supported by new measures aimed at strengthening tax and customs administration. The budget also incorporates new investments as well as a number of new health, education and youth employment measures aimed at addressing pressing social needs. Also, measures have been taken to contain the public wage bill and to accelerate the preparation of their new National Plan for Economic and Social Development (PNDES).

Cabo Verde

59. Cabo Verde's economy is expected to resume a higher growth trajectory in 2016, driven mainly by tourism, foreign direct investment and a recovery in domestic demand. While the impact of the global financial crisis, and in particular the euro crisis, slowed growth markedly in 2012-15,

spillovers from these crises have now subsided. Rising external demand, in particular in the tourism sector, a very strong FDI pipeline and the gradual recovery of private sector credit indicate a marked acceleration of growth in 2016. Cabo Verde's public debt relative to the size of the economy has risen more than planned due to lower nominal growth since 2012 but remains in comfortable position servicing the debt in view of the concessional nature of the bulk of the debt. The authorities have taken measures to mitigate the risks associated with the high level of public debt by containing public spending, in particular externally financed public investment, prioritizing projects with the highest impact on growth and employment over the nearest term and delaying others.

60. The government continues to direct efforts at improving the performance of State-owned enterprises (SOEs) which deliver essential infrastructure services to the economy. The introduction of mandatory performance contracts in all of the six strategic SOEs has produced encouraging results in most of them, improving their operational performance which remains critical to restoring their financial health and reducing contingent fiscal liabilities
61. In addition to raising public sector efficiency, Cabo Verde's long-term growth depends on bolstering productivity. Consequently, strong emphasis has been placed on reforms in that regard, focusing on the business environment, labour market flexibility, access to financing, and education and training to further reduce the skill mismatch. This would support job creation and inclusive growth in tourism and related local businesses and economic diversification. A new labour code which was expected to become effective in October 2016 will support this process, close the gender gap—which is most pronounced for young and rural women—and help raise economic growth

Côte d'Ivoire

62. Economic performance has been impressive over the past four (4) years, buoyed by political normalization, together with supportive fiscal policy and structural reforms to improve the business climate. Solid macroeconomic performance continued in 2015 and the first quarter of 2016, driven by strong investment and private consumption, notwithstanding the adverse impact of lower-than-expected rainfall on agriculture. Growth has been accompanied by a modest decline in poverty, but other human development indicators have been slow to improve. Strong revenues, an under execution of externally-financed capital spending and expenditures containment measures helped limit the 2015 fiscal deficit and contributed to satisfactory budget execution in the first quarter of 2016.
63. The authorities recently adopted a National Development Plan (NDP) 2016 – 2020 that aims at achieving sustained, strong and inclusive growth. Under the NDP, the private sector would play a major role, supported by a continued expansion in public infrastructure and further structural reforms to improve the business climate. Successful NDP implementation will depend on the pace at which structural bottlenecks are tackled and productivity-enhancing reforms are carried out, as well as on financing conditions and how domestic and external risks are addressed.

The Gambia

64. The Gambian economy continued its recovery in the first half of 2016 supported by the rebound in agriculture and tourism. Real GDP growth is forecast to pick up to around 5.0 percent in 2016 from the 4.7 percent recorded in 2015. The country continued the implementation of its medium-term development plan - the Programme for Accelerated Growth and Employment (PAGE) - which elapses at end-2016 while a successor plan for 2017-2020 – the National Development Plan (NDP) is being finalised.

65. Budget implementation in the first half of 2016 was quite challenging with tax receipts below expectations coupled with spending pressures amidst the looming elections in December 2016. As a result, government borrowing from the domestic money market picked up, putting upward pressure on interest rates. The government continued its support to major State Owned Enterprises (SOEs), particularly to the National Water and Electricity Company (NAWEC), The Gambia Telecommunications Company Limited (GAMTEL) and The Gambia National Petroleum Corporation (GNPC).

Ghana

66. Faced with a challenging economic environment the authorities signed on the IMF's ECF-supported programme whose implementation entered the third year in 2016. There has been progress in stabilizing the macroeconomic situation and reducing financial imbalances, but fiscal risks remain elevated. Consequently, the authorities are continuing their fiscal consolidation programme and aim at strengthening policy and reform implementation. Further efforts are being made to address revenue shortfalls and strengthen expenditure control measures to contain the wage bill and other current spending. The government is running a primary surplus this year, which, along with the stability of the cedi, should contribute to a marked decline in the debt-to-GDP ratio.
67. To ensure that the gains from fiscal consolidation are sustained over the medium term, measures have been taken to effectively implement a wide range of ambitious reforms. These include measures to broaden the tax base and enhance tax compliance, strengthen control of the wage bill, and enhance public financial management (PFM). In this regard, the authorities recently adopted a PFM legislation which is an improvement over previous laws. Steps have been taken to address SOEs financial problems as a measure to reduce risks to the economy, the financial sector, and the government budget from their underperformance. The central bank, Bank of Ghana, continues to maintain a tight monetary stance to bring down inflation back to target. New amendments were recent introduced into the Bank of Ghana Act to improve central bank governance and reduce the scope for financing of government.

Guinea Bissau

68. The political situation in Guinea Bissau has improved considerably. The government appointed in June 2016 has made steadfast efforts to improve the management and transparency of public finances through rigorous organization of weekly treasury committee meetings, and to implement some key reforms. The government has declared the expensive bank bailout contracts (5.5 percent of GDP) null. As a precautionary measure, the bank bailout has been put on hold by the regional court through an injunction until the courts rule on the validity of the bailout contracts.
69. The fiscal situation in 2016 has been under severe strain, mainly owing to a loss of budget support from development partners. To mitigate the situation and put the economy on track, the Council of Ministers took a decision to sell part of seized wood to raise revenue for the government to close the fiscal gap in 2016. Government's economic programme currently being implemented aims at consolidating the fiscal position through better expenditure management and enhanced revenue mobilization, deepening institutional reforms, mitigating vulnerabilities, and developing the private sector to support growth and job creation. The programme focuses on strengthening budgetary transparency as well as public investment and debt management, improving the compilation of statistics, and addressing governance and security reform issues.

Guinea

70. Guinea's economic performance over the past four years fell significantly short of the authorities' projections. After a period of early gains (2012–13), the country was hit by the Ebola epidemic, a sharp decline in commodity prices, and political uncertainty. The economy is recovering from the effects of the Ebola epidemic. Growth is projected to rebound to 3.7 percent in 2016 on the back of higher electricity provision from the Kaleta hydroelectric dam and a strong increase in bauxite production. Inflation rose to 7.9 percent in April 2016, driven by stronger domestic demand and a weaker exchange rate. Bank credit to the private sector continued to grow at rapid rates, and reserve buffers increased and stabilized at 2.4 months of imports, after significant losses in 2014–15.
71. The medium-term outlook is favourable but continues to be clouded by downside risks. Growth is projected to average 4.5 percent over the next five years, and inflation would decline gradually to 5 percent by 2019. The basic fiscal balance is projected to remain around 0.5 percent of GDP, reflecting financing constraints and prudent policies to strengthen reserves. The authorities' economic strategy for 2016–22, under preparation, aims at unlocking broad-based and inclusive growth, driven by investments in electricity, roads, and agriculture. The private sector would also play a role through new mining projects, new transformation units of agricultural products, and large residential housing projects and administrative buildings through PPPs.

Liberia

72. The Ebola epidemic and the fall in commodity prices revealed the vulnerabilities of Liberia's economy. After barely positive growth in 2014, GDP was flat in 2015 mainly due to the decline in activity in the iron ore and rubber sectors. The current account deficit deteriorated, reflecting weaker export receipts and the Ebola-related surge in imports. Lower revenue from the natural resource sectors and higher Ebola-related spending, largely financed by donor support, pushed the FY2015 overall government deficit to 8.4 percent of GDP. The FY2016 deficit is estimated to have declined to 7 percent of GDP as continued revenue weakness forced the government to contain spending.
73. The economy is expected to experience recovery in 2016, with growth rising to 2.5 percent, on account of a rebound in services and the start of gold production, while inflation should stay in the single digits. The overall government deficit is projected to remain broadly constant, owing to strong fiscal measures to address lower natural resource revenues, declining external budget support, the cost of the 2017 elections, and the take-over of security from UNMIL. Over the medium term, economic growth is expected to increase to 5.5 percent on average, due to a recovery in mining, improvement in infrastructure, particularly energy and roads, and higher agricultural productivity. The fiscal position is expected to improve on account of the authorities' commitment to improve domestic revenue mobilization and contain spending.

Mali

74. Mali's economy continues to grow at a strong pace, supported both by public capital spending and the regional central bank's (BCEAO) accommodative policy. Inflation is falling and is projected to decline to 0.5 percent by end-December. Structural reform programmes being implemented continue to advance in most areas. The 2016 fiscal programme provided for a temporary loosening of the fiscal stance to accommodate higher public investment and peace-related and security needs. Although public investment increased in the first half of the year, the fiscal deficit was below target. While progress on tax administration and public financial management (PFM) reforms has continued, the implementation of reforms to foster good governance has been slower than envisaged, particularly regarding legislation to combat corruption and unlawful enrichment.

75. Structural reforms being undertaken by the government include measures to support revenue mobilization and strengthen PFM and governance, as well as other measures to support sustainable long-run economic growth and poverty reduction. Efforts to address financial sector weaknesses are ongoing. Priorities include strengthening the balance sheet of the restructured housing bank, reforming the microfinance sector, and further modernizing the framework for anti-money laundering and combating the financing of terrorism.

Niger

76. Despite security concerns, commodity price shocks, and the regional economic slowdown, Niger's economy continues to grow, albeit at a slower pace. The decline reflects slower activity in the agricultural and natural resource sectors. Inflation remains subdued, partly reflecting a good harvest and the stabilizing role played by government food programmes.
77. Budgetary revenues from non-resource sources have increased significantly, but shortfalls in resource revenue and external financing, coupled with a surge in capital spending, led to slippages in meeting fiscal targets and accumulation of domestic expenditure arrears during 2015. Overruns in spending also reflect budget execution weaknesses, including a lack of effective oversight over the expenditure chain. To preserve fiscal sustainability and limit the incurrence of new arrears, the government has adopted a number of measures to reinforce revenue mobilization and improve expenditure control to ensure that spending commitments are in line with available resources.

Nigeria

78. The Nigerian economy is facing substantial challenges. While the non-oil sector accounts for 90 percent of GDP, the oil sector plays a central role in the economy. Lower oil prices have significantly affected the fiscal and external accounts, decimating government revenues to just 7.8 percent of GDP and resulting in the doubling of the general government deficit to about 3.7 percent of GDP in 2015. Exchange restrictions introduced by the Central Bank of Nigeria (CBN) to protect reserves have impacted significantly on segments of the private sector that depend on an adequate supply of foreign currencies. Coupled with fuel shortages in the first half of the year and lower investor confidence, growth slowed sharply from 6.3 percent in 2014 to an estimated 2.7 percent in 2015. The authorities formally announced the economy falling into a recession in the second half of 2016.
79. Recovery in economic activity is expected to be modest in the medium term given the uncertain global outlook and the likelihood of oil prices remaining low. The authorities have recognized the need for significant macroeconomic adjustment to move and put the economy back on track. This entails, among others, implementation of a coherent package of policies to safeguard fiscal sustainability and reduce external imbalances as well as advancing structural reforms to support inclusive growth.

Senegal

80. The economy of Senegal has witnessed strong macroeconomic performance in recent years, with growth increasing from 4.3 percent in 2014 to 6.5 percent in 2015 and 2016. Inflation remains low, and a fiscal deficit target of 4.2 percent of GDP has been planned for 2016. Recognising that raising growth rates to 7 to 8 percent over the 20-year period of the *Plan Sénégal Emergent* requires steadfast action to reduce patronage and rent-seeking so as to open economic space to small and medium enterprises (SMEs) and foreign direct investment (FDI), the authorities have cancelled Senegal Airlines' flying rights, closed five public agencies with no formal existence, taken steps to improve the business environment, promoted agricultural development, and reformed university scholarships. In addition, energy subsidies were eliminated in the 2016 budget as part of

reforms to boost electricity generation and lower costs. These reforms signal improving economic governance while positively impacting public finances.

81. With strong sustainable and inclusive growth in mind, efforts have been made to rebalance public expenditure towards investment in human capital and public infrastructure, accelerate efforts to curtail tax expenditures, and strengthen the efficiency of public expenditure by controlling subsidies and the wage bill.

Sierra Leone

82. Sierra Leone's economic reforms over the last three years have been largely successful. The economy proved resilient in the face of two major exogenous shocks: the Ebola epidemic and collapse of iron ore prices and associated loss of production in 2014-2015. Sound macroeconomic policies, together with generous support from development partners helped ensure fiscal and external sustainability, while providing sufficient resources to begin implementing the post-Ebola Recovery Strategy. Since the last quarter of 2015, economic growth has resumed, and it remains on an upward trend, supported by new investments in mining, agriculture and fisheries. The recovery underway is projected to remain sustainable over the medium term.
83. Implementation of structural reform programmes have contributed to improvement in the transmission of economic policies. Reforms of revenue mobilization and administration, expenditure control and public finance management have contributed to fiscal sustainability, while providing a framework for transparency and accountability in the use of public resources. Reforms of the monetary policy operating framework have been instrumental to proactive monetary policy.

Togo

84. Economic growth has remained strong in recent years, averaging 5.4 percent in 2013-14, on the back of productivity gains in the agricultural sector and public investment in transport infrastructure. The fast pace of public investment has laid the basis for higher growth but has also contributed to a pronounced increase in public debt and current account deficit. Output growth is expected to be sustained over the medium term, although current account and debt pressures are unlikely to abate. Growth is expected to average 5.5 percent in 2015-18, supported by agricultural production, transportation services linked to international trade, and the impact of investments in transport infrastructure, which should facilitate private economic activity.
85. The authorities have underscored the need to place fiscal balance on a sustainable path to ensure debt and external sustainability and create space for social spending. They advised anchoring public finances on a domestic primary balance to reduce the public debt-to-GDP ratio over the medium term. In this regard, emphasis has been placed on control of recurrent spending, including reduction of fuel subsidies, raising the efficiency of public investment, enhancing public financial and debt management and accelerating implementation of key fiscal reforms, including the reorganization of the Ministry of Finance, developing an effective treasury cash management, establishing a treasury single account, and modernizing revenue administration

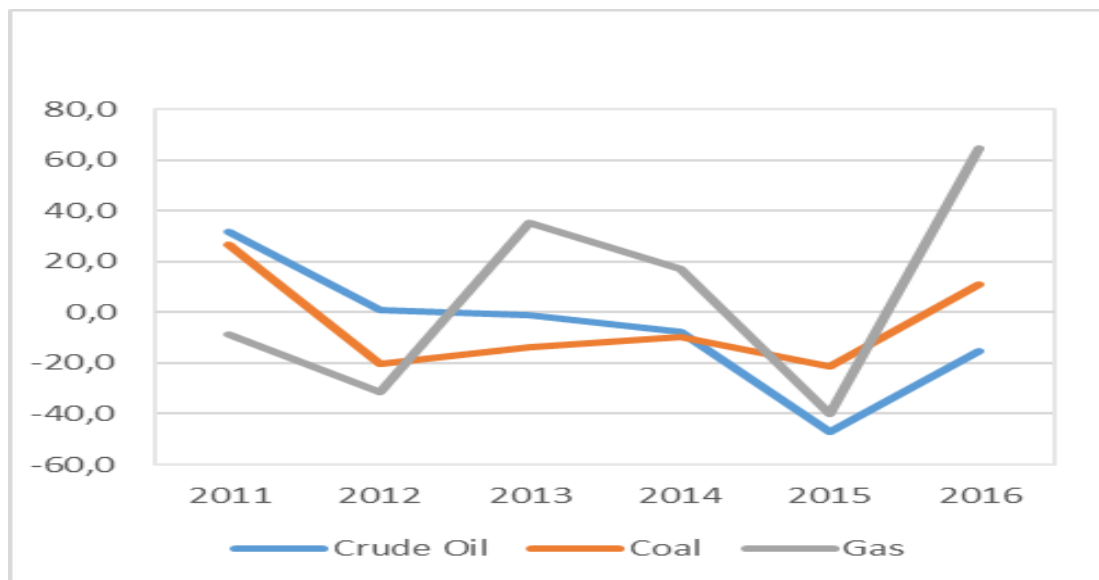
1.5 Global Commodity Prices

86. Commodities, raw or partially processed, are often the most significant exports of developing countries, and sometimes the single most important source of government revenue. Prior to 2014, international commodity prices have generally been high and increasing, but started experiencing downward trends from 2014 (see fig 3). Below are highlights of price developments of

some major commodities most of which have direct consequence on the economies of ECOWAS Member States.

87. **Crude oil:** The annual average price of a barrel of crude oil has been persistently low since the beginning of the year and is expected to further decline by 15.4 percent in 2016 to an average price of \$42.96 per barrel, from \$50.55 in 2015. The current decrease is lower when compared to the -47.3 percent decline between 2013 and 2014. Since 2011 the price of crude oil has been estimated to have declined by about 59.1 percent. The further plunge in price is driven by the additional from mainly from Canada, Iran and Saudi Arabia.

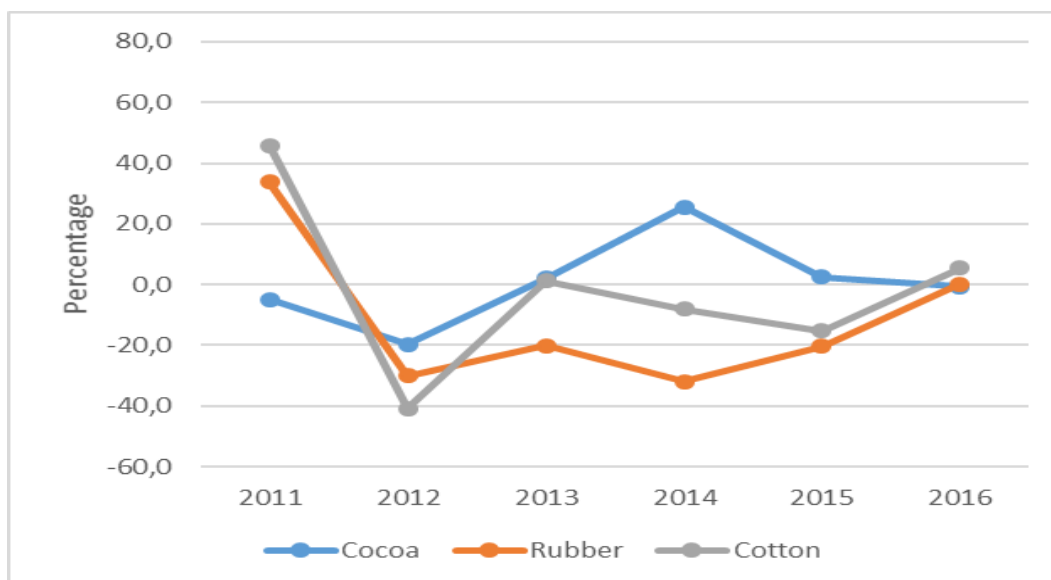
Figure 14 : Price of Crude oil/Coal/Gas



88. **Natural Gas:** Natural gas price jumped from US\$2.61/mmBtu² in 2015 to an average of US\$4.31/mmBtu in 2016, representing an increase of about 64.8 percent. However, the price of the commodity declined by 40.2 percent in 2015. The price hike in 2016 is due to an excess of global demand over supply, and therefore less stock build-up, especially in US and Japan.
89. **Coal:** The average price of a metric ton (mt) of coal is expected to cap at US\$63.3 in 2016 compared to US\$57.04 in 2015, which is about 11.0 percent increase, on account of modest increase in global demand and restricted production in China due mainly to government regulation of the environment and adverse weather conditions in the coal producing areas.
90. **Rubber:** The average price of rubber per metric ton is expected to increase by 0.1 percent in 2016 compared to a decline of 20.3 percent in 2015. This unimpressive price increase is attributed to currency volatility of the three (3) main producers; Indonesia, Malaysia and Thailand.
91. **Cocoa:** The global average price of cocoa is expected to decline by 0.6 percent in 2016 compared to an increase of 2.4 percent in 2015. This reflects expectations of a significant surplus in the 2016/2017 crop season. West African production will recover from many noneconomic factors and the Latin American production will equally expand.

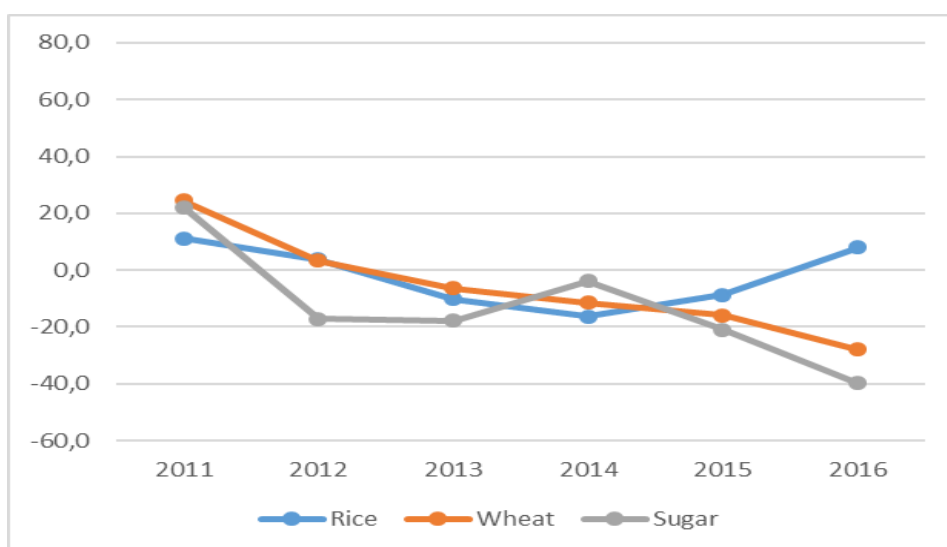
² mmBTU (One Million British Thermal Unit)

Figure 15 : Price of Cocoa/Rubber/Cotton



92. **Cotton:** The average world price of a kilogram of cotton is expected to improve by 5.4 percent in 2016 compared to a decline of 15.3 percent in 2015. In other words, a kilogram of cotton was traded at an average of US\$1.64 in 2016 compared to \$1.55 in 2015.
93. **Sugar:** The average world price of sugar is expected to decline further in 2016 by 39.8 percent. The decline could be explained by the good harvest in Brazil, the world's largest producer and exporter of sugar.
94. **Wheat:** For four years in a row the average world price of wheat has declined and in 2016 it is expected to decline further to \$148.68 per metric ton from \$206.38 per metric ton in 2015, representing a decline of about 28.0%. In 2014, the average global price fell by 8.76 % compared to 0.32 % in 2013. On average, the world price per metric ton in 2014 was estimated at US\$ 284.9 compared to US\$ 312.25 in 2013.

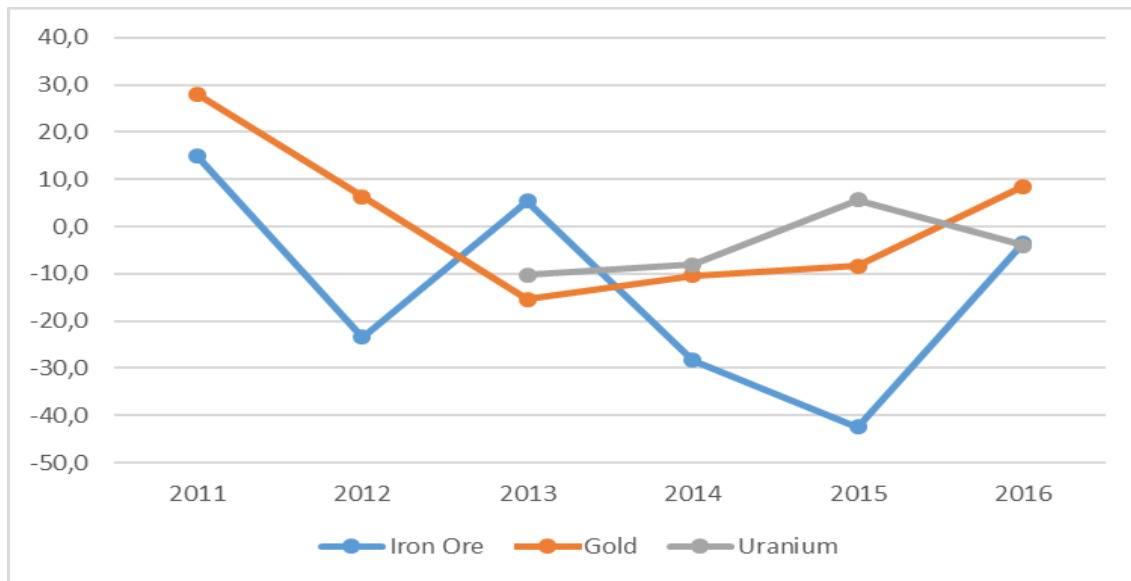
Figure 16 : Price of Rice/Wheat/Sugar



95. **Rice:** The world price of a metric ton of rice appreciated this year by about 7.9 percent after successive declines since 2013. On average, the price of rice rose to \$416.45 per metric ton in 2016, from US\$386.0 in 2015.

96. **Gold:** The price of gold rose to US\$1,259.18 per ounce in 2016 compared to US\$1,160.66 in 2015, representing an 8.5 percent rise. The surge in price is due to strong additional demand, in response to the US Federal Reserve delays of an expected increase in interest rate.

Figure 17: Price of Iron Ore/Gold/Uranium



97. **Iron Ore:** The average price of iron ore declined by 3.4 percent in 2016, compared to a decline of 42.4 percent in 2015. In other words, price decreased to US\$53.94/mt in 2016 from US\$55.83/MT in 2015. The slow down in price is a result of China's transition to a consumption driven economy, together with other reforms and environmental concerns.
98. **Platinum:** The average price is expected to decline this year due mainly to surplus in many markets. The global price will be lower than that of last year by 4.05 percent, a decline from US\$1,161 per pound in 2015 to US\$1,114 per pound in 2016.

CHAPTER II: IMPLEMENTATION OF THE COMMUNITY WORK PROGRAMME

2.1 Harmonization of macroeconomic policies and private sector promotion

2.1.1 Multilateral Surveillance

99. Multilateral surveillance of economic and financial policies of ECOWAS Member States constitutes the basis for the implementation of the ECOWAS monetary and integration programme and the realisation of the ECOWAS Single Currency Initiative. It is principally achieved through the monitoring and evaluation of the status of macroeconomic convergence in the Member States and the effective **implementation** of the roadmap for the ECOWAS Single Currency Programme. The implementation of multilateral surveillance activities contributes to deepening monetary and economic integration and facilitating progress towards macroeconomic convergence. The key activities implemented in this domain during the review period relate to the ECOWAS Multilateral Surveillance Mechanism; strengthening coordination and cooperation with key development partners; production of ECOWAS Annual and Interim Reports; the Roadmap for the ECOWAS Single Currency Programme; and facilitation institutional convergence between ECOWAS and UEMOA Commissions.

✓ **Implementation of the ECOWAS Multilateral Surveillance Mechanism**

100. Key achievements and outputs realised in the implementation of the programme were as follows:
101. **The Joint ECOWAS Commission, the West African Monetary Agency (WAMA) and the West African Monetary Institute (WAMI) surveillance missions:** During the reviewed period, the Commission, in collaboration with the West African Monetary Agency (WAMA) and the West African Monetary Institute (WAMI), organised two Joint Multilateral Surveillance missions to ECOWAS Member States in April and September 2016. The Member States visited concurrently were The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone Burkina Faso, Cape Verde and Senegal. The Joint Multilateral Surveillance Missions enabled the evaluation of the performance of the economies and status of macroeconomic convergence in ECOWAS Member States in 2015 and the first half of 2016 and held dialogue on policy harmonisation measures with key stakeholders involved in economic and financial management. The key findings from the joint surveillance missions provided the basis for the preparation of the ECOWAS Macroeconomic Convergence Report for 2015.
102. **Strengthening the Effective Operations of the Institutional Organs of the ECOWAS Multilateral Surveillance Mechanism:** Activities undertaken in 2016 included the disbursement of ECOWAS annual subvention of US\$50,000 to each of the National Coordinating Committees (NCC) in the Member States to support their operations and payment of salaries of the macroeconomists and bilingual secretaries working in the NCC secretariats. The Commission also organised the technical meeting of the ECOWAS Joint Secretariat of regional institutions involved in the ECOWAS Multilateral Surveillance Mechanism in Abuja from 11 to 13 July followed by the regional meeting of the National Coordinating Committees (NCCs) in Ouagadougou from 18 to 22 July 2016. The meetings reviewed the Country economic reports of the NCCs and discussed the status of macroeconomic stability and convergence in the ECOWAS Member States in 2015. The NCC meeting in Ouagadougou also discussed the status of implementation of the ECOMAC database and measures needed to facilitate the timely and regular online updating of the ECOMAC database in the Member States. The report of the meeting provided critical inputs into the production and publication of the ECOWAS Macroeconomic Convergence for 2015. The Convergence report assessed the status of macroeconomic stability and convergence in the

ECOWAS Member States in 2015 and provided concrete recommendations for enhancing the performance of Member States in achieving macroeconomic stability and convergence on a sustainable basis.

103. The Commission has also undertaken preparatory activities for the organisation of the statutory meeting of the ECOWAS Convergence Council in early December 2016 in Abuja. The meeting is expected to review and adopt the ECOWAS Convergence Report for 2015 and assess the status of implementation of the roadmap for the ECOWAS Single Currency Programme and progress made towards the realization of the single currency in the region by 2020. The report of the Convergence Council will be tabled before the next meeting of the Presidential Task Force scheduled to hold in Abuja in the first quarter of 2017.
104. **Cooperation with IMF AFRITAC West 2:** The Commission organised a video conference with the IMF AFRITAC West 2 based in Accra on 18 March 2016 in Abuja to identify concrete areas of cooperation and collaboration in the implementation of multilateral surveillance activities and in the development of regional statistics. The conference ended with a commitment by the two institutions to the signing of a memorandum of understanding (MoU) that will provide the framework for capacity strengthening and implementation of joint activities in multilateral surveillance activities. The Commission also participated in the Steering Committee meeting of the IMF-AFRITAC West 2 in Banjul in May 2016 to review the operations of AFRITAC West 2 in 2015.

✓ **Studies and Institutional Coordination**

105. The activities executed under the programme contributed to strengthening capacity in the production and publication of ECOWAS Interim and Annual Reports, enhancing cooperation and collaboration with key development partners and international development and financial organisations such as the World Bank, International Monetary Fund (IMF) and the African Development Bank (AfDB).
106. During the period under review, the Commission participated in the 2016 Spring and Annual Meetings of the World Bank and the International Monetary Fund (IMF) in Washington D.C. in April 2016 and October 2016 respectively. The Commission's delegation to the meetings held wide ranging discussions with the World Bank, International Monetary Fund (IMF) and other key development partners on specific thematic issues relating to the ECOWAS regional integration programme, in particular, the Bank's support to improving the organization of the CDP's donors roundtable scheduled for the first quarter of 2017 in Abidjan, Cote d'Ivoire. The delegation also participated in some of the flagship events and seminars of the Spring Meetings organised by the World Bank.
107. The Commission participated at the 9th Joint African Union (AU) Specialized Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration and the Economic Commission for Africa (ECA) Conference of African Ministers of Finance, Planning and Economic Development held in Addis Ababa from 31 March to 5 April 2016. The theme of the conference was "Towards an Integrated and Coherent Approach to Implementation, Monitoring and Evaluation of Agenda 2063 and the SDGs".

✓ **Implementation of the Roadmap for the ECOWAS Single Currency Programme**

108. The implementation of activities under the programme facilitated the robust monitoring and evaluation of progress made towards the realisation of the ECOWAS single currency by 2020. The following activities were carried out during the period under review:

109. **Organisation of half-yearly meetings of the ECOWAS-WAMA Joint Task Force on the effective implementation of ECOWAS Trade and Trade-related Protocols:** The 14th Meeting of the ECOWAS-WAMI Joint Task Force (JTF) on Trade and Trade-related Issues was held at the ECOWAS Commission in Abuja - Nigeria, from February 16 – 19, 2016. The meeting deliberated on the proposal for the construction of a WAMZ Trade Integration Index and reviewed the status of implementation of the recommendations of the last WAMZ Trade Ministers' Forum held in Banjul 2015. The result of the meeting include far reaching recommendations on the effective implementation of the ECOWAS Trade Liberalisation Programme (ETLS) and the Common External Tariff (CET) as well as regional trade policy and the Economic Partnership Agreement (EPA) between EU and West Africa.
110. The Commission also attended the 8th meeting of the WAMF Trade Ministers' Forum held in in Monrovia from 2 to 4 November 2016. The meeting, which was attended by Ministers and experts from the WAMZ Member States in charge of trade and Trade –related Issues, discussed the WAMZ trade integration commitments and the status of implementation of ECOWAS trade integration programmes with specific focus on the ECOWAS Trade Liberalisation Scheme (ETLS).
111. The second half-year meeting of the ECOWAS-WAMI Joint Task force on Trade-related Issues is scheduled to hold in Accra from 29 November to 2 December 2016. The meeting is expected to discuss the recommendations of the WAMI Trade Ministers' Forum held in Monrovia in November 2016 and prepare a roadmap for the implementation of activities of the Joint Task Force in 2017.
112. **4th meeting of the Presidential Task Force on the ECOWAS Monetary Cooperation Programme:** The Commission commenced preparatory activities for the organization of the next meeting of the Presidential Task Force scheduled to hold in the first quarter of 2017. The meeting will, among other things, assess progress made in the implementation of the Roadmap for the ECOWAS Single Currency Programme, examine the revised Supplementary Act on the rationalised macroeconomic convergence criteria and discuss other issues necessary for the creation of a credible monetary union in ECOWAS by 2020. The outcome of the meeting will be presented to the next Summit of ECOWAS Heads of State and Government during their mid-year statutory Summit in 2017.
113. **Institutional Coordination and Convergence between ECOWAS and UEMOA Commission:** The Commission coordinated preparatory activities for the organization of the meetings of the ECOWAS –UEMOA Joint Secretariat scheduled to hold in Ouagadougou and Abuja in November and December 2016. The meetings will review progress made in the harmonisation of key regional integration programmes between the two institutions and proffer recommendations for improvement in 2017

2.1.2 Private Sector Promotion

114. The main activities undertaken by the Commission under Private Sector Promotion are enumerated as follows:
- ✓ ***Development of common investment code and policy:***
115. Following the task assigned to the Commission by the Ministers in charge of investment in ECOWAS Member States regarding the alignment of the translated versions of the draft ECOWAS Investment Code and Policy and subsequent progress made by Member States including Benin, Burkina Faso, Cote d'Ivoire, Senegal and Togo in organising national workshops on the proposed policy and code, a meeting of experts of these Member States and key representatives of the Technical Committee on the drafting of the policy and code has been planned to discuss the views and comments expressed at the workshops and agree on the content of the documents. This will make way for their validation and submission to the Council of Ministers.

✓ ***Business climate improvement programme:***

116. In to address some of the issues pertaining to investment climate that constrain the flow of investment into ECOWAS Member States, the West African Business and Investment Climate Improvement project was launched under the Support for West African Private Sector Competitiveness programme, by the signing of a Financing Agreement between the European Union and ECOWAS Commission on August 28, 2014 for an amount of € 8 million under the 10th EDF.
117. Achievements under the programme in 2016 include:
- A Private Sector workshop held in Abidjan, Cote d'Ivoire, to agree on Cote d'Ivoire's Investment Policy and Investment Code reform agenda and preparation of Country Action Plans
 - Completion of market-niche analysis to identify Member State's competitive investment sectors that can be supported to receive investments through policy reforms.
 - Production of the draft Score Card, which defines diagnostic standard criteria for evaluating the progress of Member States in reforming agreed policy provisions through the project life cycle and beyond.
 - A detailed review of the transfer pricing laws and regulatory framework in Nigeria, Liberia and Senegal and conduct of training for tax authorities in transfer pricing audit and compliance enforcement;
 - Organisation of a Transfer Pricing Conference for all Tax and Revenue Administration authorities in ECOWAS from 11th to 13th of October, 2016 to share experiences, build requisite capacities and also present the report of the review of Member States Transfer Pricing regulatory frameworks. The conference also set the stage for a plan of action for coordination of transfer pricing regulatory frameworks in the region, harmonization of compliance requirements and information sharing arrangements among revenue authorities in the region.

✓ ***Integration of capital markets in West Africa:***

118. Some progress was made in the implementation of this three-phase markets integration programme which is still in its first phase. In February 2016, a meeting of the Technical Committees of the WACMIC was held in Cape Verde to review the regional market operation under the sponsored broker market access phase, determine the time line for the commencement of the qualified West African Broker Market phase, and to formulate and recommend a proposal to Member States tax authorities to consider and approve a double taxation agreement framework for cross-border securities transactions in the region.
119. A Council meeting was also held at the heel of the Technical Committees meeting to approve the recommendations of the Technical Committees as well as to formally admit Cape Verde and Morocco as members of the West African Capital Market Integration Council (WACMIC).
120. In July, 2016, the West African Securities Regulators Association, (WASRA) was formed by a charter among the Securities and Exchange Commissions of Nigeria and Ghana respectively, and CREPMF, the UEMOA Securities market regulator, with the goal of pooling forces with WACMIC to deepen the integration efforts. WASRA further seeks to combine regulatory resources for supervision of cross-border capital markets operations, playing the role of the umbrella regulatory body and spearheading enforcement of rules and regulations in the regional market.
121. A multilateral meeting of WACMIC, WASRA and ECOWAS Commission was held on 30th August, 2016, in Abuja to review and agree on the Regional Capital Market governance and regulatory

structure, as well as work out a framework for collaboration between all stakeholders to sustain the integration initiative. At the meeting, all stakeholders agreed on the market governance framework, with WASRA as the apex regulatory body for the region, and an action plan for realizing the goals of capital markets integration in the region.

✓ **Establishment of A Regional Investment Guarantee Mechanism**

122. In 2016, a high level delegation of ATI, COMESA and ECOWAS officials met with the African Development Bank (AfDB), to solicit for funding and support for payment of the subscription of ECOWAS Countries to the membership of ATI.

123. This project, highly anticipated by financial institutions, is intended to facilitate the financing of major public and private projects and provide covers for commercial and political risks for investors in the region. After the adoption of this programme by the Council of Ministers in December 2013, the Commission continued work with the Project Implementation Committee (PIC) and the African Trade Insurance Agency for the operationalization of the programme.

✓ **The Regional Payments and Settlement System**

124. Aimed at reducing the time and costs of payments and settlements, and facilitate regional financial markets integration and trade, the development of the regional payments programme continued with the establishment of the Steering Committee recommended by the Committee of Governors of the Central Banks of ECOWAS Member States to review the project feasibility report and make it operational.

125. The recommendations of the Project Steering Committee made at its sitting in May 2015 were submitted to the Committee of Governors of ECOWAS Member States in February 2016 for approval and adoption of the project. The recommendations were subsequently adopted by the Governors, who directed that project implementation should commence immediately.

✓ **Enterprise Promotion**

126. In the area of enterprise promotion, the following activities were undertaken:

- Follow up with the Indian Government and Indian Institute for Small and Medium Enterprises on support for the establishment of ECOWAS Regional Institute for Micro, Small and Medium Enterprises (RIMSME), modelled after the Indian Institute;
- Conclusion of a draft MOU with the Tony Elumelu Foundation for regional entrepreneurship development
- Meeting of Ministers responsible for private sector promotion has been scheduled for 10th November 2016 in Monrovia to adopt the regional micro, small and medium enterprise (MSME) strategy and MSME Charter;

✓ **Cooperation**

- *Implementation of ECOWAS-CHINA PROJECTS*

127. A Memorandum of Understanding (MOU) between the China Council for the Promotion of International Trade (CCPIT) and the ECOWAS Commission was signed in September 2008 with the aim of institutionalizing China-ECOWAS relations, especially at the private sector level.

128. Consultations between China and the Commission flourished since then and led to the visit of the President of the Commission to China in November 2015, which resulted in agreements for the construction of the missing links on the Dakar-Lagos highway as a first phase, joint sourcing of funds for the construction of the highway in a second phase and an agreement for China to build the new ECOWAS Headquarters as a grant to the Commission. Further consultations took place during the year to accelerate the process for activating the China-Africa Development Fund.

- *Implementation of INDIA-ECOWAS PROJECTS*

129. Two ECOWAS-India Economic and Trade Forums were organized in Lagos and Accra in 2010 and 2012 respectively. A Memorandum of Understanding was signed between the Commission and the Federation of Indian Industries (FICCI) for strengthening cooperation between the private sectors of India and ECOWAS following two ECOWAS – India Economic and Trade Forums held in Lagos and Accra in 2010 and 2012 respectively. In furtherance of this relationship the Commission led a delegation of ECOWAS Agro-business persons to the India – Africa Agro business Forum in New Delhi, India in February, 2016. An important outcome of the forum was the approval to pursue Tissue Culture (SHEEL BIOTECH Ltd) development and Agro-Business Farms (GALOP TRADE Ltd – Pulses, Pickles, etc) investment.

- *Implementation of ECOWAS-US Projects*

130. The US has of late shown heightened interest in forging closer relations with the ECOWAS Commission. The US private sector? led by the US Chamber of Commerce signed a Memorandum of Understanding with the ECOWAS Commission in October 2015. As part of the implementation of the MOU, the US Chamber paid a visit to the Commission in February 2016 and expressed interest to take part in the implementation of ECOWAS projects. To facilitate the process, the Commission set up a project bank which was presented to the US Chamber of Commerce during a return visit on the sidelines of the AGOA Forum held in August 2016.
131. The Commission also collaborated with USA Chambers of Commerce including Microsoft, John Deere (Agric Machines manufacturers), etc to organize and execute a business mission to Nigeria (ICT, Agric and Finance) and ECOWAS Commission on 17th March, 2016 to promote business partnerships, investment and general support to the functioning of regional business groups.

✓ *Engagements with the Gulf Cooperation Council Countries (GCC)*

132. The Commission initiated engagements with the United Arab Emirates (UAE) with a view to signing cooperation agreement frameworks with the Member States of the Gulf Cooperation Council (GCC). As a result, the Director General of the Annual Investment Meeting (AIM), an annual investment promotion event organized by the Ministry of Economy of Dubai visited the Commission. The Minister of Economy of Dubai is expected to visit the Commission in January 2017 to hold discussions with the President of the Commission on cooperation between Dubai and ECOWAS Commission.

✓ *Cooperation with The Islamic Development Bank (IsDB)*

133. Following discussions with officials of the Islamic Development Bank's regional office in Dakar, the IsDB and the ECOWAS Commission have expressed the need for the two institutions to strengthen their cooperation in the funding and implementation of regional integration projects. Consequently, a Memorandum of Understanding has been prepared as a cooperation framework document and is expected to be finalised and signed before the end of the year

2.1.3 Research and Statistics

134. The major research and statistics activities carried out by the Commission are divided into the following areas: (i) Research and Development, (ii) Economic and Social analysis, (iii) Coordination and Harmonisation of Research Methods (iv) Data Management and Statistical Publications.
135. As part of its **research and development**, the Commission is in the process of finalising the Regional Economic Research Programme (RERP 2017-2021). Following the recommendations of major national stakeholders in the economic research sector, the draft programme paper will be improved, particularly with regard to the diagnostic analysis of the sector. The study on the status

of economic research, presently underway in the 15 Member States, should lead to the finalisation of the 2017-2021 RERP in the first quarter of 2017.

136. Furthermore, a fiscal transition study will be carried out in ECOWAS Member States, within the framework of **research publications**. A concept note on the study was prepared and the goal is to open substantive debate on fiscal transition and consequently, its effect on economic balances, at a time when ECOWAS is taking giant steps in trade liberalisation with the signing of the EPA.
137. Economic and social analysis activities involved the preparation of a preliminary report on developments in poverty reduction strategies in countries, in collaboration with the UEMOA Commission. The report should enhance the regional strategy complementing socio-economic development efforts in countries. This is in response to the need to adapt the regional strategy to ongoing changes in Member States in development strategy and the fight against poverty. The validation meeting by Member States will be held in December 2016.
138. Regarding **coordination and harmonisation of statistical methods** for public finance statistics, the Regional Action Plan for the harmonisation of public finance statistics within ECOWAS (PASFP 2016-2020), validated by national experts, was updated. The draft methodology guide on preparation of the Table of Government Financial Operations for ECOWAS Member States (ECOWAS TOGF) is being developed. The pre-validation meeting by the specialised TOGF technical group will be held in November 2016 while the compilation model for ECOWAS regional TOGF is being developed and will be finalised by the end of the year.
139. For national accounts, the draft regional Action Plan for the implementation of the National Accounting System (NAC 2008) within ECOWAS (2016 – 2020 PARSCN) was updated and is being implemented.
140. Concerning prices, the operationalisation of the roadmap for the methodology guide on compilation of the Harmonised Consumer Price Index (HCPI) within ECOWAS, which was validated by Member States, is ongoing with the financial support of GIZ. Thus, in the first quarter 2016, technical assistance missions were deployed in Guinea, The Gambia and Sierra Leone. In Guinea, the product list, based on the most recent household spending survey, was updated in collaboration with officers of the country's National Statistics Institute Price Division. Subsequently, the IPC list was re-classified based on the 12 COICOP functions, to promote comparability with other ECOWAS Member States. In Sierra Leone, capacity building was provided for Price Officers of the Statistics Institute and there was a fundamental change in their IPC for the most recent period. In The Gambia, capacity building was also provided for Price Officers of the country's Statistics Institute, with the support of Experts from Ghana.
141. In the area of Balance of Payments and the International Investment Position (BOP_IIP), the planning paper on activities for the operationalisation of the action plan on compilation of ECOWAS regional external accounts was jointly prepared with WAMI. The terms of reference for the development of a software application specific to BOP preparation in ECOWAS countries have been finalised and will be submitted to GIZ for funding. The two draft Regulations, one on the establishment of a Regional Committee for Reconciliation of intra-Community data on external trade and the other on the creation of the Regional Committee on ECOWAS BOP and IIP statistics will be submitted to the Council of Ministers in the first quarter 2017.
142. On developments in **international merchandise trade (IMT)**, the process is underway to implement the Single Guide for the compilation of ECOWAS external trade statistics, validated by experts and Directors General of National Statistics Institutes. The Commission financed the participation of four Member States in the session of the United Nations Statistical Commission in March 2016 and continues to work closely with the UN Statistics Division which provided support

for a capacity building meeting on environment statistics for Member States. AfDB funding for capacity building on production of IMT statistics is being finalised and will be submitted to Member State experts for validation in the first quarter 2017.

143. For **data management and statistical publications**, visits to monitor implementation of the Economic, Financial, Monetary and Social database “ECOBASE”, adopted in 2013, were carried out to **Guinea, Gambia, Guinea Bissau and Liberia**. Data was gathered on these countries for the 2000 – 2015 period and forecasts were made for 2016 and 2017. The metadata obtained from producers should lead, after processing, to more comparable data. Also, capacity building activities involved the provision of training on ECOBASE functioning and use to the technical group comprising focal points from the aforementioned countries and their deputies, in addition to management methods training. The training will enable the group to regularly update regional databases (ECOWAS ECOMAC, NUEMOA BDSM, etc.) Efforts are underway to set up an efficient online integrated management system for ECOBASE.
144. The joint tool (EUROTRACE package) for compilation and processing of statistics on international trade in goods is undergoing migration from Access to SQL. The major challenge presently being experienced is the acquisition of IT equipment with which to configure SQL/ORACLE for all Member States, in order to better secure external trade databases. A workshop on assessing the migration of databases to the Eurotrace SQL Server, bringing together all Experts from Member States, will be held in the last quarter of 2016. Concerning questionnaires to collect sectoral data for publication in ECOWAS bulletins in 2015, the consolidated data is being prepared.
145. For statistical publications, a paper on the 2016 and 2017 economic outlook of ECOWAS was prepared. Resources and funds from current GDP and real GDP from ECOBASE were updated for all countries for the 1990 – 2015 period. Data is currently being processed for other macroeconomic accounts for the same period.
146. To prepare the 2015 ECOWAS Statistical Directory, compilation models for regional GDP and regional TOGF were designed and set up while those for public debt, BOP and currencies are underway.
147. The draft documents being prepared for 2016 are: (i) analysis of ECOWAS external trade, (ii) paper on ECOWAS national accounts, (iii) statistical bulletin and paper on ECOWAS socio-economic indicators.

2.1.4 Community Development Programme (CDP)

148. At its 45th session in July 2014 at Accra, Ghana, the Conference of Heads of State and Government adopted the Community Development Programme (CDP) and directed the ECOWAS Commission to take all necessary measures to finance the programme. Thus, in the period under review, the following activities were carried out by the Commission with a view to organising a donors’ roundtable to finance CDP projects.
149. The Commission organised a technical meeting of the Resource Mobilisation Committee for CDP financing in Abidjan, Cote d’Ivoire, from 3 to 5 May 2016. This led to the validation of the third study on the contribution of Public Private Partnerships (PPP) to the financing of regional projects and the relaunch of preparations for the CDP Roundtable. At the end of the meeting, the major recommendations bordered on the following, among others:
 - officially contact the Cote d’Ivoire President and Chair of the ECOWAS Authority of Heads of State and Government to fix specific dates for the two events,

- conduct in-depth analysis of the 106 CDP projects eligible for public private partnerships and select the projects with high maturity levels likely to attract the targeted private investors,
 - finalise the Memorandum of Understanding between ECOWAS and AfDB to facilitate AfDB support for the Roundtable on the financing of CDP priority projects.
150. At its 49th session in Dakar, Senegal in June 2016, the Authority decided that a roundtable on CDP financing will be held before the end of 2016 in Abidjan, Cote d'Ivoire. In that regard, the President of the ECOWAS Commission led a mission to the Ivorian authorities, hosts of the event and the African Bank for Development (AfDB) on 20 and 21 June 2016. At the end of the mission, the ECOWAS Commission and the Ivorian authorities agreed to postpone the roundtable to the end of March 2017 due to some of the country's scheduling constraints (elections, etc.) and to enable the Commission work closely with AfDB for the success of the event. Moreover, the African Development Bank gave its consent to support ECOWAS Commission and EBID as the lead donor, for the preparation of the technical dossiers for projects and mobilisation of partners and private investors.
151. Seven regional priority projects have been selected to be presented for funding at the roundtable scheduled to hold in March 2017. They are: (1) the three-lane dual carriage Lagos-Dakar highway (in two phases, the 1,028 km long Abidjan-Lagos section and the 3,000km long Abidjan-Dakar section), (2) Cotonou-Niamey-Ouaga-Dori-Abidjan railway loop and the Ouangolodougou – Bamako railway section, (3) creation of a sea transport comp-any "Sealink", (4) interconnection of 225kV and 330kV electric power grids in West Africa (Nigeria-Niger-Benin-Burkina; Ghana-Burkina Faso-Mali-Guinea), (5) solar and wind power plants in ECOWAS Member States, (6) implementation of the Regional Offensive for Sustainable Rice Production in West Africa (with a component on boreholes for agricultural and food use), and (7) construction of 6 specialised referral hospitals and an ECOWAS Centre for disease control (ECOWAS CRSCM). These are highly strategic regional projects expected to yield considerable benefit for regional integration. The total cost of the seven projects is estimated at US\$12.45 billion and the chosen mode of financing is through Public Private Partnerships (PPP).
152. An inter-departmental technical committee was set up within ECOWAS to coordinate and implement all necessary activities for the conduct of the roundtable on CDP financing. Moreover, a communication plan was prepared and a website created to ensure visibility for the event.
153. At the second ECOWAS-JICA-UEMOA meeting which was held in Abidjan, Cote d'Ivoire on 27 and 28 July 2016, the status of the draft Masterplan on the development of the West Africa growth ring and the Abidjan-Lagos highway project was presented. The meeting recommended that the outcome of the study on the draft Masterplan for the logistic chains development for the West Africa Growth Ring be capitalised upon in the feasibility study for the Abidjan – Lagos highway project.
154. In continuing collaboration with the African Bank for Development (AfDB), a joint technical working group comprising ECOWAS and AfDB was set up in July 2016 which met several times to consider the maturity of projects and their potential mode of funding. The working group will also schedule and organize all practical aspects of the roundtable. Regarding the flagship project on the Abidjan-Lagos corridor, the AfDB Board on 21 September 2016, approved funds for a feasibility study and detailed work plan estimated at US\$15.6 million. It is expected that AfDB will send notification for the selection of firms for the study. Furthermore, a meeting of infrastructure experts and ministers will be held in November 2016, to relaunch the Steering Committee of the Abidjan – Lagos corridor comprising Cote d'Ivoire, Ghana, Togo, Benin and Nigeria.

155. The World Bank also provided support for the roundtable through its regional office in Abuja, Nigeria. A series of video conferences were held with the technical departments of the World Bank in Washington and the sub-region on 20 and 21 September 2016. These meetings discussed the eligibility of the seven priority projects to be financed through PPP, as well as the institutional arrangements and financial structuring of each project. A team, led by the ECOWAS Commission President, took part in a meeting on CDP with the Directors of Operations, World Bank Vice President Africa region, Mr Makhtar Diop and ECOWAS ambassadors, in the margins of the IMF-World Bank annual assembly. It was suggested that projects with sufficiently high maturity levels (feasibility study, APD, etc. available) should be emphasised and accorded priority. At the end of the meeting, Dr Albert G. Zeufack, Chief Economist Africa region, was selected to lead the discussions with ECOWAS. In addition, the Commission requested that the Bank field a technical team to the ECOWAS Commission in Abuja, to assist in structuring the different projects into PPP, with a view to obtaining the involvement of regional and international private investors for the donor roundtable in March 2017.
156. As part of cooperation with the Islamic Development Bank (ISDB), a delegation led by the ECOWAS Commission President met with the ISDB President, Dr Banda Al-Hajjar in the margins of the IMF – World Bank annual assembly, to discuss ISDB support for the roundtable on CDP financing. The ISDB also expressed interest to support the Commission in enhancing intra-regional trade, increasing energy supply and combating food insecurity and pandemics. A Memorandum of Understanding (MoU) is being prepared and will be signed in November 2016 in Jeddah, Saudi Arabia, to consolidate the cooperation between the two institutions.
157. To sensitise development partners and the private sector on funding for priority projects, Commission held several meetings with investors from China and the region:
- the Commission, in a video conference on 23 September 2016 with the China - Africa Development Bank, raised awareness on the seven ECOWAS priority projects and the donor roundtable. At the end of the meeting, it was agreed that further information will be gathered from the Chinese company which had undertaken a technical visit on the Lagos – Dakar highway. The Chinese Bank promised to sensitise companies in China on the Sealink and Rice Offensive projects and the construction of solar plants in Burkina Faso and Mali.
 - ECOWAS Commission also met with the Chinese group “China Gezhouba Group Corporation (CGGC)” on 21 October 2016 in Abuja, Nigeria, within the framework of mobilizing funding for CDP projects. The meeting explored the possibility of collaboration between the ECOWAS Commission and the CGGC Group, particularly on the structuring and financing of CDP priority energy projects.
 - Similarly, the Commission met with the OSPREY Investments Group on 21 October 2016 in Abuja, on the implementation of the priority development project – the Abidjan – Lagos highway.
 - A meeting was held in Abuja, Nigeria on 27 October 2016, between the ECOWAS Commission and the company SIJ Global/GSR-MBH. The company specializes in the financing and construction of renewable energy projects (solar, wind power, radiant energy).
158. As part of efforts to prepare the priority projects for the roundtable, a meeting of ECOWAS maritime transport ministers was held in Lome, Togo, on 17 October 2016. The meeting created awareness among Member States and obtained political support for the proposal to grant the SEALINK project Community company status within ECOWAS. The Ministers endorsed the creation of the ECOWAS Transnational Sea Transport Company and made the following recommendations:

- update the feasibility study as soon as possible and provide same to the Ministers through the ECOWAS Commission,
- organise a joint ECOWAS - FEWACCI tour to inform and sensitise potential investors and political decision-makers in all ECOWAS Member States,
- define the formula for allocating responsibilities, in collaboration with FEWACCI and EBID, taking into account the recommendations of the Protocol on the creation of Community companies,
- leave the decision on location of the SEALINK headquarters to the discretion of the Authority of Heads of State and Government,
- grant observer status to the Kingdom of Morocco on the SEALINK project with a view to facilitating the extension of the project to North Africa and promoting the mobilisation of Moroccan investors for the project.

159. It is envisaged that a series of activities and meetings will be held up till December 2016, to consolidate the technical and financial support of partners for the successful organisation of the donor roundtable on financing the region's priority projects, expected to hold in Abidjan, Cote d'Ivoire in March 2017.

2.1.5 ECOWAS Sahel Strategy

160. The ECOWAS Commission launched the development of a strategy for the Sahel region based on the decision of the Authority of Heads of State and Government held in Abuja, Nigeria on 17 and 18 July 2014. The ECOWAS Sahel Strategy aims at providing a regional response to the long-term development and stability challenges of Sahel-Saharan areas.

161. In the period under review, the Commission consolidated its cooperation with other partners of the Sahel Strategy in the region, particularly G5 Sahel, Sahel Mission (MISAHEL) of the African Union. The Commission is expected to hold political dialogue with Mauritania and Chad to strengthen cooperation with G5 Sahel. In order to make platform for the coordination of the ECOWAS Sahel Strategy operational, leaders for the infrastructure, resilience and security, education, advocacy and monitoring and evaluation activity groups have been selected.

162. A series of technical meetings were held on the European Union fiduciary fund for the Sahel. These meetings presented the activity areas of the fiduciary fund and the Commission was able to submit project sheets to the European Union on projects in the agriculture and food security areas.

163. Consultations were held in Abuja on 20 October between the Commission and the UN Office for Africa and the Sahel during which the two institutions discussed the action plan for the ECOWAS Sahel Strategy.

2.1.6 Economic Policy Analysis Unit (EPAU)

164. Economic policy analysis activities focused on the production of knowledge to aid decision-making. The activities include:

- ✓ ***organisation of an International Conference on child poverty and social welfare in West and Central Africa in collaboration with UNICEF***

165. The Conference issued a Communiqué calling for and encouraging collaboration among the governments of West and Central African countries, development partners and the entire

international community, to develop and implement strategies on the fight against child poverty and social welfare in a coordinated manner.

✓ ***study on innovating funding mechanisms for the Commission***

166. The study revealed that the performance of ECOWAS institutions in carrying out their functions was greatly affected by the reduction in resources from the Community Levy and development partners to the extent that the future remains uncertain.

167. The study noted the importance of leadership as an essential element in the mobilisation of the Community Levy and funding from development partners and proper use of mobilised funds. The study recommended capacity building for the Community Levy Unit and proposed other possible ways of mobilising additional resources.

✓ ***study on rationalisation of travel costs at the Commission***

168. The study confirmed the high cost of tickets purchased by the Commission in comparison to prevailing market prices. It highlighted the failure to implement the agreement and contract signed with ASky and CBM Travel Agency and recommended a review of the agreements and contracts and enhanced monitoring of the implementation of any new agreement and the provision of travel data to the Commission for regular analysis.

✓ ***study on the relevance of the salary mass ratio on fiscal revenues as a Community convergence criteria***

169. Due to financial constraints, the Unit was unable to carry out the study in all Member States. Only some countries were able to conduct the study, the outcome of which will be validated shortly

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

2.2.1 Trade

✓ ***Trade Policy and Promotion***

170. **Trade Policy:** As a follow up to the First Regional Meeting on the Formulation of an ECOWAS Common Trade Policy (CTP) in Accra, Ghana, in January 2016, the first meeting of the Technical Working Group (TWG) on the CTP was convened in Abuja, Nigeria, in May, 2016. The meeting considered the formulation of an ECOWAS CTP, and established scope, guidelines and recommendations for consideration by the ECOWAS Commission and Member States. Three levels of Working Groups – in concentric circles – were also established in the CTP formulation process: Drafting Committee; Enlarged Group and General Group. The scope of the ECOWAS CTP was also agreed upon. The Drafting Committee has since met on two occasions to draw the roadmap for producing the draft CTP framework.

171. **Trade Promotion (8th ECOWAS Trade Fair):** Following the approval of funds for the organisation of the 8th ECOWAS Trade Fair, the Commission undertook preparatory activities towards its official launching. An MOU between the ECOWAS Commission and the Republic of Niger has also been adopted, and ready for signature. However, due to the fragile financial situation of the Commission, the 8th Trade Fair was postponed for the second time to a date to be mutually agreed upon in 2017. A status update report, outlining issues such as actions taken so far, budgetary implications of a second postponement as well as the way forward, was also prepared for consideration by the ECOWAS Trade Ministers meeting.

172. **Trade Information:** To surmount the challenge of availability of reliable and up-to-date information on trade and trade-related Protocols and Supplementary Protocols, the Commission is working towards the development of a trade information database on the ECOWAS website. The

overall objective of this exercise is to enhance transparency of trade policy developments in the region and to provide Member States and other stakeholders with an up-to-date picture of trends in the implementation of trade and trade-related Protocols and Supplementary Protocols. To this end, the Commission has collated up to date list of trade and trade-related Protocols and Supplementary Protocols.

173. **ECOWAS Regional Services Policy Review (SPR):** Following the development of a methodology for the conduct of the ECOWAS Regional Services Policy Review (SPR), with support from the United Nations Conference on Trade and Development (UNCTAD) and GIZ, the ECOWAS Regional Services Policy Review (SPR) was formally launched in July 2016. The SPR seeks, among other things, to investigate regulatory, institutional and policy gaps and make recommendations on how to address such gaps in selected services sectors across the West African region and to prepare the region adequately for the Continental Free Trade Area (CFTA) negotiations and the West Africa – European Union Economic Partnership Agreement (WA – EU EPA). The SPR will also serve as a guide towards the formulation of a coordinated and consistent ECOWAS approach to services trade. The ECOWAS Commission, in collaboration with UNCTAD and GIZ, also held a Trade in Services Workshop in July 2016, which was aimed at strengthening the capacity of ECOWAS services-related Directorates and private sector service suppliers

✓ **Competition and Informal Trade**

174. **Competition:** The signing of the Regional Authority Headquarters Agreement of the ECOWAS Regional Competition Authority (ERCA) between the Republic of The Gambia and the Commission in June 2016 during the Conference of Heads of State and Government remains a very significant event for the future of business and fight against anti-competitive practices and unfair competition in our region.
175. The ERCA created by the Supplementary Act A / SA.2 / 12/08 is the agent responsible for the implementation of the Community Standards Competition rules and regulations within the ECOWAS Community. To this end, the Commission is in the process of making arrangements for the operationalization of the ARCC from 2017.
176. **Informal trade:** The Status of the Regional Programme of Support for the Regulation of Informal Trade (ITSRP) in the ECOWAS were updated and submitted for co-financing of research under the Community Development Programme (CDP). In addition, this programme has been shared with other identified partners who indicated interest in being part of its operationalization.

✓ **Trade and Development**

177. **ECOWAS – U.S. Trade & Investment Framework Agreement (TIFA):** The 2nd ECOWAS – U.S. TIFA Council meeting was held in Washington in September 2016, on the margins of the 15th AGOA Forum. The ECOWAS – U.S TIFA, provides a strategic framework and principles for dialogue on trade and investment issues between the United States and ECOWAS. The meeting discussed ways of advancing the U.S.-ECOWAS trade and investment relationship in both the near and long term. The Council meeting was preceded by the Technical Working Group and the Expert Group meetings in April 2016.
178. **Doha Development Round and WTO Ministerial Conferences:** Following the 10th WTO Ministerial Conference held in Nairobi in December 2015, the ECOWAS Commission commenced, in 2016, the development of Post-Nairobi work programme to support Member States in implementing the decisions of the Conference. Particular attention is being given to providing support for the implementation of the WTO Trade Facilitation Agreement (TFA), with capacity building support being provided through the TNCB project.

179. **Aid for Trade:** Following the adoption of the ECOWAS Aid for Trade strategy by the ECOWAS Aid for Trade Expert Group in 2015, priority activities from the Action Plan are being implemented in 2016 in the following areas: building production capacity, trade related infrastructure and trade policy and regulation.

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

180. Following the successful collaboration on the 1st e-learning course between TNCB Project and UNITAR in 2015, the second e-learning course focusing on Trade Facilitation is being organised from October – December 2016. The objective of the course is to provide 800 participants with a greater understanding of the concept of WTO trade facilitation, its impact on domestic and regional economy, as well as ECOWAS trade facilitation rules and regulation.

181. The TNCB project, in collaboration with the Trade Advocacy Fund (TAF) and GIZ/EU, held a Regional Capacity Building workshop on WTO Dispute Settlement System in July 2016. The workshop built the capacity of ECOWAS Member States and the ECOWAS Commission on the WTO Dispute Settlement Mechanism, and also informed participants on the services of the Advocacy Centre for WTO Law (ACWL) in order to increase their use of such services, which are readily available to them.

182. Capacity workshops for the National Inter Institutional Committees of The Gambia and Senegal were held on areas of support requested by the respective Member State. Additional workshops are planned for Benin, Cabo Verde, Liberia and Togo in the last quarter of the year.

183. **Hub & Spokes Programme:** A memorandum on the status and challenges being experienced on the implementation of the Hub & Spokes programme has been submitted to the President of the Commission.

✓ **Trade Negotiations and Management of Agreements**

- *Economic Partnership Agreement*

184. **After** the final approval of the EPA by the Heads of State and Government in July 2014, the ECOWAS Commission is continuing preparatory activities for the implementation of the Agreement by West Africa in 2016. The status of these activities is as follows:

185. **Finalisation of the EPA signature:** As part of processes for completing the signing of the EPA between the EU and West Africa by the three remaining countries (Gambia, Mauritania, Nigeria), the ECOWAS Commission has collaborated with the EU on the organization of workshops for Nigeria's key economic actors comprising manufacturers associations (MAN), chambers of commerce and industry (NACCIMA), traders and other stakeholders throughout the year. The objectives of the workshop were to raise awareness on the content and objectives of the EPA and provide a high level platform allowing foreign (Europeans) and local investors in Nigeria to understand and exchange ideas on the potential benefits arising from the entry into force and implementation of the EPA.

186. **Meetings with Representatives of Manufacturers Association of Nigeria:** Furthermore, the EU Delegation in Abuja and ECOWAS Commission held a number of technical meetings with the representatives of the Manufacturers Association of Nigeria in April and October 2016. The meetings involved discussions on the impact of the WA-EU EPA market access offer on certain production sectors in Nigeria and the possibility of amending the agreement offered for consideration during the regional EPA policy review mechanism every five years. Further discussions were also held in collaboration with the European Commission for the organization of

a regional workshop for the private sector and civil society in West Africa in the last two quarters of 2016.

187. **Operationalisation of the EPA institutional framework:** The EU and West Africa met in 2016 to examine the draft rules of procedure of the joint EPA organs. The two sides agreed to continue discussions to finalize these rules. Furthermore, the ECOWAS and UEMOA Commissions continued working on the establishment of a regional consultation mechanism to ensure the appropriate participation of the region, including the non-State actors, in the joint bodies of the EPA.
188. **Implementation of the EPA Development Programme (EPADP):** The EU and the ECOWAS Commission agreed to commence the implementation of the EPADP prior to the entry into force of the EPA. The earlier implementation of the EPADP aims at preparing West African States to improve the competitiveness of their economies. In this regard, the EPA Regional Preparatory Task Force (RPTF) meeting was held in 2016 with the participation of the EU member States and European Investment Bank. The meeting considered the concrete modalities of the contribution of these actors to the EPADP implementation. Furthermore, the implementation process of some projects started, under the National Indicative Programmes (NIP) of the 11th EDF, particularly in the areas of support for agriculture, energy and civil society. The identification of EPADP related projects also continued in 2016 under the Regional Indicative Programme (RIP) of the 11th EDF, particularly for tax reforms, infrastructure and strengthening private sector competitiveness. The EU and West Africa continued working towards a common methodology to evaluate the fulfilment of the EU commitment in the amount of 6.5 billion euros for the implementation of the EPADP.
189. **Competitiveness Observatory:** The EU and ECOWAS Commission adopted the Terms of Reference for a feasibility study on the establishment of the Competitiveness Observatory. The draft report proposing the methods of operation of the Observatory and the evaluation indicators was concluded during the year and will soon be submitted to the Member States for validation. This draft report provided relevant indicators and the modalities for establishing the Observatory as a key tool for monitoring and evaluation of the EPA.

- *Ratification of Interim EPAs by Ghana and Côte d'Ivoire*

190. In view of the delay in completing the signing of the WA-EU regional EPA, coupled with the fear of losing the preferential trade terms currently enjoyed on the European markets, the Republics of Cote d'Ivoire and Ghana have had to adopt measures for the implementation of their interim EPAs with the EU in 2016. This is in compliance with the 2009 resolution of the European parliament.
191. Considering the threats posed to ECOWAS regional integration by Cote d'Ivoire's and Ghana's implementation of interim EPAs with the EU, the Commission has proposed the organisation of a meeting of the ECOWAS Trade Ministers for management consideration and approval. Subject to approval, the meeting will consider the following recommendations:
- a. For Member States that are yet to sign the EPA to accelerate their internal consultations; to finalise political decisions and fast track the signing of the EPAs by the appropriate authorities or their Ambassadors in Brussels. In this regard, these States may seek technical support of the ECOWAS and UEMOA Commissions for the organization of internal consultations.
 - b. On the part of the ECOWAS and UEMOA Commissions;
 - Intensify information dissemination and training of stakeholders on the content of the EPA in all states of the West African region, and
 - Continue, on the one hand with sensitization of stakeholders at regional level (parliaments, private sector and civil society) and on the other hand, work with the European Commission on the texts concerning the functioning of the joint bodies of

the EPA, to commence their implementation as soon as the signing of the regional EPA is accomplished.

192. **EPA communication plan:** Following the adoption of the joint ECOWAS – UEMOA EPA Communication Action Plan in November 2015, the ECOWAS Commission collaborated with the EU in holding a sensitisation meeting on the EPA with Nigerian stakeholders in Lagos and Kano. A national Media workshop on International Trade Agreements, with a focus on EPA, was held in September 2016 for over 40 media practitioners from all the major media houses in Nigeria. This workshop was followed by West Africa Regional Media workshop on the same subject area. The workshops built the capacity of media practitioners to understand and improve their reporting on Trade Agreements. These media workshops were followed with a dialogue with the MAN of Nigeria with the objectives of further deepening and understanding the needs and concerns of Nigeria’s major trade stakeholders, jointly review the status of the Commission’s efforts in resolving the concerns and lastly jointly adopt a work programme and roadmap for engagements with all the sector groups of MAN.

- *Continental Free Trade Area*

193. Continental Free Trade Area (CFTA) negotiations: The Commission began the process of formulating an ECOWAS regional strategy for engagement with other partners in the Continental Free Trade Area (CFTA) negotiations with the organisation of a regional stakeholder consultation meeting in March 2016. A draft ECOWAS strategy for the CFTA negotiations is currently ready for validation. The ECOWAS Commission also participated in meetings of the African Union (AU) to prepare Draft Agreements for the CFTA Negotiations in Nairobi – Kenya in May 2016, where the Commission was given responsibility to chair the Trade in Goods Committee. At the Continental level, the Commission participated in meetings (3 Meetings – February; May and October 2016) of the CFTA Negotiating Forum. Other meetings that the Commission participated in included the Continental Task Force on the CFTA and the Boosting Intra-Africa Trade (BIAT) workshops.

- *ECOWAS – China FTA*

194. The Commission also began preparatory activities towards ascertaining the feasibility of an ECOWAS China FTA with the formation of a Technical Working Group (TWG) to work with the Chinese counterpart. Subsequently, the Commission held preliminary discussions with its Chinese counterpart. It was agreed that Joint Feasibility Studies (JFS) should be conducted to determine the feasibility of any possible agreement between the two parties. The JFS is to focus on assessment of the economic structures, trade and investment policies, sensitive products, and possible impacts. An MOU to launch the JFS is currently under consideration by both parties.

2.2.2 Customs

195. In 2016, the Commission focused efforts on the effective implementation of the Customs Union particularly through the application of the ECOWAS Common External Tariff (CET) and development of a strategy for more efficient implementation of the ECOWAS Trade Liberalisation Scheme (ETLS). In the course of the year also, a new mechanism, the Task Force on the trade liberalisation scheme, was set up to promote enhanced implementation of Community texts by Member States.
196. It will be recalled that the **ECOWAS Common External Tariff (CET)** received the political endorsement of the Authority of Heads of State and Government at the Extraordinary Summit of 25 October 2013 in Dakar. The Summit also instructed the ECOWAS Commission to take all

necessary measures to ensure the application of the CET in all Member States with effect from 1st January 2015.

197. As at 31 December 2016, ten Member States would have started CET implementation, eight Member States (Benin, Burkina Faso, Cote d'Ivoire, Mali, Niger, Nigeria, Senegal and Togo) started implementation in 2015 while Ghana commenced on 1st February 2016. The last Member State to implement this Community instrument is Guinea Bissau which officially launched the CET on 24 October 2016.
198. In conformity with the decision of ECOWAS Heads of State and Government, the Commission, in between June and July 2016, fielded monitoring and evaluation and support missions to all Member States, except Cabo Verde, to observe CET implementation at first-hand and make specific recommendations to each Member State. In order to coordinate the technical and political activities, the Commission organised the 57th meeting of the Technical Committee on Trade, Customs and Free Movement, followed by a meeting of Finance Ministers in Dakar from 16 to 18 August 2016. At the meeting, the Ministers whose countries were behind schedule committed to take all necessary measures to ensure implementation of the CET in their respective countries by 1st January 2017.
199. Concurrently with work on the CET, the Commission has finalised the technical aspects of the draft ECOWAS Community Customs Code. In consultations with the UEMOA Commission held in early April 2016, an agreement was reached on the content of the Code before it is transmitted to Member States for validation. Technical validation of the Code will occur in the last quarter of 2016.
200. The Commission has also established a Regional Automated Transit System (RATS) for goods to facilitate regional trade. A meeting of technical and financial partners to set up this important project took place in Abuja in November 2016 with the support of the World Bank and World Customs Organisation Group.
201. Concerning the formulation of a strategy for more effective implementation of the ECOWAS Trade Liberalisation Scheme (ETLS), several applications approved under the scheme by the National Approval Committees (NAC) of Member States were received at the Commission in the first four months of 2016. Subsequently, the usual investigations were conducted and all Member States were notified of the decision to issue product approvals where the applications met the requirements on content and presentation. During the year, approval applications were submitted by eleven of fifteen Member States, namely Benin, Burkina Faso, Cote d'Ivoire, Ghana, Guinea, Guinea Bissau, Mali, Nigeria, Senegal, Sierra Leone and Togo. This bears evidence to the growing interest of companies for the ECOWAS sub-regional market. All in all, 90 companies and 273 industrial products were approved and notifications issued to the 15 ECOWAS Member States from March to September 2016.
202. A meeting between the ECOWAS and UEMOA Commissions was also held in the period under review, to revise the legal texts relating to the Scheme in order to ensure uniformity of the texts.
203. Furthermore, ECOWAS Commission initiated an awareness creation and training campaign in Member States on the Scheme which started in May 2016. Tours were also conducted in Cote d'Ivoire and Senegal to assess implementation of the pilot project on automation of the certificate of origin between these two Member States.
204. In order to have reliable data on products and companies approved under the scheme with an up-to-date harmonised system (HS) from now till 2017 and for future statistical use, the Commission commenced the harmonisation of nomenclature from 1990 to date. Similarly, in August, the

Commission conducted an assessment mission of the Scheme in all Member States. The mission report will be presented at the next meeting of National Approval Committees in November 2016.

205. The Commission received a complaint by The Gambia against Senegal over the latter's non-compliance with Convention A/P4/5/82 relating to Inter-State Road Transit (ISRT) of goods. In early April 2016, the Commission dispatched a fact-finding mission to the two Member States with the aim of determining the cause of the misunderstanding between the two Member States which poses a threat to the free movement of goods within the Community and also propose measures to resolve the dispute.
206. In order to improve the trade environment in the region and encourage Member States to implement the Protocols and Regulations on the ECOWAS Trade Liberalisation Scheme as directed by the extraordinary session of the Authority of Heads of State and Government held in Dakar, Senegal on 25 October 2013, a **Task Force on free movement of goods within ECOWAS was established**. The members of the Task Force were officially inaugurated by the President of Burkina Faso in Ouagadougou on 20 May 2016.
207. The Task Force is an ad-hoc consultative body under the authority of the President of the ECOWAS Commission. At the President's behest, the Task Force will provide arbitration and amicable settlement of disputes between Member States arising from ECOWAS ETLs implementation. It will also provide advocacy and mediation with the high political authorities of Member States for the full and proper implementation of texts relating to the ETLs.
208. The Task Force comprises seven eminent persons drawn from Member States with wide experience regarding impediments to the growth of regional trade. Given the challenge of the free movement of goods in deepening the regional integration process, the Task Force is chaired by **Lt. General Salou Djibo**, former Head of State of Niger and Chairman of the Salou Djibo Foundation (Fonsad).
209. For the **harmonisation of indirect domestic tax and fiscal transition**, the ECOWAS Commission conducted a mission to Liberia in February 2016 to assess the status of preparations for the introduction of VAT in line with Directive C/DIR1./05/09. The mission held discussions with the relevant national authorities and identified a number of challenges, after which recommendations on the way forward were made.
210. In the area of capacity building for tax authorities and implementation of the priority activities of the ECOWAS fiscal transition programme, the Commission held training sessions for experts from ECOWAS and Member States on specific areas of domestic taxation. Thus, a training was organized with the support of the firm PricewaterhouseCoopers on modelling of tax revenue forecasts. Training on auditing telecom, mining and petroleum companies, bank and insurance firms was provided to experts from Member States.

2.2.3 Industry

211. The main activities undertaken in the context of industry relate essentially to the implementation of the West Africa Common Industrial Policy (WACIP) which was adopted in 2010 and reviewed in 2015 by Ministers of Industry. Programmes that continued to be implemented and achievements made during the review period are presented as follows:

✓ ECOWAS Quality Policy (Ecoqual)

212. The ECOWAS Quality Policy (ECOQUAL) is one of the key elements of the regional competitiveness strategy and embodies: ECOWAS-EU Programme for Quality Infrastructure System, ECOWAS Standards Harmonisation Programme (ECOSHAM), ECOWAS-PTB Metrology Programme, ECOWAS

– GIZ Quality Management Programme and ECOWAS-ARSO-SIS Capacity Building in International Standards Setting

– **ECOWAS – EU Programme for Quality Infrastructure System**

213. It is the main support programme for the implementation of ECOQUAL, funded by the European Union for a total amount of 12 million euro and aims at setting up a regional infrastructure of quality to protect consumers, strengthen regional trade and make easy access to international markets.

214. Programme implementation effectively started in 2015 and continued in 2016. The programme provides support to ECOSHAM meetings, training of national committee's members, data collection for the establishment of ECOWAS database on quality, Selection of Conformity Assessment bodies, etc.

– **ECOWAS Standards Harmonisation Programme (ECOSHAM)**

215. The ECOSHAM programme is currently supported by the EU and Helen Keller International. The main activities carried out during the review period include: holding of a training workshop on standards editing and formatting for secretaries of the Technical Harmonization Committees secretaries and meetings of the Technical Management Committee and Ministers in charge of Quality.

– **ECOWAS-PTB Metrology Programme**

216. This programme started in 2010 and aims at building regional capacity in metrology. The programme has been extended for 18 months after its scheduled winding up date. A re-orientation workshop was organized in Lome in February 2016 to incorporate the recommendations of an evaluation conducted at the end of the programme.

217. Also, a ten days practical training was organized by PTB at the British National Physics Laboratory (NPL) and National Measurement Regulatory Office (NMRO) in London from 14 to 23 March 2015 in Legal and Industrial Metrology.

– **ECOWAS-ARSO-SIS Capacity Building in International Standards Setting**

218. Supported by the Swedish Cooperation and implemented by the Swedish Standards Body, this programme aims at improving the participation of ECOWAS experts in the process of international Standards setting. The inception phase was completed in June 2016.

✓ **ECOWAS 1ST INDUSTRY FORUM**

219. Preparatory activities are being undertaken for the First ECOWAS Industrial Forum which is expected to be held in Côte d'Ivoire in 2017. Discussions are ongoing with the Government of Côte d'Ivoire which has already set up a working committee to manage the process. The main objective of this forum is to promote industrialization in West Africa by providing a platform for regional and international meetings to promote partnership building and investment

✓ **ECOWAS INDUSTRIAL UPGRADING PROGRAMME**

220. The Commission, in collaboration with the United Nation Industrial Development Organization (UNIDO), has formulated a regional upgrading programme that can provide support to member States to strengthen national governance in industry, develop strategy capacities of enterprises

and mobilize finance. The programme document was validated by Members States, regional business associations and regional finance institutions in 2015 and discussions are ongoing with the European Union to finance it under the 11th EDF.

✓ **ECOWAS SECTORAL STRATEGY**

221. In line with the revised industry strategy, processes have been initiated for the development of a regional plan for the identified regional priorities (agro industry, pharmaceutical, automotive and machinery).

- **AGRO INDUSTRY STRATEGY**

222. An Agro industry value chains development framework has been set up which will focus on the regional industrialization plan for three groups of products:

- products to be exported, such as cocoa, cashew, mangoes, cotton, shea butter, etc
- product for the regional market such as palm oil, cassava, rice, meat, sugar etc
- products to support the agro industry such as fertilizers, packaging, etc

223. A regional workshop was held in August 2016 to develop a regional framework for cocoa and cashew processing in West Africa. Similar workshops for the development of investment plans will be organized in 2017 with subsequent submission of resolutions to the sector Ministers.

- **ECOWAS REGIONAL PHARMACEUTICAL PLAN**

224. The ECOWAS Regional Pharmaceutical Plan aims to increase access to essential medicines by strengthening regional industrial production of quality medicines. Following the validation of the plan and subsequent presentation to the sector Ministers, an experts workshop was held in March 2016 to consider the collection and revision of the regional list of medicines, pharmaceutical raw materials and equipment and their respective tariffs under the Common External Tariff. Furthermore, an experts meeting was held in Cote d'Ivoire in April 2016 on the development of tariff lines for essential medicines within the framework of the Common External Tariffs.

- **ECOWAS AUTOMOTIVE AND MACHINERY INDUSTRY STRATEGY**

225. In response to the directive of ECOWAS Ministers responsible for industry for the development of regional Automotive Industry Strategy, efforts were made to develop the strategy within the period under review (2016). Some regional discussions are ongoing, in particular with the Nigeria Automotive Council with the view to setting up a regional consultation committee to harmonize and develop the regional automotive industry strategy and promote a regional market for locally assembled automobiles.

226. As a preliminary step, a regional workshop was organized in December 2015. One of the key recommendations of that workshop was the drafting of regional strategy for the development of an Automotive Industry in the region. Discussions are ongoing with the African Development Bank (AfDB) to support the initiative to formulate a regional strategy for the development of the automobile industry, which has been accepted for funding.

2.2.4 Mines

227. The Commission continued implementation of activities related to the 'Promotion of Multi-stakeholder Consultation Mechanisms in all aspects of the Mineral Sector'. In this regard, the Working Group on **ECOWAS - Regional Geo-extractives Sector Civil Society Organizations (CSOs) Joint Forum** met in March 2016 to continue work on the formulation of a well-structured framework to guide the

Commission in its engagement with Civil Society Organisations. *The meeting reviewed the draft Concept Framework of the Joint Forum and formulated the framework's Implementation Matrix.* The CSOs on the Working Group have been tasked to engage in broad consultations on the drafted documents for input from their peers.

228. Also, the Commission *reviewed the ECOWAS Mining & Petroleum Forum's (ECOMOF) Operational Plan and Conference Planner'* through a retreat organized in March 2016, in Abuja as a follow-up to the first Event (ECOMOF 2015) held in Accra in October 2015. The Abuja meeting also served to conclude the activities of the Joint Committee of ECOMOF 2015.
229. The meeting made recommendations to guide the preparatory activities for ECOMOF 2017 and formulated a *'Model Operational Manual'* which provides details of the framework and modalities for the operations of the Local organizing Committee (LOC) in particular, and the implementation of activities towards successful hosting of the Forum in general. The *main objective* was to outline the means by which human, financial, material and administrative resources allocated for the organization of the Forum may be synchronized to ensure efficiency, effectiveness, and uniformity of purpose. The Manual is intended to serve as a convergence tool and guide the organizing partners.
230. In accordance with its regional cooperation activities in the geo-extractives sector, the Commission has been facilitating the establishment of an **ECOWAS Federation of Chambers of Mines**. The Regional Chamber is expected to be incorporated and privately owned by the National Chambers and mining-related associations/affiliates. With the approval of the Draft Constitution by the Councils of Burkina Faso, Cote d'Ivoire, Ghana, Guinea, Mali, Senegal, and Abuja Chamber of Commerce & Industry (Nigeria), the agreed minimum criteria of the consent of at least five (5) Councils of the National Chambers has been satisfied, thus paving the way for the establishment of the Federation of Chambers of Mines. An inaugural meeting has therefore been planned for November 2016, in Accra, Ghana at which a Draft Resolution and the Draft Constitution would be adopted.
231. In furtherance of the development of the *ECOWAS Guiding Framework on Local Content Development & Regional Cooperation in Geology and Hydrocarbon Sectors*, the Commission has undertaken preparatory activities towards the organization of the Joint National Mining / Geology / Hydrocarbons Experts and Joint Mining / Petroleum Ministers Technical Validation Meeting in the last quarter of 2016.' The Guiding Framework outlines key issues on quality standards and regional safety in relation to the geo-extractives sector, corporate social responsibility, localization and local content development, regional cooperation in the Geology Sector and in Integrated Industrial Development of Hydrocarbons.
232. On **other policy development**, considerable progress was made towards the procurement of services for the formulation of an ECOWAS Mining and Minerals Development Act (Code, EMMDA) and the ECOWAS Hydrocarbons Development Policy (EHDP) as well as the preparation of a technical feasibility report for the ECOWAS Geo-extractives Observatory and Cadastre System and ECOWAS Geo-extractives Database and Statistical Information Reporting Framework to guide how development progress in the Sector s reported.

2.2.5 Free Movement of Persons and Tourism

✓ Free Movement

233. The implementation of the ECOWAS Biometric ID Card which replaces the ECOWAS Travel Certificate is ongoing. Senegal, Mali and Niger were the first countries to start the process.
234. An operational mechanism to monitor passenger and goods vehicles to check rackets and ensure the safety of people has been launched in Cote d'Ivoire, Mali, Togo, Benin, Burkina Faso and Niger.

235. Surveys carried out on board Taxi and hidden cameras at the Côte d'Ivoire-Ghana, Ghana-Togo, Togo-Benin, Benin-Nigeria borders revealed Police, immigration and customs Officers of these borders withdrawing money from the citizens. Faced with this persistent and increasingly criticized situation by the population, it is urgent to take severe sanctions.

✓ **Tourism Development**

236. ECOWAS has acquired a regional tourism policy and action plan (ECOTOUR 17/27) which is in the process of being adopted. In addition, a new regulation for the classification of hotels and other accommodation and feeding establishments has been put in place.

2.3 Agriculture, Environment and Water Resources

2.3.1 Agricultural Development

237. In 2016, the 10th anniversary of the adoption by ECOWAS Heads of State and Government of the regional agricultural policy (ECOWAP) in January 2005 was celebrated. NEPAD, established by the African Union, focuses on ECOWAP as part of its continental agenda. In addition, the main achievements of this policy over the past 10 years, the activities implemented in 2016 in the area of agriculture and rural development are included in this report.

a. 2005 - 2015 ECOWAP Implementation - Highlights

238. The 2008 global food crisis once more placed the Regional Agricultural Policy at the heart of the region's agenda and gave a decisive boost to ECOWAP implementation through the National Agricultural Investment Plans (NAIP) and the Regional Agricultural Investment Plan (RAIP). These programmes made it possible to inverse some historical trends and achieve initial results at the institutional level and in terms of the impact on agriculture and food security in West Africa.

239. For the intensification of farming systems, crop farming and particularly cereals, recorded considerable growth in the region. Cereal production grew by 59% between 2000 and 2012. The highest increases were recorded in rice (95%) and maize (130%) production. There was also appreciable growth in livestock and poultry production (48% for bovines and small ruminants, 85% for poultry and 59% for pork). Other sectors are however hard-pressed to keep up with this trend, such as the dairy and fish products. In spite of the intensification drive, increased production volumes are linked primarily to the increase in the cultivated areas and livestock numbers. The 71% rise in paddy rice production between 2000 and 2010, is explained by the increase of the yields

240. The achievements recorded include the deployment of a number of activities aimed at improving productivity and strategic crops (rice, maize, and cassava) and pastoral farming, particularly the intensification of production systems and enhanced productivity and structuring of sub-sectors, making it possible to take the issues into account ahead of production.

241. Initiatives implemented by ECOWAS to guarantee food security for West African peoples include:

- the "zero hunger" initiative to conquer hunger and malnutrition by 2025. It is a governance reform framework which facilitates understanding of all aspects of food and nutritional security. The following activities are part of this initiative (i) revision and adoption of the Charter for food crises prevention and management in West Africa, extended to Chad and Mauritania, and (ii) establishment of the Global Alliance for Resilience in Sahel and West Africa (AGIR),
- Regional Food Security Reserve as a regional instrument based on solidarity to complement national strategies

242. ECOWAP implementation led to an increase in funding allocated to the agricultural sector. More than US\$ 2 billion in complementary funds (external and internal) were mobilised by Member States to finance the 2010 – 2015 NAIPs.

b. 2016 Operational Results

243. The status of activities implemented in 2016 by programme is presented as follows:

- **ECOWAP-CAADP Coordination, Steering and Management**

244. In November 2015, the Commission organised an international conference in Dakar which provided the guidelines for the 2025 ECOWAP. The ongoing process which involves Member States, regional stakeholders and TFP support has led to: (i) the adoption of the Methodological Guide for the development of National Agricultural Investment Plans, Food and Nutritional Security Plan (NAIP-FNS) and the regional plan (RAIP-FNS), (ii) adoption of the roadmap (RAIP-FNS formulation to end in December 2016 and NAIP-FNS in June 2017), (iii) donor mobilisation to support Member States and the region in the process, (iv) validation of the ECOWAP 2025 Strategic Operational Framework (SOF), (vi) validation of RAIP-FNS 2016-2020.

- **ECOWAP-CAADP Monitoring & Evaluation Mechanism**

245. The 2015-2025 ECOWAP-CAADP monitoring & evaluation mechanism comprising the results framework, table and indicator manual were validated by a group of ECOWAP-CAADP monitoring and evaluation experts from ECOWAS Member States and regional and international stakeholders. The process involves the preparation of the first 2016 annual report on ECOWAP-CAADP monitoring and evaluation which will be validated and transmitted to the African Union.

- **Resilience, Prevention and Management of Food Crises**

246. In close cooperation with CILSS, UEMOA, SWAC and partner institutions, meetings of the Food Crises Prevention and Management Network (RPCA and PREGEC) led to the regular production of early warning newsletters and newsletters on foodstuff price variations. The technical monitoring group of the Global Alliance for Resilience (AGIR) Sahel and West Africa validated the draft framework for the definition of resilience indicators and a roundtable on financing the country Resilience Priority Plan (RPP) was held from 8 to 10 June 2016 in Lome to mobilise funds for Member States.

- **Support for fruit fly control**

247. Fruit fly control activities have led to: (i) the signing of grant agreements with eight national fruit fly control committees and provision of grants, staff, etc. to the committees, (ii) drafting of national multi-year plans on fruit fly surveillance and control, (iii) planting of 110 control orchards and 440 monitoring and geo-referenced points in the 22 mango-producing basins of ECOWAS, (iv) training of 32 regional trainers to assist Member States, (v) provision of fruit fly control equipment and inputs to countries (5,705 litres of *Succes Appat* (fruit fly bait) and 133,340 bags of *Timaye*), (vi) assessing of the 8 national diagnostic laboratories and initiating the preparation of standardisation plans and mid-term training plan and modules for laboratory technicians and, (vi) preparing training plans and DPV modules and border posts farmer organisations.

- **Supporting Fertilizer Development**

248. The activities of the Commission in the course of 2016, with the support of partners and within the framework of Regulation C/REG.13/12/12 on “Quality control of fertilizers in the ECOWAS region”, have helped to realize key results: (i) the organisation of the private sector with respect to fertilizers, through the creation of the West Africa Fertilizer Association (in French: Association Ouest Africaine des Professionnels des engrais), which serves as an interface for actors in the

sector, regional organisations, and Member States, to discuss policy reforms to be undertaken with a view to increasing the supply and quality of fertilizers placed on the West African market; (ii) the production of fertilizer formulae for four (4) key produce (rice, maize, cotton, cassava) in the region; (iii) the development of a matrix to justify the relevance of fertilizer subsidy programmes in Member States, that is to serve as a tool to aid informed decisions by the Member States; (v) the preparation and publication of information on the West Africa fertilizer market through a chart that shows all fertilizer manufacturers and mixers, as well as newsletters on the consumption of fertilizers.

- ***Supporting Seed Development***

249. In 2008, ECOWAS adopted **Regulation C/REG.4/05/2008, on the “harmonisation of rules governing quality control, certification and marketing of plant and vegetable seeds within the ECOWAS region”**. Under the West Africa Seeds Programme (WASP/PSAO), the following activities were carried out in 2016: (i) the 2nd Statutory Meeting of the Regional Seeds Committee that helped to validate the updated Regional Catalogue of Plant Varieties and Species, the draft implementing regulations, and the status of implementation of the above-mentioned regulation at the national level; (ii) the meeting of the Alliance for Seeds Industry in West Africa (ASIWA) and the launch of its e-platform for seed marketing (www.waxis.net); (iii) the preparation and publishing of the West African Catalogue of Plant Varieties and Species with a record of 1,330 high-yield agricultural varieties of 11 species distributed to the 17 Member States of the ECOWAS-UEMOA-CILSS zone. The regulation’s level of implementation has progressed from 41% in 2013 to 87% in 2016. Countries that recorded significant progress with the application of 12 of the regulation’s specifications are Benin, Burkina Faso, Nigeria, Cote d’Ivoire, Mali, Gambia, Senegal and Togo. Followed by Ghana, Guinea and Niger (80-99%). Countries recording an averagely low implementation are Sierra Leone, Liberia, Chad, Mauritania, Guinea Bissau and Cape Verde.

- ***Management of Pesticides and Control of Obsolete Pesticides***

250. At the beginning of 2016, the Regional Project for Pesticide Management and Pesticide Elimination in the Sahel and in West Africa (PPM-SWA) was launched with the support of the Global Environment Fund. Within this framework, six (6) out of nine Member States were able to set up and restructure their National Pesticide Management Committee (CNGP) in keeping with Regulation C/REG.3/05/2008 on the “harmonisation of rules governing the validation and management of pesticides within the ECOWAS region”. An additional project was planned upon recommendation from the FEM Steering and Advisory Committee and at the request of the ECOWAS Commission. The project will cover the remaining Member States such as: Togo, Sierra Leone, Guinea, Ghana, Nigeria and Liberia. A draft Memorandum of Understanding between ECOWAS and UEMOA for the implementation of this regulation was submitted for signature to synergise activities in the sector.

- ***Cross-border Transhumance and Pastoralism***

251. The 2016 activities were in line with Decision A/DEC.5/10/98 on Transhumance within the ECOWAS region and regulation C/REG.3/03/01 that defines the Decision’s implementation and identifies the roles and responsibilities of the stakeholders. The following actions were carried out in the course of the year in conjunction with partners (the Billital Maroobé Network(RBM), APSS, FAO and Ministries of Member States): (i) sensitizing States on the implementation of the regulation, the publication, printing and distribution of the International Transhumance Certificate (ITC) to Member States and communities concerned; (ii) the launch of the Regional Support Programme for Pastoralism in the Sahel (PRAPS) so as to increase livestock production in the originating countries (Burkina, Niger, Mali, Senegal + Mauritania and Chad); (iii) the joint meeting of Ministers in charge of Animal Husbandry of coastal and Sahel countries for peaceful

transhumance, (iv) the adoption by the joint meeting of Ministers of a Regional Programme to Support Animal Husbandry in the coastal countries (PREDIP), and (vi) the formulation of a holistic regional support programme for the implementation of PREDIP with focus on cross-border transhumance, investment in cross-border infrastructure, education, sensitization and advocacy by actors.

- ***Agricultural Adaptation to Climate Change***

252. In this area, the Commission was able to participate in global forums (meetings of the Global Alliance and African Alliance for Climate-Smart Agriculture), as part of preparations towards the COP22 in Marrakech with the goal to: (i) defend West African viewpoints, (ii) proffer agroecology development initiatives in order to mobilize funds, and (iii) press for decisions in favour of West African Member States.

- ***Nutrition and Food Security***

253. ECOWAS achievements in the area of nutrition and food security in 2016 involved (i) continuing with the lead project “food security” executed by the Regional Centre AGRHYMET, (ii) validating proposals for a regional plan for exchange and training on social security nets in West Africa, (iii) signing of 28 subsidy agreements with project heads (NGOs, Professional Organisations, Public Ministries, etc.) with respect to the call for proposals launched by the Regional Food and Agriculture Agency (ARAA) on “Innovative Nutrition and Food Security Operations” with varied themes such as: “Storage and Marketing of Agricultural Products and Market Risks Management”; “feeding behaviour, enhancing the value of local resources”; “Techniques for sustained agricultural production”; and “Employment and professional training of rural youths”.

- ***Agricultural Productivity and Increase***

254. A sum total of USD 456.8 million has so far been mobilised for the implementation of the West Africa Agricultural Productivity Programme for the 13 participating countries of the ECOWAS. Seeds weighing 8,500 tonnes, provided to Guinea, Liberia and Sierra-Leone towards rebuilding the countries following the Ebola epidemic, enabled 200,000 farmers to produce in 2016. The 2016 evaluation of WAPP shows that after 8 years of implementation, the project has (i) affected 7 million direct beneficiaries, about 45 million indirect beneficiaries of which 42% are women farmers (ii) generated 160 technologies inducing a rise in yield from 30% to 150%. The technologies are currently being adopted by 3.5 million farmers and food processing plants. Regarding the nine centres created for specialized learning created, 916 researchers have been trained and are undergoing their PhD and MSc programmes.

- ***Free Movement of Food Items***

255. In 2015, the Commission, with financial support from Canada and USAID, launched the support programme for the free movement of food items (Program Food Across Borders – ProFAB). The programme went into operation in ECOWAS Member States with the appointment of focal points and a management team. The September 2016 meeting of its steering committee resulted in the following: (i) helping to sensitize actors along the regional corridors through roadshows at border posts on the need for the free movement of agricultural produce, TEC, SLE and the protocol on the free movement of goods; (ii) the signing of a subsidy agreement with Alliance Borderless in order to promote the free movement of agricultural produce in West Africa and (iii) the signing of a subsidy agreement with Non State Actors and the civil society in order to sensitize public actors on adherence to regulatory texts on regional trade in agricultural produce.

- **Regional Reserve for Food Security**

256. The Regional Reserve for Food Security (RRSA) was established by Supplementary Act AS/2/02/13. In the course of the year 2016 the project team became operational and the first steering committee was held. The year's activities focused on (i) equipping all ECOWAS Member States with the component "ECOWAS Regional Agricultural Information System- ECOAGRIS", (ii) launching the initial purchase of grains, (iii) revamping the "Network of National Food Security Management Enterprises", (iv) defining the technical and financial support mechanism for managing national and decentralised stocks, and (vii) validating the RSSA component "stock financier".

- **Veterinary Management and Control of Livestock Diseases across Borders**

257. Under this programme, the 2016 activities focused on (i) coordinating national animal health policies in the ECOWAS region; (ii) monitoring the sub-regional mechanism for the prevention and control of IAHP, (iii) improving the animal disease warning system, in line with OIE standards and the World Health Information System (WAHIS); (iv) capacity building of veterinary services and networking of national surveillance laboratories (v) harmonising national emergency plans for the control of bird flu and other cross-border animal diseases.

- **Development of New Projects/Programmes and External Resource Mobilisation**

258. In line with the PRIA guidelines, the Commission developed nine (9) new projects/programmes in the course of the year, covering several sectors five of which are at the final phase of negotiations for funding. They are: (i) the Regional Project for Dialogue on and Investment in pastoralism and transhumance in the Sahel and the coastal countries of West Africa, (ii) Regional Project for Strengthening Regional Governance of nutrition and food security and sustainability, (iii) Regional Project for the Surveillance and Coordination of Fishing in West Africa (PESCAO), (iv) Project for Agricultural Adaptation to Climate Change and (v) Regional Project for Agroecology.

c. ECOWAP 2025 Guidelines

259. In strict compliance with the commitments made at Malabo (2014 Malabo Declaration) and the Sustainable Development Goals (SDG), the new guidelines of ECOWAP 2025 take into consideration the following parameters (i) an increasingly unstable global food market, (ii) an explosive increase in demand (iii) an increasingly regional trade (iv) terrorism and insecurity.

260. As such, the main objectives of the transformation agenda are to: (i) transform rural African communities into prosperous centres for production and processing of food, fibre and forage crops through enhanced agricultural productivity/production and access to domestic and foreign markets; and (ii) make African nations self-sufficient in food production while reducing prices for the rural and urban population through policy reforms that stimulate production. Regional intervention in the implementation of ECOWAP 2025 will be in line with seven guiding principles for the 2025 strategic framework, the formulation of the PNIA-SAN and the design of the PRIA-SAN 2016-2020, namely: (i) subsidiarity, (ii) proportionality, (iii) complementarity, (iv) regionality, (v) solidarity, (vi) partnership and consultation; and (vii) progressivity.

2.3.2 Environment

261. The Commission's 2016 activities in the environment sector contributed towards the sustainable development of the region and revolved around the three focus areas of ECOWAS' Environment Policy below:

a. Enhancing Environmental Governance and Capacity Strengthening

- Monitoring of Regional Programmes, Projects and Conferences

262. In the course of 2016, the Commission fielded three (3) missions to Liberia, Sierra Leone and Guinea respectively, to review the governance of the project as well as measures for its continuity. The Commission also helped strengthen the capacity for combatting illegal trafficking of wild species through a Master's degree training for twelve (12) West African experts on the Convention on Trade in Endangered Species of Fauna and Flora (CITES) Master-CITES at Universidad Internacional de Andalucía, Baez, Spain.

- Development of Environmental Management and Planning Tools

263. Given the focus on the development of planning tools, concerted efforts were made in the last quarter of 2016 towards the formulation of project dossiers to mobilize financial resources from the Global Environment Fund and other multilateral partners, and the preparation of the progress report on Environmental Evaluations and procedures for harmonising same in the ECOWAS Member States.

- Collaboration with Sub-regional and International Institutions

264. The Commission is in the process of formalizing collaboration with sub-regional and international institutions involved in the environment. Hence within the framework of sub-regional legal convergence, the UEMOA and ECOWAS Commissions have agreed to work together on Regulatory processes that they had commenced separately in the area of plastic waste management in West Africa and environmental evaluations. With the United Nations Environment Programme (UNEP), a road map for collaboration between the two institutions for the year 2017 was developed; and a proposal to draft a Memorandum of Understanding and an action plan.

b. Promoting Sustainable Management of Resources in order to improve the Sub-Region's Economy in respect of the Environment.

- Monitoring regional programmes relating to the rational management of natural resources

265. The Commission along with FAO launched the project "Support for the implementation of the Forestry Convergence Plan for West Africa" (PCF/AO), and contributed towards the execution of several capacity building activities, which include: (i) training experts from Member States in the effective application of legal and regulatory frameworks for forestry policies; (ii) training forestry specialists on mechanisms and strategies for negotiating multilateral environment agreements on forests, (iii) training Member State experts in forestry certification as a relevant tool for the sustainable management of forests, enhanced access to international markets, and promotion of legal trade in wood, (iv) strengthening regional collaboration between REDD+ experts for the production of reliable information and data on the numerous forests in West Africa, (v) knowledge and experience sharing among researchers, academicians and practitioners on mitigation mechanisms and forest adaptation strategies of the forestry sector and on the status and potential for involving public-private partnership (PPP)

- Implementing the Preliminary activities of the Strategic Programme for Vulnerability Reduction and Adaptation to Climate Change in West Africa

266. Activities carried out in the course of the period under review mainly had to do with capacity building of actors in the area of climate change. The training mainly involved (i) the Staff of the ECOWAS Commission (ii) actors from the Private Sector, the Media and civil society organisations, on the implications and implementation of the Paris agreement, (iii) The Designated National

Authorities of Member States on mechanisms and tools for Access to the Green Climate Fund (GCF), (iv) Member States of the region on their preparation towards the 22nd Conference of the Parties on Climate Change, identifying the region's points of interest in the scheduled discussions, while coordinating activities during the COP22.

- *Implementing the Sub-Regional Action Programme against Desertification. (PASR),*

267. An agreement to extend the Project "NEPAD Institutional Support for Regional Economic Communities for the sustainable management of Lands in Sub-Saharan Africa" to June 2017, has been signed. An action plan was developed to strengthen the capacities of Member States in that regard. A proposal for a regional platform for knowledge management with regard to the sustainable management of lands was initiated.

- *Capacity Building on Biosafety in West Africa*

268. The drafting Committee has noted the observations made by Member States of UEMOA to the text validated by Ministers of Environment with a view to commencing the ECOWAS process of adoption. The draft key implementing Regulations were also prepared and made available.

c. Promoting Improved Management of Pollution, Nuisance and Hazardous Wastes

269. It involved: (i) the development of draft strategy documents for the management of chemical products and hazardous wastes and an integrated management plan; (ii) Member State support in facilitating the implementation of regional projects financed by the partners with respect to the management of polychlorinated biphenyls and the implementation of national schemes for the Stockholm Convention on the management of Persistent Organic Pollutants; (iii) the endorsement of the ChemObs regional project "Environment-Health observatory" and the regional project on fuel-savings and the reduction of carbon emission from vehicles developed by UNEP.

2.4 Infrastructure Development

2.4.1 Transport

A. Land Transport

270. The principal activity in the Land Transport Sector has been the implementation of the ECOWAS Regional Road Transport and Transit Facilitation Programme, Key measures, progress, and achievements as at October 2016 were as follows:

✓ ECOWAS Joint Border Posts (JBP) Programme:

271. The Joint Border Posts (JBP) programme, which aims at bringing border officials together to undertake joint or one-stop controls at the land borders between Member States, is still ongoing with progress as follows:

- *Noepe JBP (between Ghana and Togo)*

272. The construction of the **Noepe Joint Border Post (JBP)** between Ghana and Togo has been completed and handed over to the two countries, Ghana and Togo at a ceremony on 3rd November, 2014. Procurement processes are underway under the EU funded 10th EDF Transport Facilitation Project (TFP), to procure and install equipment for operations to begin by December, 2016.

- *Seme-Krake JBP (between Benin & Nigeria)*

273. The Construction of the Seme/Krake Joint Border Post (JBP) between Nigeria and Benin is on-going with works at 97% complete as at end of September, and final completion is expected by the end of October, 2016. Procurement processes are underway under the EU funded 10th EDF Transport Facilitation Project (TFP), to procure and install equipment for operations to begin by December, 2016. Handover of the facility for the operation of the Border Agencies of the Member States is expected in December, 2016.

- *Noe-Elubo JBP (between Ghana and Cote d'Ivoire)*

274. The Engineering Design and Tender Dossier for this JBP prepared in 2008 is undergoing a design review to enable works procurement to begin. The Technical and Financial proposals submitted by the shortlisted consultants are currently being evaluated. Procurement for the Works contract will begin immediately after the design review.

✓ ***Nigeria-Cameroon Multinational Highway and Transport Facilitation Programme as part of the Trans-Africa Highway programme:***

275. This involves the rehabilitation of sections of the Enugu-Bamenda road between Nigeria and Cameroon. It also covers the construction/rehabilitation of bridges including the 400m Border Bridge on the Cross-river between Nigeria and Cameroon and the construction a JBP at the Ikom-Ekok border. A summary of the Programme information during the review period is as follows:

- *Design, Supervision and Construction of Mfum Joint Border Post:*

276. The Detailed Engineering Design of the JBP facility has been completed. Procurement for the supervision consultant has also been completed with the contract awarded to Messrs Newtech Consulting Group in association with GAMECS. The Works procurement has been concluded with the contract awarded to Messrs CCECC Nigeria Limited. Construction works is expected to begin in November 2016.

- *Construction of Border Bridge*

277. A key component of the Programme is the construction of a new two-lane bridge over the Cross River at the Cameroon/Nigeria border (Ekok/Mfum), and the construction of over 2km of approach roads at both ends. The procurement of the works contractor for the 401m long two-lane box girder balanced cantilever bridge is being finalised, with the African Development Bank issuing their no objection on 27th September, 2016 to negotiate and finalise the contract with the Lower Responsive Bidder. Construction works is expected to begin in February 2017. Procurement for the supervision consultant has also been completed with the contract awarded to Messrs Louis Berger.

✓ ***Abidjan-Lagos Corridor Development Programme:***

278. In line with the decision of the Presidents of the five countries along the Abidjan-Lagos Corridor in February 2013, to construct a 6-Lane (2x3) dual-carriage Highway from Abidjan in Côte d'Ivoire through Accra, Lome and Cotonou to Lagos in Nigeria, the Commission held six Steering Committee meetings of works Ministers. Major milestones achieved include:

- Signing of the Treaty (Agreement) by the Presidents of the concerned Member States at the margins of the ECOWAS Summit in February 2014 at Yamoussoukro, Cote d'Ivoire.
- Finalization of the Terms of Reference for the preparatory studies (feasibility and detailed design, Corridor management, Trade and Transport facilitation, Spatial Development studies for the highway construction.

- Completion of Loan/Grant Agreements with the five (5) Member States and African Development Bank in Abidjan in November, 2015.

279. The Commission is liaising closely with the Presidency of Nigeria for the transfer of the \$50 million seed funds to be effected on behalf of the five (5) countries. Recruitment of a project preparation and investment advisory services have also been completed with support from the African Union Commission and GIZ. The firm, Messrs Gauff Ingienue, commenced the assignment in June, 2016 and is providing advisory services in legal, institutional, communication and capacity building support for project implementation.

✓ ***Dakar - Abidjan Corridor Development Project***

280. The project seeks to extend the planned corridor development project on the Abidjan-Lagos Section to cover the entire Dakar-Lagos Corridor. The ECOWAS Commission convened the first meeting of the Ministers of Infrastructure/Roads/Works & Justice on the Dakar-Abidjan Corridor, on 14th April, 2016 in Banjul, The Gambia, to introduce the Dakar-Abidjan Corridor Highway Project and agree with Member States on the modalities for its implementation.

281. The Ministers' final agreements and recommendations were convened through a communique affirming their commitment to work at it. The meeting agreed on a Plan of Action covering the early project development and preparation stages with the finalization the project concept documentation and presentation to the Heads of States at the next Summit being the next immediate step. The next Expert and Ministerial Meeting has been scheduled for 10 to 12 November, 2016, to discuss the Project Treaty and draft the Terms of Reference for the feasibility and Detailed Engineering Design. These will be presented to the ECOWAS Heads of State Summit in December, 2016.

✓ ***Côte D'Ivoire/Guinea/Liberia Mano River Union Road Development and Transport Facilitation Programme***

282. As part of the development of road transport facilitation programme within ECOWAS, a strategic project has been developed to improve trade facilitation and free movement within the Mano River Union. Negotiations of loan agreements with the African Development Bank were held on 24 and 25 November 2014 at the Bank's headquarters in Abidjan, Côte d'Ivoire in the presence of delegations of Cote d'Ivoire, Guinea and the Mano River Union. The delegations of Liberia and ECOWAS were connected by Video Conference in the Bank's offices in Liberia and Nigeria.

283. The project consists of the upgrading of 276.35 km of roads within the Mano River Union. More specifically the sections to be upgraded include:

- Danané (Côte d'Ivoire)-Lola (Guinea) (87.35 km);
- Bloléquin-Toulépleu-Border with Liberia (65 km) in Cote d'Ivoire;
- Tabou-Prollou/Cavally (28 km);
- Karloken-Fish Town (80 km) in Liberia and Harper junction -Cavally (16 km).

284. The ECOWAS Commission met with experts from Cote d'Ivoire, Liberia, Mano River Union and AfDB at the Preparatory Meeting in Abidjan from 25 to 29 April, 2016, to review progress of the components and finalize the Programme Protocol of Collaboration. The meeting also included field visits to Cote d'Ivoire/Liberia border and Guinea/Cote d'Ivoire border to access the sites selected for the construction of the Joint Border Posts and border bridges.

285. A Protocol of Agreement was finalized and signed by the parties (ECOWAS, MRU, Cote d'Ivoire, Liberia and Guinea) regarding the coordination of the programme and the implementation of the

common Transport Facilitation Components (Joint Border Posts, Border Bridge and Corridor Management).

✓ ***Consultancy for the Assessment of the Implementation of African Decade of Action on Road Safety: 2011-2020.***

286. The ECOWAS Commission is funding a regional study to assess Member States level of implementation of the Five Pillars of the African Road Safety Plan of Action based on the Decade's log frame. The consultant has submitted the draft Final Reports and these will be subjected to a Member States' validation workshop in the first week of November, 2016.

B. Air transport

287. The Air transport programme of ECOWAS 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. The main activities carried out by the ECOWAS Air Transport Unit were the following:

✓ ***Implementation of the Yamoussoukro Decision (yd) for air transport liberalisation***

288. The 40th Session of the Authority of ECOWAS Heads of State and Government adopted on 17 February, 2012, nine (9) Air Transport Supplementary Acts relating to Compensation in the event of Denied Boarding, Liberalisation of Ground Handling, Airport Slots Allocation, Approval of Air Carrier, Conditions to Market Access, Air Tariffs, Liability in case of Air Accidents, Rules of Competition and Exemptions, and, Aviation Security. The objective of these Acts is to harmonize national legislations in accordance with the provisions of the Yamoussoukro Decision for air Transport Liberalization in West Africa (1999) and develop a common air transport market as a conducive environment to boost aviation industry in the region. The milestones achieved include:

- *Awareness Campaign*: the 9 Air Transport Supplementary Acts have been published in all Member States to enable their implantation.
- *World Bank "Open Sky in West Africa"*: is a Regional Air Transport Policy Reform Program based on the full implementation of the YD and aimed at integrating the highly fragmented air transport market within ECOWAS into an "Open Sky" system. This is in the line with the conclusions of the World Bank/ECOWAS/UEMOA bi-annual Meeting which has developed an Air Transport Action Plan.
- Currently collaborating with the Wold Bank to finalize their project called Open Sky in West Africa".

✓ ***Promote air transport integration-based projects***

289. Developed under the PIDA and directed in the portfolios of the President of the ECOWAS Commission, the following flagship Air Transport Integration-Based Projects have been approved by the Director- Generals of Civil Aviation of ECOWAS member States within the ECOWAS Air Transport Action Plan 2014-2020 : Aircraft Leasing Company; Regional Aircraft Maintenance Facility; Air Transport Data Base; Development of Airport Infrastructure, Equipment and Facilities; Common Policy on Aviation Charges; ECOWAS-Regional Aviation Safety Oversight Organization (E-RSOO); Regional Airline. Key achievements during the period were:

- Completion of a study on Development of Airport Infrastructure and validation of the final report with Member States;

- Launch of the feasibility studies of 3 projects on regional integration namely: Upgrade of Business Plan for Regional Aircraft Maintenance Facility, Regional Aircraft Leasing Company and Common Policy on Aviation Charges and Fees.

✓ **Aviation safety and security**

- *Aviation safety*

290. ECOWAS Commission aims to ensure safe and secure air services for developing, upgrading and maintaining a high level of quality transport infrastructure in all ECOWAS Member States through the following activities:

- ECOWAS with support from the WFP Aviation unit will conduct Aviation Safety Certification Courses for up to 80 Member States' experts in December, 2016, in Dakar.
- Facilitate the establishment, strengthening and operations of the autonomous civil aviation administrations
- Improve the safety standards in the ECOWAS region, strict compliance with the standards and recommended practices of ICAO relating to personnel licensing, technical operation, airworthiness of aircraft and aerodrome certification.
- To increase the capacity of supervision of civil aviation authorities and regional agencies BAGASOO and ACSA/UEMOA as well as make available useful data for regional inspectors in supervising air safety.

- *Aviation security*

- **To prevent unlawful interference acts** against international civil aviation according to Annex 17 to the Chicago Convention on Safety
- **Harmonisation of Aviation Security Regulations:** To prevent unlawful interference acts against international civil aviation according to Annex 17 to the Chicago Convention on Safety;
- **Implementation of the ECOWAS/ICAO Roadmap on MANPADS** create awareness of the emerging threats posed by the illegal use of MANPADS within West Africa and to assist ECOWAS Member States take appropriate actions, with the involvement of neighbouring States, to protect civil aviation against the use of MANPADS in terrorist attacks. Create a Permanent Information System/Observatory, and, Build capacity against illegal use of MANPADS
- Follow up of the implementation of the Civil Aviation Security in Africa and the Arabian Peninsula (CASE).

- **Aviation & climate change**

291. The Air Transport Unit participated at the 39th General Assembly of the International Civil Aviation Organisation (ICAO) that passed several resolutions on all aspects of Civil Aviation, however one of the most important resolutions was the one resolving to implement the world's first global regime for combatting CO₂ emissions from aircraft. GMBM will take the form of a Carbon Offsetting and Reduction Scheme for International Aviation (referred to in the ICAO Resolution as the ("CORSIA").

✓ **Air Services Agreements**

292. **The objective** of these agreements is to facilitate the harmonized negotiation of air services agreements between the region with third parties as well as the access to all air transport markets

(especially European, USA, Brazil and China) for the ECOWAS airlines on the basis of reciprocal designations and authorisations.

✓ **Aeronautical cooperation.**

293. To enhance cooperation between institutions and aviation organizations in order to share experiences, increase awareness and visibility of ECOWAS Air Transport mandate, safeguard common positions of the region in different aviation initiatives and obtain technical assistance for Member States experts. The Commission therefore seeks to implement the following:

- Implement the **ECOWAS/ICAO** Air Transport Action Plan signed in December, 2014.
- Implement the **ECOWAS/China** MoU on West African Aviation Cooperation signed in November 2015
- Implement the **ECOWAS/ECAC** MoU on Civil Aviation signed in July 2012.
- Implement the **ECOWAS/WFP** Technical Agreement on Humanitarian Air Services, signed in October 2012.
- Finalize **ECOWAS/Brazil** aviation cooperation
- Finalize draft **ECOWAS/BAGASOO** MoU to establish cooperation and coordination for the enhancement of aviation safety and security within the ECOWAS region.

✓ **Mobilization of funds.**

294. **PASTA-CO Grant.** In furtherance of negotiations engaged in 2013 between ECOWAS Commission and AfDB, the Board of AfDB finalized and approved the grant to ECOWAS Commission amounting to AU 3,042,000 (equivalent to USD 4,453,488) covering 4 years (2015-2019), in July 2015. The grant agreement (PASTA-) was signed by the President of the ECOWAS Commission in September 2015. The launching of the PASTA-CO is scheduled for 26-28 January, 2016 in Abidjan, Cote d'Ivoire.

295. The Commission will Follow up the implementation of the PASTA-CO grant in the following areas: improvement of Airport Safety through the ACI-APEX reviews, setting up a Regional Pool for Aviation Security, Capacity building for aviation safety oversight by Civil Aviation Authorities and BAGASOO/ACSSA-UEMOA, Setting up a Regional Aviation Investigation Bureau and studies on Aviation Search and Rescue (SAR), Gender in Aviation.

2.4.2 Project Preparation and Development Unit (PPDU)

296. ECOWAS Heads of State and Government established the PPDU to strengthen the Commission's capacity to prepare and package projects with the objective of speeding up the delivery of infrastructure development. In 2016 PPDU recorded a number of successes in the implementation of its activities which include: (i) * establishment and operationalisation of the PPDU in Lome, Togo; (ii) substantial completion of a number of priority regional studies; (iii) support to some regional projects; and (iv) establishment of partnership arrangements to support project development. The main activities involved;

- The implementation of a number of regional infrastructure studies which are complementary to and in line with the Programme for Infrastructure Development in Africa (PIDA) initiated by the African Union.
- Establishment of the Fund for the Development and Financing of ECOWAS Transport and Energy sectors (FODETE).
- Development of partnership/ cooperation agreements for project implementation.
- Facilitating the implementation of key regional projects, (Dakar-Abidjan-Lagos Highway, Dakar-Bamako railway modernization, extension of the West African gas pipeline, rural/peri-urban electrification).

✓ **Programme Management and establishing Infrastructure development funding mechanism**

- *PPDU Strategic Business Plan 2016-2020 and Manuals of procedures and operations*

297. In order to ensure that the PPDU operates within guidelines in conformity with ECOWAS rules and regulations, and in line with the 2011 Council Regulation, a 2016-2020 Strategic Business Plan was presented and reviewed by the PPDU Steering Committee. The revised document will be considered for adoption at the next sitting of the Steering Committee in November 2016.

- *Establishment of the FODETE-ECOWAS*

298. At the 37th Summit in Abuja on 22nd June, 2009, ECOWAS Heads of State and Government instructed the Commission to come up with the modalities for establishing a Fund for the Development and Financing of the Transport and Energy Sectors - (FODETE-ECOWAS) expected to be sourced from a levy on the key export resources within the region (agriculture, mines, oil, gas, fisheries, etc....).

299. A Consulting Firm was hired to undertake the feasibility study and the final report of the study was submitted by the consultant in May 2016. Based on the consultants proposed levy rates, FODETE is **expected to generate over US\$300 million annually**, which continues to increase over a projected period of 20 years. This amount is substantial enough to impact on alleviating the infrastructural deficit in our region estimated to require about US\$5.5billion annually.

300. PPDU and EBID are elaborating detailed document on the governance structure, operational procedure for fund management and formula for utilization of funds as tasked by the FODETE Steering Committee. The study and final recommendations will be submitted to ECOWAS Statutory Authorities for adoption following validation by Member States. The establishment of the Fund provides a domestic resource mobilization platform to support the large infrastructure needs of the region.

✓ **Project Preparation**

301. Feasibility Studies on the following priority projects which were initiated in 2014 are now getting finalized whilst some have already been completed. New studies have also been initiated and are at various procurement stages, with commencement target set for 1st quarter of 2017.

✓ **Coordination, Cooperation and Partnership Development**

302. Article 3.2g of the PPDU regulation empowers the PPDU to “Negotiate and conclude cooperation and/or partnership agreements with regional and sub-regional institutions in the area of infrastructure project preparation and development”. To this end, ECOWAS has signed (i) a memorandum of understanding (MoU) on **Partnership with Spanish Co-operation (AECID) involving** an amount of **€5 million** over 5 years in the area of project preparation for priority studies and capacity building / technical assistance to the PPDU; (ii) a draft MoU on **Partnership with Islamic Development Bank (IsDB)** towards addressing the infrastructure challenges of West Africa; as well as supporting **Cooperation with Port Management Association of West and Central Africa (PMAWCA)** to conduct a study on socio-economic impact of PPP concession on maritime sector with a view to benchmarking successes and to inform decision making on future PPP concessions in the region.

303. Following various correspondences, the President of the ECOWAS Commission also signed a cooperation MOU with DBSA in July 2016. The following potential list projects will be considered for deliberation under the MOU:

Priority Railways

- a. B2: Kaya – Dori – Niamey (Burkina – Niger interconnection, 409 km)
- b. B1: Bamako – Ouangolodougou (Mali – Cote d’Ivoire, 555km)
- c. CF7: San Pedro – Odienne –Bougouni – Bamako (Cote d’Ivoire – Mali, 1,186km)

Dakar-Lagos Highway

- a. Abidjan – Lagos (Phase 1)
- b. Dakar – Abidjan (Phase 2)

OMVS (Organization for the Development of River Senegal) - Energy/ Hydro projects

- a. Balassa (Guinea) 181 MW/ 470 Gwh/yr
- b. Koukoutamba 294 MW/ 888 GWh/yr.
- c. Gourbassi 18 MW/ 68.4 GWh/ yr
- d. Boure’ya 114 MW/ 733 GWh/ yr

2.4.3 Telecommunications**✓ Implementation of the ECOWAS Wide Area Network (ECOWAN)**

304. The ECOWAS Wide Area Network (ECOWAN) is envisaged to be a public sector e-governance platform through which ECOWAS institutions and Member States can communicate, manage and share common resources online in real time at high bandwidth. Key applications like ALISA (the regional Customs connectivity application/software), RVAIS (Regional Vehicle Administration Information System) and other regional applications requiring real-time connections between ECOWAS institutions can be deployed on one secure site managed solely for/by the region.
305. The draft final report of the ongoing study on the ECOWAN market analysis and business model has been validated by the ECOWAS project team and will be submitted to Member States for final review and validation in November 2016.

✓ Broadband Connectivity of Ecowas Member States

306. With support from the World Bank, two studies are ongoing as part of an initiative on enabling cross-border investments in broadband communications infrastructure. These studies will identify the missing ICT terrestrial broadband links, define the role of alternative infrastructure (roads, electricity, railways, etc.) in the provision of Internet broadband services as well as develop a strategy to reduce/eliminate the cost of roaming within the ECOWAS region.
307. The validation of the preliminary report on the Missing links and Infrastructure sharing study and the roaming strategy is scheduled for December 2016.

✓ Harmonisation of ICT Policies & Regulatory Frameworks

308. With the objective of creating a common ICT market, the following documents were adopted in 2016 by the ECOWAS Ministers in charge of Telecommunications/ICT and Post.
- Regulation on the Conditions for Access to National and International Bandwidths on Terrestrial Networks within ECOWAS
 - 2016-2020 ECOWAS ICT Strategic Document
 - ECOWAS Regional Cross-Border Interconnection Policy Framework for the implementation of a Regional Internet Exchange Point (IXP)
309. Also, under the African Internet Exchange System (AXIS) project, the ECOWAS Commission and the African Union Commission (AUC) supported the establishment of Internet Exchange Points (IXP) in three (3) ECOWAS Member States - Benin, Burkina Faso and Liberia. Following a regional call for proposals, the IXP in Nigeria is in the process of expanding into a regional IXP.

✓ **Implementation of the Digital Terrestrial Television (DTT)**

310. In the interest of economies of scale in the transition from Analogue to Digital Terrestrial Television (DTT), the ECOWAS Commission was tasked with facilitating the accreditation of test laboratories that will carry out conformance testing of DTT receivers and sending the list of the accredited laboratories to all the Member States.
311. The technical proposals were received and will be considered during the regional meeting which is scheduled to hold in November 2016.

✓ **Postal Sector**

312. The Postal sector in the ECOWAS region is facing great challenges in terms of physical, financial (savings, credit or insurance) and electronic infrastructure. In order to address these issues and modernise the postal services within the ECOWAS Region, a comprehensive study on the Postal Service Master Plan (PSMP) was completed. The PSMP is a holistic plan for modernising and improving access to postal services in the region, including defining strategies for revamping and restructuring postal services.
313. In collaboration with the West African Postal Conference (WAPCO), a draft regulation on postal reform and regulation was drafted. The draft Directive and the draft final report of the PSMP were validated by Member States and adopted by the ECOWAS Ministers in charge of Telecommunications/ICT and Post.

✓ **Establishment of the Regional Data Base Sigtel**

314. The automated Telecommunications Management Information System (SIGTEL), the primary Internet portal for the collation of Telecommunications/ICT data indicators in the ECOWAS region has been developed. It is designed to cater for ICT information needs of ECOWAS development partners and investors as well as Member States. This portal, along with the pertinent ICT indicators for the region, will be presented to the National Correspondents for Indicators (NCIs) for validation in December 2016.

✓ **Capacity Building**

315. While ECOWAS and its Member States are encouraging the use of Telecommunication/ICT for development, the region is saddled with the problems of cybersecurity, including cybercrime particularly with the rapid development of the Internet and the boom in the use of mobile smartphones and innovative applications. A number of capacity building exercises on Cybercrime, Cybersecurity and Child Online Protection were conducted for Member States (Judges, Prosecutors, Investigators and ICT experts) with financial and technical support from the following partners - Global Prosecutors E-crime Network (GPEN), Global Forum on Cyber Expertise (GFCE), Council of Europe (CoE), Cybersecurity Alliance for Mutual Protection Cybersecurity Alliance for Mutual Progress (CAMP) and United States Telecommunications Training Institute (USTTI).

2.4.4 Energy

316. In the energy sector, the Commission commenced preparations towards the meeting of ECOWAS Energy Experts and Ministers, which forms part of the statutory process for the validation and adoption of resolutions and recommendations necessary for consolidating the regional electricity market. The request forwarded to the government of Guinea to host the meeting was welcomed and all the documents for the meeting have been made ready. The meeting is scheduled for 23 and 24 November 2016.

317. Preparations for the meeting of ECOWAS Agencies and Specialized Institutions in the energy sector is underway. This annual meeting is a framework for discussion and orientation that will stimulate regional programmes in the energy sector. All the documents relating to the preparation for the meeting have been completed. The meeting will hold on the 28th and 29th of October 2016, in Praia Cape Verde at the headquarters of ECREEE. In particular, the meeting will help to finalize technical preparations for the meeting of Ministers scheduled for November 2016 at the ECREEE headquarters.
318. The selection process for a consultant to conduct the Study for the ECOWAS Energy Policy, commenced in 2015, and continued in 2016. The evaluation of technical and financial proposals was held in February 2016, but failed to yield the desired result. The call for bids will be relaunched in 2017, likely under the 11th EDF funding, which has this study listed as one of the projects to be financed.
319. The survey on rural and semiurban electrification in West Africa continued in the course of the year 2016. A technical meeting was organised with the PPDU in Lome, in June, to validate the data collection report. The preliminary report of the study was validated at the regional workshop organised from 01 to 03 August in Guinea. The draft final report of the study is expected in November 2016 and will equally be presented at a regional validation workshop.
320. The feasibility study on the extension of the West Africa gas pipeline network also continued in 2016. Three regional workshops were organised in Accra, Ouagadougou and Dakar respectively to validate the data collection report, the preliminary report and the draft of the final report. The final report is expected in the month of November 2016.
321. In March 2016, the terms of reference for three important studies on the energy sector were completed, namely: the study on the development of increase in energy sensitization; the study on the development of a programme that will facilitate the supply of petroleum products in the ECOWAS region; and the study on the development of the regional strategy for promoting the use of LPG as cooking fuel in the ECOWAS region. The selection process for individual consultants for these three studies commenced in September 2016 with the launch of the call for expression of interest.
322. To commence activities of the programme aimed at improving the quality of petroleum products in the region, the Terms of Reference (ToR) for the study on the formulation of a regional strategic framework for harmonising petroleum products specifications in the ECOWAS region, were developed. The validation of these ToR, was the focus of a high-level meeting between ECOWAS and the African Refiners Association (ARA) in May, in Abidjan. ARA and the African Petroleum Producers Association (APPA) expressed their availability to support ECOWAS in this activity.
323. The ECOWAS Commission has continued to supervise the implementation of the emergency electrical supply programmes of ECOWAS in The Gambia, Mali and Sierra Leone, which are now at the practical implementation phase.
324. With regards to The Gambia, the Commission has analysed and given its notice of non-objection to the evaluation report of the call for bids for the rehabilitation and maintenance of Generator N°1 of the Brikama power station. On the whole, the programme had an 86% execution rate, including petrol and oil supply. The remaining activities have to do with maintenance and the procurement of spare parts. The capacity building of NAWEC and the Ministry of Energy is underway.
325. For Mali, the programme is 90% executed. The procurement of petrol and the purchase of vehicles and special equipment has been completed. Activities relating to the development of isolated grids and the overhauling of electricity production plants in occupied areas are underway.

326. For Sierra Leone, the programme is 60% executed. The section on maintenance and purchase of spare parts and maintenance of the first engine, has been completed. The remaining activities with respect to the switch to prepaid meters for high usage clients, and the survey to map out all the average and low tension network cables, are underway.
327. A mission was fielded by the ECOWAS Commissioner for Energy and Mines and officers of the Energy Directorate and Specialized Agencies, to evaluate Liberia's energy sector. The mission was held in Monrovia from 20 to 25 September 2016 and enabled an assessment of the current state of Liberia's energy sector. It should result in a special programme for the rapid implementation of renewable energy projects and other actions that will enable increased access to energy services for the population while enabling a reduction in electricity tariffs in the country, which remains one of the highest in the region.
328. As part of efforts to develop cooperation, the Commission's collaboration plan with the Africa Petroleum Producers Association was concluded with the memorandum of understanding signed during the meeting of Ministers of the APPA held in Abuja in March 2016. An agreement was reached to place priority on hydrocarbon supply in the ECOWAS region and the quality of petroleum products.
329. Finally, the Commission participated in high-level regional and international meetings of the energy sector as part of efforts to strengthen cooperation. (see section on Cooperation).

2.4.5 ECOWAS Regional Electricity Regulatory Authority (ERERA)

330. The activities of ERERA during the year 2016 are derived from the programmes of activities of ERERA's Strategic Plan of 2014 - 2018, with an updated Programmes from the Strategic Plan 2016-2020. The following key activities were implemented during the period under review with support from development partners including the GIZ, EU and USAID.

✓ Development of the Regional Power Market

331. The expected outcome of Development of the regional power market is the setting up of a regulatory and economic environment conducive to the launching of Phase 1 of the regional power market by 31 December 2016. Key activities implemented under this programme were as follows:
- Finalisation of the assessment of the status of implementation of the Directive on regional electricity market by ECOWAS Member States. The five remaining countries at the end of 2015 were assessed and the report of the assessment released on 1st April 2016.
 - The seventh Joint Meeting of the Consultative Committees of Regulators and Operators of ERERA was held on 26th and 27th April 2016 at Accra, Ghana and reviewed two keys documents:
 - o the Draft Model Bilateral Agreements (Short, Medium and Long Term) and recommended its approval by ERERA's Regulatory Council.
 - o the Draft of the Open Access Agreement and recommended to ERERA to proceed with further consultation on the document.
 - The Technical Working Group of the ECOWAS Regional Electricity Regulatory Authority (ERERA) and the West African Power Pool (WAPP) held meetings in Accra and Cotonou during the year to follow-up on the specific milestones for the implementation of conditions precedents for Market Phase 1.

✓ **Regulation of the regional power market**

332. The strategic objective of Programme 2 (Regulation of the regional power market) is to enhance the visibility of ERERA's regulatory activities and strengthen its operations as well as the operations of its Consultative Committees. Against this backdrop, two consecutive statutory meetings were held during the course of the year with support of the *Gesellschaft für Internationale Zusammenarbeit* (GIZ).

✓ **Capacity Building of Institutions**

333. With the financial and technical support of the European Union Commission, and USAID ERERA Staff benefited from a training on the fundamentals of cross border regulation and on transmission tariff methodology.

334. ERERA also supported "Autorité Nationale de Régulation du secteur de l'Electricité de Côte d'Ivoire (ANARE)" in co-organising a training on regulation and pricing of electricity in cooperation with the Institute for Sustainable Development of La Francophonie (IFDD) and the Centre for economic and financial regulation (CEREF).

✓ **Securing the Financing of ERERA**

335. ERERA engaged discussion with many donors for the financing of its Programmes. As a result, in 2016 the following activities were funded by the following partners:

- Drafting of Rules of practice and procedures for ERERA with support from the Energy Regulators Regional Association (ERRA)
- Review of the WAPP Pricing model and update of ERERA Strategic Plan for 2016-2020 with support from the Financing Agreement No. ROC/FED/23868 between the European Commission (EU) and the Secretariat of the West African Power Pool (WAPP) for the financing of the WAPP Coordination and Information Centre and the regional electricity market.
- Finalisation of the Draft Model Bilateral Agreements (Short, Medium and Long Term) and organisation of two ERERA Consultative Committees meetings with the support of GIZ

✓ **Institutional Development**

336. The strategic objective of Programme 5 (Institutional development) is to provide means and resources to ERERA to perform efficiently its mission in the emerging regional power market.

337. The following results were achieved during the reporting period with regards to the implementation of the activities of Programme 5:

- During the Staff annual retreat in 2016, all the Staff participated in the workshop on "Building a performance culture for ERERA". An action plan for improvement was adopted in the areas of Conflict Management, Internal Communication, Internal Meetings and Stress Management.

✓ **Updated Programmes from the Strategic Plan 2016-2020 Results of implementation of Programme 6**

338. The Programme 6 (Updated Programmes from the Strategic Plan 2016-2020) is meant to complement the activities of ERERA Programme for 2016. Key results achieved during the period under review were as follows:

- With the financial and technical support of the European Union Commission, the review of ERERA's strategic plan and its harmonization with the ECOWAS strategic framework 2016-

2020 started in June 2015 and was adopted in March 2016.

- In order to prepare ERERA in working towards the Integration of renewable energy sources in the regional power market, a Technical Working Group involving ERERA, ECREEE and WAPP was set up and two meetings of the Group were held on identified areas of collaboration of the 3 institutions.

2.4.6 ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE)

339. ECREEE is a specialised ECOWAS agency which acts as an independent body but operates within the legal, administrative and financial framework of ECOWAS rules and regulations. The overall objective of ECREEE is to contribute to the sustainable economic, social and environmental development of West Africa by improving access to modern, reliable and affordable energy services, energy security and reduction of energy related GHG emissions and climate change impacts on the energy system.

340. The activities carried out by ECREEE during the period under review are presented below:

✓ *Communication and Technical Cooperation Programme*

341. Journalists of ECOWAS Member States received training on how to cover renewable energy related news in order to provide media practitioners with tools to better inform ECOWAS citizens. To this end, a network of journalist was established to cover important ECREEE and renewable energy news in ECOWAS countries. Furthermore, the World Energy Week was organized in Cabo Verde involving more than 150 students with significant media coverage. An electronic communication tool (Renewable West Africa) was also established as an e-newsletter to share with the entire ECREEE contacts, relevant renewable energy and energy efficiency news.

✓ *ECOWAS Focal Institution for the Sustainable Energy For All Initiative (SE4ALL)*

342. The SE4ALL Investment Prospectus is being developed for 8 countries under ECREEE supervision (Nigeria, Liberia, Sierra Leone, Cabo Verde, Senegal, Cote d'Ivoire, Benin and Togo). ECREEE is well recognized internationally as the SE4ALL Focal Point for the ECOWAS Region and acts as the coordinating hub for regional sustainable energy cooperation among all African islands and the network of the sustainable energy centers in the Caribbean, the PPacific, East and Southern Africa.

✓ *ECOWAS sustainable energy policy programme*

343. With ECREEE support, all the Member States (except Guinea where the process is still on-going) have adopted their National Renewable Energy and Energy Efficiency Action Plans and the sustainable Energy for All (SE4ALL) Action Agenda. ECREEE has also supported the governments of Niger and Cabo Verde in developing the decrees of the national renewable energy law and the improvement of the framework for micro-generation and independent power producers respectively. The support to Togo and Benin in the development of their national renewable energy laws is about to commence.

✓ *Capacity Development Programme*

344. The Mentoring Programme for private developers and suppliers from the region continued successfully, with 21 new entrepreneurs selected to be supported by the facility in the 2nd call. Meanwhile, the framework for the certification of PV Installers from the region is successfully

being developed, and ECREEE is also successfully delivering on-line training courses on Clean Energy Project Analysis with RETScreen.

✓ **ECOWAS Observatory for Renewable Energy and Energy Efficiency (ECOWREX)**

345. The web-platform ECOWREX (ECOWAS Observatory for Renewable Energy and Energy Efficiency) has been substantially improved and updated with geospatial data and energy statistics for all ECOWAS Member States and regional stakeholders were trained in its use for energy planning.

✓ **Project Development and Financing Programme**

346. Specialized technical assistance was provided to private project promoters as well as energy regulators, utilities and energy ministries involved in negotiations on renewable energy projects in Burkina Faso, Mali, Sierra Leone and The Gambia, while additional support is under discussion with Togo and Niger. In addition, the government of the Gambia was supported in the development of its national renewable energy investment strategy. The 4th edition of the Business and Investment forum was also organized in Accra within the framework of the 1st ECOWAS Sustainable Energy week, which contributed to facilitating match-making and experiences' sharing among policy makers, private sector and financiers.

✓ **Energy Efficiency Programme**

347. The ECOWAS minimum energy performance standards for on-grid and off-grid lighting was adopted by the ECOWAS Ministers of quality while the draft minimum energy performance standards of air-conditioners and refrigerators was adopted by experts of ECOWAS Members States. Meanwhile, the regional energy efficiency programme in industry and pilot project in four ECOWAS Members States (Cape Verde, Senegal, Côte d'Ivoire and Ghana) is being developed.

✓ **Bioenergy Programme**

348. ECREEE provided leadership role in the creation of African Biochar Partnership which is now leading the development of the technology throughout the continent. The capacities of private and public stakeholders on clean cooking were also strengthened i.e. WACCA Camp trained 40 clean Cookstove Artisans in Bamako, Mali.

✓ **Gender Programme**

349. Activities executed included the inauguration of two ECOWAS Women's Business Fund pilot projects in Senegal and Ghana as well as the award of grants to five energy research teams under the Youth initiative to conduct research studies and produce policy briefs on energy, climate change and gender related topics. Furthermore, a radio programme on 'Women and Energy in the 21st century', targeting a Cabo Verdean (creole) audience was developed while the capacities of five (5) ECOWAS Energy Ministries (Côte d'Ivoire, Senegal, Sierra Leone, Mali, Benin) on 'Mainstreaming Gender into Energy Operations' were strengthened.

✓ **Solar Thermal Programme**

350. Training institutions, installers and technicians in Burkina Faso, Cabo Verde, Ghana, Nigeria and Senegal were trained in solar water heating

✓ **West African Clean Cooking Alliance – WACCA**

351. Four (4) SMEs were awarded financial support for cooking energy solutions and low carbon development businesses in Senegal, Ghana and Sierra Leone. Meanwhile, National Action Plans specific to cooking energy are being elaborated in ten (10) ECOWAS countries.

✓ **GEF Cabo Verde and Guinea Bissau**

352. The design of demonstration projects i.e. hybrid mini-grids, solar pumping stations, wind energy for water desalination, in Cabo Verde is well advanced and the measurement of water resources for Salinho power plant in Guinea Bissau has also progressed satisfactorily.

✓ **Rural Electrification Programme**

353. The installation of 40 mini-grids to promote access to electricity in rural areas in Senegal started during the review period. Ten min-grids, supported by the ECOWAS Renewable Energy Facility, are also being installed in Burkina Faso, Sierra Leone, Senegal, Cabo Verde and Niger while the installation of the solar system at the ECOWAS HQ in Abuja has been contacted

354. The Rural Electrification Agency of Guinea (AGER) is being supported in the elaboration of the national rural electrification strategy and the conduct of pre-feasibility studies for the hybridization of existing diesel mini-grids in Guinea and Mali are on-going.

✓ **Small Hydro**

355. The GIS Hydro mapping results, computed hydropower potentials for all West African rivers and tributaries (about 500.000 river reaches) and climate change forecast models were published on ECOWREX. Training was also conducted for actors from water and energy departments and river basin origination as well as for institutions from seven (7) ECOWAS countries on practical lessons in Civil Engineering for Mini Hydropower.

✓ **Climate Change**

356. The climate change programme (2016-2020) was validated. Technical Assistance is being advanced to enhance acceleration of Nationally Determined Contributions (NDCs) and Monitoring Reporting and Verification (MRV) systems in the Member States.

2.4.7 West African Power Pool (WAPP)

357. The WAPP Secretariat, which commenced activities in February 2006, is responsible for ensuring the sustainability of electric energy in the region essentially through the development of regional generation and transmission projects and the definition of technical and commercial rules for cross border electric energy exchanges. Activities executed during the period under review are as follows:

❖ **Completed WAPP Priority Projects**

- ✓ 330 kV Ikeja West (Nigeria) – Sakété (Benin) Interconnection Line (US\$40 million) operational since January 2007;
- ✓ 225 kV Bobo Dioulasso – Ouagadougou Transmission Line in Burkina Faso (US\$130 million) operational since September 2010
- ✓ 330 kV Aboadze – Volta Transmission Line in Ghana (US\$48 million) operational since September 2010
- ✓ 225 kV Cote d'Ivoire – Mali Interconnection line (US\$167 million) operational since September 2012
- ✓ 60MV Hydropower of Felou in OMVS Zone (US\$125 million) operational since September 2013

- ✓ 240 MW Hydropower of Kaleta in OMVG Zone (US\$109 million) operational since August 2015.

❖ **Completed Cross- Border Electrification Projects**

- ✓ Ghana - Togo Medium Voltage Cross Border Project (€3.8 million) operational since March 2011 with 10,860 persons as direct beneficiaries
- ✓ Ghana – Burkina Medium Voltage Cross Border Project (€2 million) operational since August 2012 with 35,000 persons as direct beneficiaries
- ✓ Ghana – Southern Togo MV Cross Border Project (€2.3 million) operational since February 2015 with over 9,200 persons as direct beneficiaries.
- ✓ Benin – Northern Togo MV Cross Border Project (€2.1 million) operational since March 2015 with over 8,100 persons as direct beneficiaries.

❖ **ECOWAS/WAPP Emergency Support Programmes**

- ✓ ECOWAS Emergency Power Supply Programme for Guinea Bissau (US\$ 54.34 million). Completed in February 2012.
- ✓ ECOWAS Technical and Financial Assistance Programme for City of Conakry (US\$30 million). Completed in June 2016.

✓ **WAPP Priority Projects**

358. The WAPP investment programme is derived from the ECOWAS Master Plan for the Generation and Transmission of Electrical Energy developed in 1999 and revised in 2005. The Master Plan was updated and adopted in 2012 by the 40th Session of the Authority of Heads of State and Government through Supplementary Act A/SA/12/02/12 with an investment requirement of US\$ 26.416 billion. The progress made by WAPP in implementing the investment program is as follows:

- **Priority Projects under Implementation**

359. **330 kV Volta (Ghana) – Lome ‘C’ (Togo) – Sakété (Benin) Interconnection Project:** The project is being financed by the African Development Bank (AfDB), World Bank (WB), KfW and Banque Ouest Africain de Développement (BOAD) to the tune of US\$105 million. Construction works on the Ghana portion of the project have been completed. The construction works for the Togo/Benin portion are in progress and expected to be completed in 2017.
360. **225 kV Bolgatanga (Ghana) - Ouagadougou (Burkina Faso) Interconnection Project:** The project is being financed by the WB, AfDB and EIB to the tune of US\$156.20 million. Contracts for various packages of the project were executed and construction works started. The project is expected to be commissioned by 2017.
361. **330 kV Aboadze – Prestea – Kumasi - Bolgatanga Transmission Line Project in Ghana:** Contract for works on the Kumasi –Bolgatanga segment was executed and works are ongoing and being financed by AFD to the tune of €141 million. The 330 kV Aboadze – Prestea - Kumasi section is under negotiation by GRIDCo with Strategic Partners for implementation. Expected commissioning of the 330 kV Kumasi – Bolgatanga segment is 2018, whilst the 330 kV Aboadze – Prestea – Kumasi section is expected in 2020.

362. **147 MW Adjarala Hydropower Facility in Togo/Benin:** The project Financing Agreement was signed between the governments of Togo and Benin with China Exim Bank. The contractor, Sinohydro, in charge of the construction works started the facilities for works. Commissioning of the project is expected in 2020.
363. **140 MW Gouina Hydropower Project in OMVS Zone:** Construction works started following the execution of the Financing Agreement between the OMVS counties and China Eximbank. Commissioning is expected in 2019.
364. **225 kV Côte d'Ivoire – Liberia - Sierra Leone - Guinea Interconnection Project:** The project is being financed by the AfDB, WB, EIB and KfW and estimated at €329 million. The Owner's Engineer for the supervision of Work has been recruited. Tenders for works have been launched except for works relating to SCADA and frequency regulation. Commissioning of the project is expected in 2019. The rural electrification of communities along the Interconnection line was completed in Côte d'Ivoire whilst, detailed studies are on-going in Liberia, Sierra Leone and Guinea.
365. **OMVG Energy Project (Senegal-The Gambia-Guinea-Guinea Bissau):** The process to secured funding from China Eximbank for the implementation of the 128 MW Hydropower Facility at Sambagalou is on-going. The Financing Agreements for the implementation of the 225 kV Transmission line interconnecting the four (4) countries were executed between the concerned countries and the associated donors (AfDB, WB, EIB, AFD, KfW, IsDB, BOAD, and Kuwait Fund) and the procurement process for works is on-going. Commissioning of the 225 kV Transmission line is expected in 2019 and the 128 MW Hydropower Facility at Sambagalou in 2020.
366. **Cross- Border Electrification Projects: Côte d'Ivoire - Liberia (1st Energy Facility):** This project was funded by the European Union (EU), Liberia Electricity Corporation (LEC) and Société des Énergies de Côte d'Ivoire (CI-Energies), to the tune of €9.6 million for the electrification of 18 rural communities in Liberia from Côte d'Ivoire. To date, 14 of the 18 beneficiary communities have been completed and commissioning of the works in the remaining 4 communities is on-going. 28,000 persons will benefit directly from the project.

- **Priority Projects under Preparation**

367. **330 kV Côte d'Ivoire - Ghana Interconnection Reinforcement Project:** The project is under preparation with funding of €1.75 million from the EU-Africa Infrastructure Trust Fund. The Bidding Documents were finalized and submitted to Donors for No-Objection. The persons affected by the Ghana component of the project have been established in accordance with the procedure in force in Ghana. For the Côte d'Ivoire component, the process for the delivery of the Environmental Permit is on-going. The process to secure an amount of approximately US \$ 244 million from EIB and KfW for the implementation of the project is also on-going.
368. **225 kV Guinea – Mali Interconnection Project:** The Pre-investment studies of the project (Feasibility and ESIA Studies), funded with about US\$4.3 million by AfDB have been completed. The project cost is estimated at €481.46 million. Two donors roundtable were organised which permitted the mobilisation of about €270.33 million from AFD, ADB, IDB, BOAD, EBID and EIB. The process to complete the financing gap is in progress.
369. **225 kV Ghana – Burkina Faso - Mali Interconnection Project:** With support from the Indian Government, Mali is undertaking the construction of the Sikasso – Bamako segment. As to the remaining part of the interconnection, Reports of the complementary pre-investment studies (Faisibility & ESIA), funded by the EU-Africa, ITF through AFD, were validated by the stakeholders.

The establishment of the project affected persons have been completed and is awaiting validation by the stakeholders.

370. **330 kV Nigeria – Niger – Burkina – Benin/Togo Interconnection Project:** The pre-investment studies are funded by NEPAD-IPPF with a financial counterpart from the beneficiary utilities. The Environmental permitting by the relevant authorities is on-going in each country. The Final Report on the Feasibility Study was adopted by stakeholders and the project cost is estimated at US\$ 894.11 million including the necessary networks reinforcements to ensure the viability of the project in the long term. The process to mobilize funding for the project and for the formulation of an appropriate institutional framework for the implementation of the project has commenced.
371. **330 kV TCN (Nigeria) - CEB (Togo/Benin) Interconnection Reinforcement Project:** The pre-investment studies are funded by NEPAD-IPPF and USAID with a financial counterpart of 5% from CEB and TCN, the beneficiary utilities. The recruitment process of the consultants for the conduct of the studies is being finalized.
372. **450 MW Maria Gléta Regional Power Generation Facility in Benin:** The project is being implemented under a Public Private Partnership (PPP). The outcomes of the pre-feasibility study of the project were approved by the Joint Implementation Committee (JIC) and the Managing Directors of the WAPP utilities involved in the project. Feasibility study was launched and is on-going.
373. **450 MW Domunli Regional Power Generation Facility in Ghana:** The project is being implemented under a Public-Private Partnership. The outcome of the pre-feasibility study of the project was approved by the Joint Implementation Committee (JIC) and the Managing Directors of the WAPP utilities involved in the project. A study for the relocation of the project site at Dawa (30 km Tema) is being carried out by the Private Partner.
374. **515 MW Souapiti Hydropower Facility in Guinea:** The preparation of the project is funded by the World Bank and involves update of the feasibility study and determination of best option to develop the project under the framework of a Public-Private Partnership (PPP). The feasibility study was completed and the Final Report adopted by stakeholders. The Government of Guinea decided to implement the project in partnership with the Chinese company CWE. CWE has commenced the installation works on the project site pending the adoption of the appropriate strategy to implement the project.
375. **300 MW Amaria Hydropower Facility in Guinea:** The World Bank has agreed to finance the pre-investment studies with part of the IDA grant provided to the WAPP Secretariat under the WAPP Integration and Technical Assistance project within the framework of the CLSG project. The terms of reference for the studies have been prepared and validated by stakeholders. The process to recruit consultants to prepare the feasibility and ESIA studies has been launched.
376. **225 MW Tiboto Hydropower Facility in Côte d'Ivoire/Liberia:** The project is being developed by the Government of Côte d'Ivoire within a framework of Public Private Partnership. A draft Cooperation Agreement for the development of the project was prepared by the WAPP Secretariat and submitted to the stakeholders in Liberia and Côte d'Ivoire for consideration.
377. **WAPP Regional Solar Parc in Burkina Faso:** The project is under preparation within the framework of the European Union technical assistance to WAPP. The terms of reference for the pre-feasibility study has been prepared and validated by the WAPP Secretariat and stakeholders in Burkina Faso and the study is being prepared with EU-Technical Assistance.

✓ **Regional Electricity Market**

- *Activities undertaken in relation to the establishment of a Regional Electricity Market*

378. **Development of Market Governance Documents.** Following the approval of the WAPP Operational Manual, Regional Market Rules and Regional Electricity Transmission Tariff Methodology, the Regional Transmission Pricing, and Market Contract (Short-term, Medium-term and Long-term bilateral) were also submitted to ERERA for approval. Documents such as, Market Participant Agreement & Market Application Form, Contract Approval and Registration Procedure and Renewable Energy Connection Code are being developed by the WAPP Secretariat.
379. **Synchronization of WAPP Interconnected Network:** The project is funded by the World Bank with an amount of US\$ 21.5 million including a Technical Assistance to the WAPP Secretariat. The study to evaluate, among others, the equipment requirements for attaining sustained synchronisation of the WAPP interconnected system is being completed. WAPP network models were validated and the dynamic behaviour of units evaluated. The Final Report of the study was also validated by the stakeholders and the Bidding Documents for the installation of the equipment are being finalized.
380. **WAPP Operation Manual:** Dissemination workshops for the implementation of the WAPP Operational as well as Market Design and Market Road Map for the Regional Electricity Market were held in nine (9) WAPP interconnected countries from July to October 2016.
381. **Technical Cooperation with ERERA:** Technical working meetings were regularly held between WAPP and ERERA to, among others, discuss the preparation of the Market Governance Documents and the implementation of the conditions precedent to the kick off of Phase1 of the regional electricity market as stipulated in Article 13 of the Market Rules.
382. **WAPP Information and Coordination Centre (ICC) Project:** Funding for the project to the tune of € 30 million was secured from European Union and involves the construction of WAPP ICC building at Calavi and installation of equipment. The EPC Contractor for the ICC building and the ICC equipment were recruited and works have commenced.
383. **WAPP Dark Fibre Project:** Leverage on excess fibre optics to improve telecommunication within WAPP utilities and West Africa. The World Bank engaged a consultant to review the Dark Fibre Consortium Agreement prepared by WAPP, incorporating its comments.
384. **WAPP Geographical Information System (GIS):** With the support of EU-Technical Assistance, a WAPP GIS containing database on power infrastructure in the sub-region with accompanying maps was developed. The Global WAPP GIS map and individual country GIS map were produced as well as the WAPP Atlas GIS map. The GIS Database was also updated with information from WAPP synchronization study and WAPP professional staff was trained on GIS.
385. **Distribution Network Investment Development and Loss Reduction Programme:** This project is being developed within the framework of GIZ Technical Assistance to WAPP. A consultant was recruited to prepare a study for identifying causes of distribution losses and recommend solutions for improving the technical performance, reliability, maintainability, electricity access and financial viability of WAPP Distribution utilities. The study was carried out for selected thirteen (13) utilities. The Final Report of the study was adopted by stakeholders and toolkits for distribution loss reduction and for increase electricity access were developed. Bankable project documents were also prepared.

✓ **ECOWAS Emergency Support Programmes**

386. **ECOWAS Emergency Power Supply Programme for The Gambia (US\$ 31.90 million).** The Programme is 86% completed. The procurement of fuel and lubricants has been completed. The

remaining activities relating to the maintenance and procurement of spare parts and the capacity building for NAWEC and the Ministry of Energy, are on-going.

387. **ECOWAS Emergency Power Supply Programme for Mali (US\$ 54.34 million).** The Programme is 90% completed. The components pertaining to the procurement of fuel of vehicles and special equipment have been completed. The remaining activities relating to the reinforcement of isolated centres power plants and overhaul of power generation facilities in occupied areas, are on-going.
388. **ECOWAS Emergency Power Supply Programme for Sierra Leone (US\$ 21.8 million).** The Programme is 60% completed. The component pertaining the maintenance and procurement of spare parts, and the maintenance of the first engine, have been completed. The remaining activities relating to the replacement of faulty prepaid meters and meters for high debt customers, and the line route survey and mapping for all the medium & low voltage networks are on-going.

✓ *Prospects for 2017*

389. The prospects for the year 2017 will among others be focused on the execution and completion of on-going projects with specific focus on the mobilization of resources.

2.5. Human Development

2.5.1 Strengthening communications tools

390. On the consolidation of community policies and regional integration, particularly in addressing humanitarian challenges and Gender in public policies, the 47th Summit of Heads of State and Government, following the 74th Council of Ministers in Accra, endorsed community texts and documents including the Abidjan declaration on Statelessness, which will lead to joint ECOWAS-HCR awareness missions to Cote d'Ivoire, Liberia, Nigeria. An important meeting was equally held in Senegal in April 2016 for that purpose.
391. Moreover, following the proposal by Ministers in charge of civil protection and disaster management, the Council of Ministers, in Dakar on 12 May 2016, endorsed the **West Africa Disaster Management Agency (NDMA) Model**, with a view to harmonising policies, procedures and standards for intervention in the event of disaster.
392. On child protection, **the ECOWAS framework for monitoring – evaluation and guidelines for child protection** was developed with the support UN child agencies. The document will be submitted to the next Council of Ministers.
393. On the social scale, following the organisation of the General Assembly of the Forum on Social Dialogue and the setting up of the Bureau in Bamako, Mali, in October 2015, the Bureau met on the 3rd and 4th of May 2016 with the support of the International Labour Office (BIT).
394. Under the aegis of the African Union (AU), Experts from the 15 ECOWAS Member States met on 25 and 26 May 2016, in order to outline **the priorities for the next five years on employment, poverty eradication and social exclusion in line with its 2063 Agenda**.
395. Moreover, there is the development of the West Africa Child Protection Strategy with the support of UNICEF, Save the Children, ISS, WAN and Terre des Hommes.
396. As regards the consolidation of regional instruments for improved management of Gender, the technical meeting for the review of the ECOWAS Strategic Framework on Gender and Elections held in Lome from 21 to 23 June.

397. In the same vein, other texts are currently being prepared for the purpose of consolidating community policies, namely:

- Action plan for Gender and Energy in collaboration with ECREEE;
- Action plan for Gender and Agriculture in collaboration with FAO;
- Review of the ECOWAS Child Protection Policy and its 2006-2020 action plan, which will be presented to the next Council of Ministers for endorsement;
- ECOWAS 2016-2024 Action Plan to end Statelessness, which will be submitted at the next Council of Ministers;
- Review of the ECOWAS 2015-2030 Action Plan for Disaster and Risk Reduction, which is scheduled for validation at the end of October 2016 by Experts from Member States;
- Creation of the regional database on migration, the job market and youth employment, with the support of BIT. The first draft report was validated in Dakar in June 2016;
- Completion and validation of the text harmonizing labour law in the ECOWAS region still with the support of BIT. The region's experts met in Lome for an initial review on the 8th and 9th of September 2016;
- Study on the harmonisation of human trafficking laws and mechanisms, launched with the support of BIT;
- A community strategy for capacity building, and implementation of the ECOWAS Humanitarian Policy and the related Action Plan;
- Update on the process and procedures for intervention, for the ECOWAS Emergency Response Team (EERT);
- Development of guidelines for humanitarian response, for the military and security personnel;
- Completion and adoption of the ECOWAS health policy

2.5.2 Humanitarian Actions and Social Affairs

398. Activities carried out in 2016 were in line with commitments made in 2015, namely:

- The implementation of recommendations drawn from the mission to the three Member States most affected by Ebola (Liberia, Sierra Leone and Guinea) in March 2015 with a roadmap on post-Ebola actions first of which was support for orphans, victims/survivors and vulnerable groups, amounting to USD70,000 per country. The subsidy agreements were signed with the 3 countries, and the funds transferred to the different countries. A mission for the official presentation of the cheque is scheduled for November/December;
- Support for people affected by the **Boko Haram** insurrection in Nigeria, which has resulted in massive displacements. The Commission issued the sum of USD700,000 to help the internally displaced persons (IDP) and refugees, following the insurgence. The Emergency Response Team works in close collaboration with the International Federation of the Red Cross (IFRC) and the HCR, to develop the best implementation procedures. Implementation agreements have already been signed with the two partner organisations.

- The humanitarian storage facility to be constructed in Bamako; a roadmap was established to speed up the implementation process. The recruitment process for the consultant who will develop the terms of reference for proposals for the architectural plans and construction bids, is about to be concluded;
- In anticipation of natural disasters and disaster management, ECOWAS recently approved its disaster management strategy;
- With the West African Disaster Preparedness Initiative (WADPI), ECOWAS was appointed to coordinate training for 1,400 persons during the response to EBOLA, financed by the American Government.

399. In the same vein, ECOWAS recently obtained a **5 million US dollars** World Bank fund for disaster reduction within the framework of the EU/ACP agreement for Disaster Risk Reduction. All administrative formalities in preparation for implementation have been completed, the recruitment and setting up of operations is underway.

400. As regards meetings and missions on humanitarian issues, the following can be noted:

- ECOWAS participation at the last world humanitarian summit in Turkey on the 23rd and 24th of May, at the end of which strong recommendations were made and will be included in different humanitarian policies and actions of the organisation;
- The participation at the 10th Consultation of the West Africa Regional Disaster Management Committee (GECEAO) to coordinate and harmonise approaches to disaster risk reduction and management;
- The Participation at the 67th Session of the UNHCR Executive Committee from the 3rd to the 7th of October 2016 where ECOWAS was represented by its special representative in Brussels.

2.5.3 Youth, Sports Employment and Drug Control

✓ Youth and Sport Development

401. In order to promote youth development and employment in the region as well as sports development as a tool for regional peace, the main activities undertaken during the review period include sports development, youth employment and the volunteers programme.

- Sports Development

402. The activities fall in line with the implementation of the ECOWAS Sports Policy, adopted in 2010, which seeks to make sport a key aspect of the life of the people, an engine for human development, peaceful coexistence and regional integration.

403. In line with these sporting activities we note the organisation of:

- the 10th edition of the African Wrestling Tournament of ECOWAS (TOLAC) from 5 to 9 May in Dosso, Niger, which was a huge success with 13 Member Countries participating in the tournament;
- The International Judo Tournament of Saint-Louis from 19 to 23 March 2016;
- Continued support to actors in the sports sector:
 - o West African Athletics Championship of the Region II (West Africa) of the African Athletics Federation (UA 20,000);

- West Africa Deaf Sports Union (UA 10,000) for the West Africa Football Tournament for the Deaf;
- West Africa Fencing Federation (UA 15,000) for the Fencing tournament;
- West Africa Liaison Office (OLAO) for the International Military Sports Council – CISM (UA 20,000);
- West Africa University Games (UA 15,000) for the West African University Games;
- Campus Athletics Club Universite de Ouagadougou (UA 2,000), for the Athletics Championship for universities and grandes écoles of Burkina Faso;
- Association Beog Biiga (UA 3,000) for the Annual Beog Biiga Festival (for tomorrow's child), Ouagadougou;
- Cowbell Football Academy (UA 10,000).

404. The financial support and grants made it possible to immediately conduct Community sports activities, providing great visibility to the ECOWAS of people.
405. Regular participation by most of the national wrestling teams is an indication that the practice of this sport, recognised as a Community sport, has spread geographically in the ECOWAS region. Subsequent years should lead to an established practice of the sport in Member States and will involve the capacity building of national actors: federal boards, referees and coaches.
406. The regular organisation of ECOWAS wrestling tournaments, as a means to regional integration, has had a positive impact on actors in the sector, and strengthened their sense of belonging to one Community. The transmission of wrestling matches via national media as well as cable channels, has wrought in Community citizens and those residing outside the ECOWAS geographic region, a pride in belonging to a community that is capable of offering such sporting events, based on shared cultural values.

- Development of Youth Employment

407. The youth employment programme, established in 2007, in line with ECOWAS youth capacity building, enables trained youth to (i) increase their employability within the Member States; (ii) be self-employed and able to employ other youths; and (iii) develop business relationships with other youths, a medium for experience-sharing.
408. In preparation towards the 2016 training sessions for the agro-sylvo-pastoral sectors, and for modules on refrigeration-air conditioning and automobile mechanics for youths of the 15 Member countries, a preliminary mission was fielded to the partner learning centres. A Partnership Agreement with the **Centre de Formation Professionnelle de Reference, Ziniare (Burkina Faso)** with respect to the Modules on refrigeration-air conditioning and automobile vehicles, was signed. A Partnership Agreement is yet to be signed with the **Centre Songhai de Porto-Novo (Benin)** for modules on Agro sylvo pastoralism (Crafts – Fish farming – pig farming- gardening – agro-forestry and on processing – mushroom– biogas – layer hens – broiler hens).
409. The training sessions are scheduled to hold before the end of 2016. Youth will come from the 15 Member States, 5 per State.
410. The Centre also forms a platform for the general public to make contributions towards the funding (Crowdfunding) with a view to assisting trained youth with good business plans, to have the necessary resources to finance their promising projects.

- *ECOWAS Volunteers Programme*

411. In compliance with the decisions of the Regional Council for the Coordination of the ECOWAS Volunteers Programme, the Commission embarked on the implementation of the final actions of the Programme's pilot phase while preparing for the start of its final phase.
412. In that regard, the ECOWAS Commission assisted the last set of ECOWAS volunteers still on the field, 20 in Guinea and 20 in Sierra Leone. These volunteers are for the most part teachers of Mathematics, Chemistry, Physics, and French, Nurses, Midwives and other health personnel, who had not received new contracts in January 2016 for their service in Sierra Leone and in Guinea, due to financial resources.
413. As such, the ECOWAS Commission organized the certificate award ceremony for the last 40 ECOWAS volunteers in Sierra Leone and Guinea, on 28 July and 26 September, respectively, as part of the implementation of the pilot phase of the ECOWAS volunteers programme.
414. The Programme also continued to collaborate with FNUAP, which deployed four (4) mid-wives to Sierra Leone, sponsored by the institution under the Mano River Post Ebola Response Programme.
415. The continued technical collaboration with the United Nations Volunteer Programme (UNVP) enabled the Commission to obtain a financial support of over USD 330,000 for its Volunteers Programme.

✓ ***Youth, Employment and Drug Control***

416. On youth and employment activities, the following achievements were noted:
- In order to support Member States' youth employment policies, the ECOWAS Commission requested for and obtained a €120,000 funding from the APIA programme of the Spanish Technical Cooperation, towards assisting 5 Member States (Niger, Nigeria, Cape-Verde, Mali and Senegal), in developing youth employment action plans.
 - ECOWAS ordered a study on best private-sector initiatives for the universities and establishments of higher learning in the region. The study is underway and aims at identifying the link between the private sector, universities and establishments of higher learning in the region so as to develop labour-market-oriented initiatives in establishments of higher learning. The study should be concluded by the end of 2016.
 - ECOWAS and Opportunity USA Care/YouthBuild International began discussions for collaboration on the implementation of the inclusive youth development and empowerment programme. This is an NGO based in the United States whose mission is to encourage youths to work together to learn different technical skills that will encourage job creation, poverty reduction, and sustainable development. A meeting of the group of technical experts from the NGO and ECOWAS was held in July 2016. The meeting discussed the proposed areas for partnership and the draft memorandum of understanding between the two organisations.
417. For missions and meetings on youth and employment activities, the Commission participated in:
- the regional workshop on migration data collection and management which took place from 15 to 18 March 2016 in Lome, Togo. The workshop brought together representatives of national statistical offices in the region, the ECOWAS Commission and international agencies dealing with migration data management. The main objective of the workshop was to increase awareness on the importance of international migration data in the overall development policy, and to build the capacity of stakeholders on migration data collection and analysis management. The workshop was jointly organized

by ECOWAS, the European Union and the International Organisation for Migration (IOM) under the auspices of the MMF programme.

- the technical workshop on the strengthening of the Public Employment Services in ECOWAS Member States and Mauritania. The technical workshop was held in Dakar on 8 and 9 February 2016. The workshop was organized by ECOWAS and ILO as part of the technical cooperation project "Support for the Free Movement of People and Migration in West Africa1", (MMF West Africa), in partnership with the Senegal National Agency for the Promotion of Youth Employment (ANPEJ). The workshop adopted an action plan to strengthen the capacity of public employment services in the implementation of employment adaptation tools, notably the "Home Employment" database.
- the mission organised in collaboration with the USAID project on response data (REWARD) Early Warning programme. The project was designed to help ECOWAS provide information on risks and assess the vulnerability in five pilot countries to complete the deployment of five national offices of early warning and response mechanisms in Cote d'Ivoire, Mali, Guinea Bissau, Burkina Faso and Liberia.

418. As part of the efforts to fight drugs and trafficking, the ECOWAS Commission and the EU signed in 2015 a grant agreement of three million, six hundred and seventy thousand, fifty seven Euro (€3,670,057) to support the capacity building of the ECOWAS anti-drug unit to ensure the implementation and effective monitoring of the Regional Action Plan on Drugs in collaboration with UNODC. Implementation activities started in September 2015 with the assumption of duty of the project staff. The programme was officially launched on the sidelines of the 71st Session of the United Nations, on 19 September 2016 in New York in the presence of Mr. Yuri FEDOTOV, UNODC Executive Director and the ECOWAS delegation led by the President of the ECOWAS Commission.
419. As part of the fight against drugs and organized crime, the TORS of the regional study on the harmonisation of laws and legal instruments on the control of drugs and organized crime in Member States were approved with the support of the UNODC team.
420. With the West African Epidemiology Network on Drug Use (WENDU), the ECOWAS Commission organised a technical workshop of National Experts and Focal Points on 13 and 14 July 2016 to:
- approve the mechanisms for data collection and analysis in countries;
 - train focal points on data generation, collection, organisation and dissemination;
 - validate the 2014-2015 report on referrals and the report on epidemiological data.
421. On 4 January 2016, the update of the 2016-2020 Regional Anti-drug Action Plan was launched, and to complete the process, its approval by the Council of Ministers of ECOWAS and Mauritania in charge of issues relating to drugs took place in Abuja on 5 September 2016.
422. Lastly, the 2016 narrative and financial report of the Drug Programme, funded by the EU, was finalized and submitted

2.5.4 Gender integration in development programmes

423. ECOWAS received a grant from the Spanish Cooperation through NEPAD to launch the pilot phase of the Business Incubator for African Women Entrepreneurs (BIAWE) programme in Burkina Faso and Sierra Leone. The programme held its Steering Committee meeting in June. Its major decision was the 18-month extension of the duration of the project in order to complete the phase. The official launch of operations for the establishment of business incubators for women in the two countries will take place in the last quarter of 2016.
424. Following a series of trainings for a better involvement of women in electoral processes, the technical meeting for the review of the ECOWAS Strategic Framework on Gender and Elections

was held in Lomé from 21 to 23 June; this gave the opportunity to discuss the issue better with countries concerned by elections in 2016. The regional expert meeting for the validation of the framework is scheduled for 15 and 16 November 2016 in Abuja.

✓ ***Excellence-based scholarships for girls***

425. In order to contribute to the promotion of gender equality and equity in the education sector, the Commission currently supports one hundred and eighty-three (183) bright but needy girls in technical and vocational training specialised in all ECOWAS Member States by granting them scholarships. For the year 2016/2017, 13 out of the 15 Member States have already identified new beneficiaries and are waiting for the signing of funding agreements to launch their support operations for young girls. Supervision and evaluation missions are currently taking place with the Centre for Gender.

✓ ***Medical and financial support for women and girls suffering from obstetric fistula***

426. This is an ongoing programme and the activities planned for 2016 and 2017 are being properly carried out on the ground. Two main tasks were carried out as part of the activity. They are (a) the holding of national coordination committee meetings in thirteen (13) Member States to take stock of the implementation of the programme and to work on the procedures for the implementation of the 2016 and 2017 programme and (b) the preparation of memoranda of understanding/agreements with Member States on the implementation of the programme, pending the signature of the President of the ECOWAS Commission and the relevant Ministers of Member States.

✓ ***Technical and financial support for women involved in the processing of agricultural, forestry and artisanal products***

427. The main objective of the activity is to empower women economically by building their capacities in the area of agricultural, fishing and artisanal product processing to enable them set up and manage profitable and sustainable businesses. The programme is ongoing in beneficiary countries.

428. In respect of meetings on Gender, the Commission participated in or organised:

- The 8th International Women's Day celebration in March 2016. For the first time, all the ECOWAS Institutions in Abuja: the Court, Parliament and the Commission co-organised an event to mark the 2016 International Women's Day. It was a very festive moment for discussions and awareness on the situation of women and for reflection on the prospects for women.
- Meeting at the United Nations Commission on the status of women with an interactive session with ECOWAS female Ministers. ECOWAS Ministers gathered for a discussion on Gender and Agriculture and to launch the FAO/ECOWAS Cooperation project on "Gender and Agriculture."
- Participation in NEPAD meeting with regional economic communities and focal points - RECS on gender and climate change. The issues discussed were the mobilisation of resources from partners and the role of RECS in the Gender and Agriculture programme developed by NEPAD. Experts also discussed technical issues on knowledge sharing, the governance structure of the programme and the monitoring and evaluation framework

2.5.5 Education, Culture, Science and Technology

✓ ***Education And Training***

429. During the period under review, the Commission continued implementation of the "ECOWAS Nnamdi Azikiwe Academic Mobility Scheme (ENAAMS). The scheme is funded by ECOWAS Commission and managed by the Association of African Universities (AAU) based in Accra, Ghana.

The ENAAMS is designed to avail opportunities for universities and other higher institutions in the ECOWAS Member States to derive optimum benefit from qualified and experienced lecturers and Education Resources in areas of strategic importance to the region such as Science, Technology and Mathematics (STEM), Agriculture, Regional Integration and African Renaissance. The implementation of the main components of the ENAAMS, which include ECOWAS Scholarship Programme for Masters and PhD as well as Staff Exchange Programme for lecturers continued in 2016.

430. As regard the harmonization of Basic Education, a technical meeting was held on harmonizing Basic Education in the ECOWAS Region, with the objective of bringing it in tandem with international and regional strategies on Education. Also a framework for the harmonization of basic education was developed with the ultimate goal of ensuring inclusive, equitable and quality education and learning in the ECOWAS Region. The framework focussed on: Policies, Strategies and Planning; Curriculum enrichment; Vigorous promotion of Cross Border Languages; Vigorous promotion of Second International Languages (English, French and Portuguese) and Capacity Building for Quality Enhancement in Education. The framework also covers empowerment of the out-of-school populations, addressing learning crisis through periodic Monitoring of Learning Achievements (MLA), mobilizing internal and external resources, and implementation of the ECOWAS Convention on mutual recognition of certificates. In addition to the harmonization Framework, a country-by-country report on basic Education was prepared in the course of the year.
431. With regard to implementation of the framework on Technical and Vocational Education and Training (TVET) strategy; a survey was conducted in ten (10) Member States. The surveys obtained relevant information and data on the current status of TVET in each country within the context of existing policies, programmes, regulatory bodies, institutions and the curriculum.
432. During the reporting period, ECOWAS Commission developed a revitalization strategy for TVET that focusses on key strategic issues. These include Policies and Action Plans, Structure, Existing TVET Legislations and Legal Frameworks, Funding, Staffing, Qualifications Frameworks, Career Guidance and Counselling, Curriculum Employability, Access and Participation, Linkages between Formal, Non formal and Informal sub-sectors, Management Information Systems, Open and Distance e-Learning (ODEL), Entrepreneurship; Assessment, Validation and Certification, Participation of the Private Sector and other Non-State Actors, Skills Development Initiatives for out-of-school youths, persons with disability and other disadvantaged groups, and Gender Mainstreaming. The ECOWAS TVET Strategy will soon be presented to relevant regional experts and Ministers of Education for validation and adoption.

✓ **Science and Technology**

433. Four (04) major activities were carried out.
- ✓ ***International symposium on Mathematics held from 16 to 20 May 2016 in Abuja, at the Commission and the Obasanjo Space Centre (NARSDA).***
434. The ECOWAS Commission provided logistics and financial support for the organisation of the international symposium on mathematics from 16 to 20 May 2016 on the theme: "Current Trends in Research and Applications in Mathematics". The symposium was co-hosted by the African Academy of Sciences (AAS), the African Mathematical Union and the International Mathematical Centre, Nigeria. The objectives of the Symposium which brought together more than 200 experts were (1) to take stock of the situation of mathematical sciences and to consider their further developments for the overall development of the region and from Africa; (2) to offer the younger generation of mathematicians the opportunity to interact with their mentors and thus contribute

to the achievement of a critical mass of scientists for Africa; (3) to pave the way for more specialized seminars, conferences and workshops to be held across the continent.

✓ **Capacity building workshop for Science journalists in Anglophone and Lusophony countries**

435. The second activity focused on the organisation of two capacity building sessions of 45 science journalists from anglophone and lusophone countries from 10 to 12 October 2016 and from 29 November to 1st December 2016 respectively. The trainings are the result of the implementation of the Action Plan of the ECOWAS Policy on Science, Technology and Innovation (ECOPOST) in reference to strategic Lines 3 and 5. They focused on the central theme: "*Making scientific information available to ECOWAS citizens for personal growth and community development*". Their objectives were to discuss new methods and approaches of scientific communication, to identify the challenges relating to the communication of science in order to produce articles on science available to the public and set up the regional network of science journalists.

✓ **Meeting on the validation of 2015 ECOWAS bibliometric perspective in Abidjan from 21 to 23 November 2016**

436. The third activity is the meeting on the validation of the study on 2015 scientific productivity of ECOWAS to be held in Abidjan from 21 to 23 November 2016. The study, developed by the African Observatory for Science, Technology and Innovation (AOSTI), made it possible to obtain the following indicators: the total number of publications in the region, the growth index (GI), the specialisation index (SI), the average relative impact factors (ARIF), the average relative citation (ARC), the collaboration index (CI), the most active researchers and research institutes, the newspaper Classification used. The meeting brought together scientific experts from Member States.

✓ **Popularization of STI**

437. The activity focused on the organisation of the *African Union Kwame Nkrumah Award* for women scientists. The award is part of the promotion of scientific excellence and it aims at enhancing the access of women to scientific education, scientific careers and greater use of science in their daily lives. Two (2) women scientists in the region will receive the prize, worth 20 thousand dollars in Addis Ababa at the headquarters of the African Union Commission.

✓ **Culture**

438. Four activities were conducted in 2016 in terms of culture.

✓ **Technical meeting of Member States on the operationalisation of the ECOWAS regional observatory on intellectual property**

439. A meeting on the operationalisation of the ECOWAS regional Observatory on Intellectual Property, established by Regulation C/REG3/15/15 of 16 May 2015, was held in Ouagadougou on 18 and 19 October 2016. The meeting brought together copyright managing directors and intellectual property managing directors in ECOWAS region. The establishment of a regional structure for intellectual property involves the development of intellectual property in the ECOWAS region by supporting the harmonisation of policies which cover all aspects of intellectual property (commercial, artistic and literary rights)

✓ **Feasibility study on the establishment of the West African Academy of Arts and Culture (WACA)**

440. As part of the capacity building of actors and cultural operators in ECOWAS region, a **feasibility study on the establishment of a West African Academy of Arts and Culture (WACA)** is being implemented by the Commission. The establishment of WACA involves building the capacity of stakeholders in the field of culture so that they can contribute optimally for better protection and

enhancement of ECOWAS collective cultural heritage, including museums and West African languages.

✓ ***Forum on education for a culture of peace through inter and intra religious dialogue***

441. A forum on education for a culture of peace through intra and inter religious dialogue, co-organised by ECOWAS and the Government of Niger, will be held on 22 and 23 November 2016 in Niamey, Niger. The forum aims to create tools and trade frameworks to prevent crises that are recurrent in our sub-region. In addition, it helps to create mechanisms for dialogue between communities and ensures ownership of certain fundamental values which bear the stamp of peace, tolerance and cohesion. The forum brought together ministers of culture, expert panellists and three representatives per Member State. It was organised under the patronage of the Head of State of Niger, the sponsorship of the Sultan of Sokoto and the Cardinal of Abuja with the participation of prominent personalities.

✓ ***Co-production of a film about the red tape at borders***

442. ECOWAS co-produced a film titled "**borders**" on the red tape at borders. ECOWAS co-produced the film with the company, Selmon Film, Burkina Faso. The co-production of the film falls within the context of the development of viable cultural enterprises capable of generating jobs and income for the region. The film will help educate the West African people on ECOWAS achievements as regards the free movement of people and goods within the region and reduce barriers still present on the road corridors. The film will be shown at FESPACO 2017 which will bring together festival-goers in West Africa.

2.6. Political Affairs, Peace and regional Security

✓ ***Early Warning and Response Mechanism***

443. In the area of Early Warning, the Commission made significant strides in 2016 towards achieving its overall mandate as contained in the 1999 Mechanism for Conflict Prevention, Management, Resolution, Peacekeeping and Security. Key in this effort is the initiative to effectively bridge the gap between early warning and response. Summary of these activities in 2016 include the following:

- ***Operationalisation of National Early Warning and Response Mechanisms (NEWRM) in Member States***

444. The Commission undertook a mission in January 2016 to five pilot countries earmarked for the establishment of the National Early Warning and Response Mechanism (NEWRM). The mission visited Mali, Guinea-Bissau and Liberia to obtain information from the relevant authorities for the provision of a suitable office space for the Centre to be established - an AUTOCAD floor plan of the entire office building, and an implementation Task Force responsible for the launching of local recruitment process of staff of the Centre. Another mission was undertaken in February 2016 to the United States Department of State to update the State Department on the status of preparedness of the five (5) pilot countries and solicit support for the establishment and operationalisation of the NCCRMs.
445. In February 2016, the Commission organized a technical expert workshop on the EGDI in order to prepare the Terms of Reference (ToR) for the setting up of the EGDI clearing house and training of representatives of national mapping agencies from Member States. The Commission also conducted NEWRM Implementation missions to the five pilot countries to ensure that mechanisms were put in place for the full operationalization of the National Centres The key

objectives of the mission were to ensure the setting up of a Taskforce, identify a location for the Centre and provide the floor plan, and prepare for the recruitment of staff of the National Centres.

446. **Technical Study Workshop with the Environmental System Research Institute (ESRI), Redlands, California** A technical workshop was organised with the Environmental System Research Institute (ESRI) in Redlands, California to discuss, among other things, an enterprise agreement for access to the ArcGIS software platform which will make it easier and cheaper for ECOWAS to deploy the ArcGIS software in the ECOWAS region and agree on a roadmap for the deployment of a Geoportal for the Early Warning Directorate.

- *Monitoring the Environment for Security in Africa (MESA)*

447. A Monitoring the Environment for Security in Africa (MESA) receiving station is expected to be installed in the ECOWAS Commission. The project will involve the installation of indoor and outdoor equipment and continuous capacity building through onsite and online courses as well as remote support from AGRYHMET and JRC for the technical staff of the Commission that will manage the equipment. There will be connection to live data from EUMETCAST that will be analysed to support decision makers in ECOWAS through the generation of periodic bulletins. ECOWAS will also play the role of advocacy for earth observation data use.

- *Deployment of Response at National Level*

448. In order to enhance ECOWAS Member States' capabilities to engage in the prevention, management and resolution of local and national low intensity conflicts, the ECOWAS Authority of Heads of State and Governments in July 2014 adopted the Framework on the establishment of National Early Warning and Response Mechanisms (NEWRM) in Member States. With the adoption of this framework, the Commission, in 2016, continued to undertake activities for the effective and efficient deployment of the NEWRM through a participatory approach involving key stakeholders.
449. Achievements realized included: (i) signing of a Presidential Decree in Mali on the establishment of the National Centre for the coordination of the response mechanism and the setting up of a taskforce to spearhead the implementation of NEWRM; (ii) provision of an office space for the National Centre in Liberia as well as the AUTOCAD floor plans for the allocated building and the first country ready for the shipment of materials/equipment; (iv) appointment of the chairperson of the Task Force by the Vice President and commitment of other Ministries to nominate their representatives on the Task Force; and (vii) signing of a decree on 2 March 2016 in Cote d'Ivoire for the creation of the National Centre for the Coordination of the Response Mechanism.

✓ ***Political Affairs and International Cooperation***

450. The President of the Commission attended the **African Union Summits** in January in Addis Ababa, Ethiopia and in June in Kigali, Rwanda. In the course of the Summits, the ECOWAS delegation held meetings and consultations with, among others: the African Regional Economic Communities (RECS); the Danish International Development Agency (DANIDA); the Government of the Islamic Republic of Iran; IDEA; the United Nations Department of Peacekeeping Operations (DPKO); African Leaders Malaria Alliance (ALMA); and the United Nations High Commission for Refugees (UNHCR). The ECOWAS delegation also attended the Donors' Conference on the Multinational Joint Taskforce (MNJTF) Against the Boko Haram Insurgency Group.
451. It would be recalled that the **Fifth Meeting of the International Support Group on Burkina Faso (GISAT-BF)** was held in Ouagadougou, Burkina Faso on 1st April 2016. The Group welcomed the efforts of the Burkinabe government and pledged sustained support for the various efforts at

reconciliation, reform and recovery being undertaken by the government of Burkina Faso. In that regard, they set up the International Support Group for the Consolidation of Democracy and Economic Recovery in Burkina Faso (GIS-BF).

452. **The 49th Ordinary Summit of the ECOWAS Authority of Heads of State and Government** was held on 4th June 2016 in Dakar, Senegal. It was preceded by the 36th Mediation and Security Council meeting held on 12th May 2016 in Dakar, Senegal and the 24th Mediation and Security Council (MSC) meeting at Ambassadorial level held on 4th May 2016 in Abuja, Nigeria. The MSC at the three levels discussed the latest political, peace and security developments in the region, proffered a number of recommendations on how to improve the peace and security situation in the region.
453. The ECOWAS delegation attended the **71st UN General Assembly** in New York in September 2016 and held several meetings on the margins of the UN General Assembly, notably with the RECs and the UN Agencies. In addition, a consultative meeting with the Heads of State and Government was held to endorse the 6-point roadmap to resolve the Guinea-Bissau crisis, and a Ministerial meeting on the situation in Mali.
454. The **Internal Steering Committee (ISC)** on the implementation of the ECOWAS Conflict Prevention Framework (ECPF) convened two meetings at the ECOWAS Commission in 2016. The first meeting, held on 11 April, 2016, focused on the development of a fund raising strategy for the effective implementation of the ECPF and priority programmes for 2016. The second meeting, held on 14 June 2016, sought to inform Focal Point Directorates on the outcome of meetings with Development Partners and lessons learnt from a Results-Based Management Training attended by selected ECOWAS staff.
455. **A Civil Society Organization (CSO) Sensitization Workshop** on the implementation of the ECPF in Member States was organized in Dakar, Senegal. Presentations were made on the progress made in the operationalization of the ECPF, studies on the ECPF conducted by the Centre for Democracy and Development (CDD), the Kofi Annan International Peacekeeping Training Centre (KAIPTC) and the Goree Institute, and the urgency of preventing the effects of psychoactive substances among youth in West Africa.
456. **A Sensitization Workshop on the Implementation of the ECPF in Member States** was held from 29 – 30 August, 2016 in Abuja Nigeria, at the ECOWAS Commission. The objectives of the workshop were to: increase understanding of the ECPF as a practical guideline on conflict prevention and peacebuilding, map priority areas in Member States on issues that need conflict prevention interventions; and encourage Member States to take active steps to incorporate regional and international statutes on peace and security into national legislation.

✓ ***Democracy and Good Governance***

457. **A meeting on the establishment of a Civil Society Organization (CSO) Platform to Promote Transparency and Accountability** was held in Accra, Ghana. The objective of the meeting was to institutionalize CSO involvement in the promotion of accountability and transparency in governance.
458. **The Annual General Assembly of NNHRI and NCSOHRM** was organized in Abuja, Nigeria to review and evaluate the report on the human rights situations and the rule of law in the ECOWAS region from the perspective of the member institutions and CSOs members of NNHRI and NCSOHRM respectively.

459. A meeting on Promoting Media involvement in Participatory Governance was held in Accra, Ghana, in August 2016, for preventive measures to address the issues of 'hate media' and other matters related to electoral violence.

✓ **Electoral Assistance**

460. In the course of the year 2016, presidential elections were scheduled in five ECOWAS Member States namely Niger, Benin, Cabo Verde, The Gambia, and Ghana. So far, elections have been successfully conducted in Niger, Benin, and Cabo Verde.

461. Following on from the successes of Niger and Benin, the presidential election in Cabo Verde was a huge success and a testament to significant advances in electoral democracy in the West African region.

462. Earlier in the year, Cabo Verde held legislative elections in March 2016 and September 2016, and organized municipal elections, closely followed by a presidential election in October 2016. In line with its electoral assistance mandate, ECOWAS deployed a **pre-electoral fact-finding Mission to Cabo Verde** in July 2016, followed by a **Long Term Election Observation Mission** in September 2016 and, finally, a Short Term Election Observation Mission a few days ahead of the 2 October 2016 election date. The Cabo Verdean electoral process went on smoothly with a number of lessons drawn from it.

463. In response to rapidly rising tensions in The Gambia, a joint **ECOWAS-AU-UNOWAS High-Level Good Offices Mission** went to the country in May to meet with stakeholders in ensuring peace and stability in the country. In July, ECOWAS dispatched a **Pre-election Fact-finding Mission to The Gambia**, whose findings indicated that the process has so far been characterized by disrespect for fundamental human rights of citizens, absence of freedom of information, general lack of confidence in State institutions, and the lack of an even playing field for all contestants in the race.

464. Ahead of the presidential polls scheduled to hold in Ghana, a **Pre-election Fact-finding Mission** was deployed to the country in August. Mutual distrust between political actors in Ghana has led to political tensions with accusations and counter-accusations regarding the alleged recruitment of private militias by political parties. The level of preparedness of the Electoral Commission has also been a cause for concern coupled with widespread scepticism regarding the credibility of the electoral umpire. As a rapid follow-up to the situation in Ghana, a joint **ECOWAS-AU-UNOWAS High-Level Mission** also went to Ghana in August to attempt to douse the tensions among stakeholders. In line with its electoral assistance mandate, a **Long Term Election Observation Mission** would be deployed from 15 November to 15 December 2016 and a Short Term Election Observation Mission a few days ahead of the 7 December 2016 Ghana election date.

✓ **Mediation and Facilitation**

465. The ECOWAS Mediation and Facilitation Directorate (MFD) was established to backstop Mediation efforts in the region. This entails operational mediation support to ECOWAS Mediators and Special Envoys; knowledge and information management on mediation as well as capacity building of ECOWAS staff and mediators working in Tracks I, II and III levels through competence and skills enhancement on dialogue and mediation. As a newly established structure within the Commission, the MFD, since 2015, have been successfully accompanying preventive diplomacy and mediation efforts in the region.

466. In the course of the year 2016, the MFD has undertaken several initiatives that helped mitigate political tensions, and strengthened knowledge management and mediation capacity in the region. These, among others, include supporting the efforts of the ECOWAS Special Envoy for Guinea Bissau and the ECOWAS Mediator in facilitating political dialogue involving stakeholders in

Guinea Bissau; embarking on due processes for the drafting and adoption of the Statute of the ECOWAS Council of the Wise; facilitating the training for the enhancement of mediation and negotiation skills of ECOWAS Special and Permanent Representatives and staff of ECOWAS involved in conflict prevention; enhancing complementarity and coherence by undertaking exchange visits to the African Union Commission (AUC) and the United Nations' (UN) Preventive Diplomacy and Mediation structures. In the last quarter of 2016, preparations are ongoing to hold a Retreat of ECOWAS Special Envoys and Mediators as well as a Conference on Mediation Experiences in West Africa and development of Mediation Guidelines, Standard Operating Procedures and curricula on Dialogue and Mediation.

✓ **Peace Support Operations**

467. The ECOWAS Standby Force (ESF), in conjunction with the US AFRICOM, participated in the Initial Planning Event and the Final Planning Event of Exercise Western Accord 16 held in January and February 2016 in Ouagadougou, Burkina Faso.
468. Other key activities that were implemented during the review period include: the organisation of a Lessons Learned Workshop on Exercise AMANI AFRICA II FTX in Abuja, with the support of GIZ ; the conduct by ECOMIB Headquarters in Guinea Bissau of a Contingent Owned Equipment (COE) Inspection for the ECOMIB TCCs and PCCs in Guinea Bissau; participation in the Child Protection Training and Standardization Workshop in Accra (Ghana) and the AU's Comprehensive Protection of Civilians (POC) Training Standards Framework and Strategy for the dissemination and utilization of the POC Aide Memoire; and organisation of the inaugural meeting of the TCEs Working Group in Accra, Ghana, in collaboration with KAIPTC and Training for Peace.
469. Besides, the Police Component is developing its strategies, programmes and activities with the support of GIZ and work is in progress towards the organisation of a workshop to plan the activities of the Police Component. .

✓ **ECOWAS Standby Force-Task Force (ESF-TF)**

470. During the period under review, the ESF-TF completed the following activities: reception and handling of the equipment and other items donated by the American and Chinese Governments; and participation in several training courses including a course in counter-terrorism in Ghana.
471. The ESF-TF also developed and deepened its relationship with partners such as the International Committee of the Red Cross (ICRC). Some other activities have been done jointly with the other segments of the PSOD, namely the Review of Operational Framework and the SOPs for the ESF, Amani Africa FTX Lessons Learned, Workshop, Western Accord 2016 Final Conference, and ECOWAS CCDS extraordinary meeting on ECOMIB.

✓ **Small Arms Control and Practical Disarmament**

472. The implementation of the ECOWAS Convention on Small Arms and Light Weapons, their Ammunition and Other Related Materials continued both at the regional and national levels based on the 5 – year priority plan, 2010 - 2015 as approved by the Council of Ministers of Defence and Security. The Member States continue to comply with the provisions of the Convention, especially the ECOWAS Exemption Procedure which is the flagship of ECOWAS policy on arms transfers in the region. In the same vein, Weapons Marking exercise continued, with Member States instituting regional standards as provided for by ECOWAS with the assigning of unique markings for weapons stockpiles in their armories.

473. The Arms Trade Treaty (ATT) has been in full force since December 2014 with the ECOWAS region recording the highest rate of ratifications on the African Continent. Other disarmament and non – proliferation initiatives such as the Chemical, Biological, Radioactive and Nuclear (CBRN) Weapons Conventions are being coordinated at regional level in support of the effective compliance in Member States in the region.

✓ **APS Finance Cell**

- **ECOMIB**

474. ECOWAS Mission in Guinea Bissau (ECOMIB) has had financial constraints since its deployment in 2012 despite the sustained resource mobilization efforts. A financing agreement was reached between ECOWAS Commission and The European Union which was extended to 30 June 2016, the end date of the Mission’s mandate.

- **AFISMA**

475. ECOWAS was charged with the responsibility for reimbursement of Contingent-Owned Equipment (COE) to Troops Contributing Countries. Since the re-hatting of the Africa-led International Support Mission in Mali (AFISMA) to the UN in July 2013, liabilities amounting to **US\$20,129,180** remained outstanding to troop- contributing countries for COE reimbursement. At the same time, contingents from some of the same countries are deployed to ECOMIB, thereby compounding the financial burden on ECOWAS.

476. Several correspondence and follow-up actions to the United Nations for the disbursement from AFISMA Trust Fund administered by the UN was met with little success. Efforts are still underway in collaboration with African Union and UN Under-Secretary General for Field support to access funds for COE reimbursements which is very critical in maintaining the integrity of ECOWAS and the International Community in our collective will to pursue peace and security as well as facilitate positive collaboration towards future Missions.

2.7. Information and Communication Technology (ICT)

✓ **Strengthening the business information system (ECOBIZ)**

477. Some initiatives were taken to broaden the scope of sensitization activities on the ECOBIZ system. These include:

- Preparation of a concept note and terms of reference for review of ECOBIZ with the aim of transferring its management to a private sector technical partner;
- Continuation of the process for identification and appointment of a technical partner for the management of the ECOBIZ system.

✓ **ECOWAS regional computer society consultation exercise**

478. The Commission has played a key role in setting up an ECOWAS Regional Computer Society (ERCS). The mission of the ERCS is to provide an avenue for the development of Information and Communication Technologies (ICTs) and promote best practices within the region. The major activity in this area has been assistance to the establishment and strengthening of national computer societies in all ECOWAS Member States. To date, national computer societies have been established in the Gambia, Nigeria, Senegal, Ghana and Cote d’Ivoire. The national computer society in Cabo Verde is expected to be established by November 2016.

✓ **Systems Development Activities (Intranet, Document Management, Work-Flows System, Etc.)**

479. The ECOWAS email and collaboration systems were revamped to support and fully integrate with the SAP solution. The email system has been deployed while the messaging and Intranet portal will be launched before the end of 2016. The Commission's intranet is to be linked to the Intranet of other ECOWAS institutions to form the ECOWAS organisational intranet to provide collaboration, communication and coordination facilities to improve ECOWAS' organisational performance.
480. Ecosuite, the ECOWAS Intranet is a suite of applications made available to staff through a single portal. It is designed to provide a one-stop location to provide collaborative and communication tools to enhance productivity of staff.
481. Ecosuite is currently being configured to cater for general and specific needs of all the Departments of the Commission. It is already available and accessible on the network through using ECOWASmail username & password as credentials while within any of the Commission premises or securely through virtual private network from outside. The second phase of this project is the deployment to other Institutions and agencies of ECOWAS for seamless connection and exchange of information.

✓ **ECOWAS network & communications modernisation**

482. The following were achieved in support of timely and efficient realization of the ECOWAS mandate: -
- The first and second phases of the Network Infrastructure Modernization project were implemented successfully, leading to the deployment of a Unified Communication System with the Integration of Skype for Business, IP phones, and the E1 land line. This provides Voice Over Internet Protocol (VOIP) communication between the Commission Headquarters at Asokoro and the two annexes at River Plaza and Niger House in Abuja and to the liaison office in Lagos respectively. The E1 line that had been dormant at the Commission headquarters has now been integrated to enable the use of direct land lines from the various offices at the Commission (thereby helping to reduce cost of using mobile phones). With this deployment, the Commission now has 100 extension lines with 30 simultaneous calls. This deployment has been tested and is awaiting final commissioning by Management. With this facility, staff of the Commission will now have telephone lines directly to their offices and public phone number that can be accessed directly from outside. Staff can now receive their calls directly on their IP phones, computers and their smartphones thus providing flexibility and huge cost savings on telephony. Plans are also in the pipeline to deploy solutions to effectively monitor and control the usage before commissioning.
 - The Data Centre Modernisation project commenced and is ongoing;
 - Supported all Departments/Directorates of ECOWAS Commission as Internal IT support team in acquiring, installing and maintaining IT systems.
 - IT Service Management Support to the SAP project team was sustained during the period.

✓ **E-Learning for Staff**

483. The staff e-Learning facility was launched in July 2015. The facility will assist staff to acquire skills and knowledge in disciplines related to the job function which engages their interest. Any staff, regardless of institution and location is eligible and only needs to request for clearance to use the facility from the HR Department of the Commission.

✓ ***The Alisa Project, Customs Transit And Trade Facilitation***

484. The Commission organised two technical and management meetings involving Member States on the ALISA/PACIR project – the project for the interconnection of customs computer systems in the ECOWAS region for the purposes of facilitating trade through the electronic management of customs transit activities in the region and the related goods transport issues. The meetings were geared at arriving at the schedule of activities that should culminate in the production of the software solution for the interconnection project. Meetings and activities under the project are on-going.
485. With regards to trade, the Commission begun preparations for the development of the data and information exchange software for the regional transit system, ALISA, for which the procedures manual was validated with the regional group of experts.

✓ ***Survey Of Youth Innovation Hub***

486. In a bid to ensure the development of Member States through Information and Communication Technologies, preparatory activities were undertaken for the conduct of a survey on Youth innovation hubs and identification of areas where capacity development in terms of training and provision of equipment can be provided. Burkina Faso and Nigeria have been identified as pilot Member States for this activity, having met all required criteria.

2.8 Legal and Institutional Matter

2.8.1 Legal Affairs

487. With respect to Legal issues the Commission concluded fifty-seven (57) Partnership agreements in the areas of agriculture, land air and road infrastructure, customs and the free movement of persons and capacity building,
488. As regards litigation, ECOWAS is currently on trial at the London Investment Dispute Settlement Center in connection with the Semé-kraké joint boarder post. At the level of the ECOWAS Court of Justice, two Cases concerning the defective performance of service contracts are pending.
489. As regards the activity of producing legal acts, all sectoral meetings were covered and the documents drafted for the seventy-sixth session of the Council of Ministers.

2.8.2 Strategic Planning

490. During the period under review, the Commission's activities in the area of Strategic Planning was focused primarily on the finalization of the Community Strategic Framework (CSF), 2016 – 2020, taking into consideration the directive of the Council of Ministers that the content should reflect the link with the development strategies and plans of Member States as well as engage a wider spectrum of Non- State Actors. The preparation of the CFS document was completed and submitted for printing during the review period.
491. The Commission finalized the preparation of the Strategic Action Programme and the Implementation/Communication Arrangements for the CSF as well as the Institutional arrangements that would be use to legislate, plan and manage the activities of the CSF efficiently and effectively.
492. The eleventh (11th) Meeting of the Strategic Planning Coordinating Committee (SPCC) was held in Lagos, Nigeria with representatives of the key ECOWAS Institutions and Agencies in attendance to review the Institutional and Communication Arrangements for CSF. At the end of the meeting, a roadmap that would lead to the effective implementation of the CSF was discussed.

493. Considering the critical roles of the Member States in the implementation of the CSF, the Annual Meetings of Heads of National Offices was organised in Lagos, Nigeria to discuss their role in the CSF process as well as modalities for monitoring and enhancing their ownership of the process. During the meeting, an institutional framework for mainstreaming the CSF into National Development Plans of Member States was also discussed.
494. The costing and result framework for the CSF was done. Overall, the financing requirement is huge and the Commission will need the support of international and regional Development Partners to provide both financial and human resources. In this regard, the Commission will seek partnership with NEPAD, South Africa and UNECA in Addis Ababa to finalise the Financial and Technical Assistance roadmap prepared in 2015.
495. The Commission, going forward, would focus on the orderly implementation of the CSF by all ECOWAS Institutions and Agencies. In this regard, a document on "Setting Programme Policy Standards and Procedures" will be developed that will guide program implementation and facilitate bi-annual reviews of program implementation.

2.8.3 Monitoring and Evaluation System

496. In line with its mandate to ensure probity and accountability in the implementation of all regional integration programmes and projects, the Commission executed the following activities under Monitoring and Evaluation during the period under review:
- ✓ **Preparation of Programme Performance Reports**
497. In order to provide Management with update on the status of implementation (physical and financial) of the Work Programmes and Budgets of the Commission and other Community Institutions / Agencies, the Commission prepared various reports namely, the 2015 Annual Programme Performance Report; 2016 Quarterly Performance Reports; and 2016 Community Performance Report
- ✓ **Technical Collaboration with AUC/UNECA/AfDB and other RECs on the development of the M&E Framework for Agenda 2063**
498. In support of the implementation plan for the strategic framework developed to drive the socio-economic transformation of Africa over the next 50 years i.e. the Agenda 2063, the Commission participated in technical meetings of the African Union Commission (AUC), United Nations Economic Commission for Africa (UNECA), African Development Bank (AfDB) and Regional Economic Communities (RECs) on the development of the Monitoring & Evaluation (M&E) Framework for the First Ten Years Implementation Plan of Agenda 2063.
- ✓ **Finalisation of the draft Result Framework for the Community Strategic Framework (CSF), 2016 -2020**
499. The CSF Result Framework is a management tool that will assist ECOWAS monitor and improve its performance to achieve the Community goals set out in the CSF. It translates the goals outlined in the CSF into a detailed set of indicators and targets to help ECOWAS plan its work better and sharpen its focus on delivering result. Therefore, it is a primary tool for mainstreaming managing for result across the Community. The draft Result Framework of the CSF was reviewed by technical experts during the 2nd M&E Coordination team meeting held in March 2016 in Nasarawa State, Nigeria. The experts provided comments and inputs for the finalisation of the framework.

✓ **Technical Support to the African Capacity Building Foundation**

500. The African Evaluation Association noted that most Member States have domesticated laudable policies for economic development but implementation is at highest 7%. In order to ensure the achievement of Agenda 2063 and SDG 2030, the ECOWAS Commission participated in the regional monitoring and evaluation capacity building programme and provided key inputs to the brainstorming session. Basically, problem analysis of the prevailing capacity dearth of M&E both from the demand and supply side was carried out and specific interventions were proffered.

2.8.4 External Relations

501. The period under review was characterised by the continuation of actions aimed at promoting Member States' ownership of regional programmes and strengthening coordination in resource mobilisation for the implementation of the regional agenda in line with international commitments.

502. Following the adoption of the Operational Manual for use by ECOWAS National Offices by the 71st Ordinary Session of the ECOWAS Council of Ministers, the Commission initiated an outreach process of the Manual, both at Commission level and in Member States, in order to ensure effective internalisation and ownership.

503. To strengthen its relations with Member States, the Commission has strengthened its cooperation with the Permanent Representatives of ECOWAS in Nigeria through regular high-level quarterly meetings which ensure better communication between the two parties. Regarding Resource Coordination and Mobilisation, the period under review was characterised by various consultations in line with the implementation of coordination mechanisms established to ensure regular discussions on the regional agenda and support strategies of development partners. The activities of Thematic Groups: Agriculture – Peace, Security and Humanitarian Affairs were carried out in accordance with established schedules. However, those relating to capacity building, infrastructure and economic integration and trade had modest activities.

504. Concerning bilateral cooperation which aims at strengthening diplomatic relations, the Commission accepted the accreditations of eleven (11) new ambassadors³.

505. In pursuit of its goal to boost cooperation with Asian countries, the Commission signed, in January 2016, five (5) cooperation agreements with the People's Republic of China for the implementation of development projects relating to the construction of the Abidjan - Lagos highway, railways, a headquarters for the Commission and support in the areas of information and communication technology and aviation. Negotiations with the country in March resulted in donations of equipment and other military equipment worth about \$ US5 million for the ECOWAS Standby Force (ESF).

506. Regarding cooperation with Japan, the Commission participated in the 67th Tokyo International Conference on African Development (TICAD VI) held in August 2016 in Nairobi, Kenya. The high-level meeting enabled the Commission to take stock of its cooperation with Japanese authorities, particularly with senior executives of the Japan International Cooperation Agency (JICA) and to state the prospects for its enhancement through the effective involvement of Japan in the funding of ECOWAS priority projects with the resources pledged at TICAD VI amounting to over USD 30 billion.

507. As regards the strengthening of its strategic partnerships, particularly multilateral ones, the Commission initiated a series of consultations, including consultations with the Organisation for

³ Germany, Australia, Austria, Belgium, China, Colombia, Gambia, Hungary, United Kingdom, Sierra Leone, Sudan, Zambia

Economic Cooperation and Development (OECD) with which advanced discussions are ongoing to enable it obtain observer status and get many benefits through the partnership, including the benefit of obtaining the attention of the OECD members and the mobilization of technical and financial resources necessary for the implementation of community programmes.

508. Consultations and efforts to strengthen cooperation with the World Bank, the African Development Bank (AfDB), Sweden (support for the climate change programme), the French Development Agency (AFD for agriculture projects), the USAID, Spain (migration Fund and multisectoral support), Denmark (CPCC⁴), Germany (multisectoral support), continued during the period under review, with good prospects.
509. With regard to cooperation with the EU, the Commission shall ensure the implementation of ongoing projects under the 10th EDF. It initiated the establishment of a more dynamic coordination mechanism (EU-ECOWAS bi-monthly coordination meetings), and works with the UEMOA, the EU and Member States to finalize the process of identifying and formulating projects under 11th EDF RIP which has a budget of EUR 1.15 billion and covers the 2014-2020 period.
510. Expert meetings (Technical Working Group: TWG) and high level meetings (Strategic Orientation Committee: SOC) set up as part of the new governance of the RIP, and alternately organised in West Africa and Europe by both parties (AO + EU) were actually held in June 2016 in Lomé, with the participation of the Authorising Officers (AO) of the EDF. They provided an opportunity to take stock of cooperation between the AO and EU. Under the Commission's achievements, another point worth noting is the signing of new cooperation agreements, notably with Turkey (private sector), the World Bank (multi-sectoral), Israel (agriculture), Portugal (language capacity building), Germany (multi-sectoral), the Conseil de l'Entente (multi-sectoral) aimed at strengthening the cooperation and contribution for the implementation of the regional integration agenda.
511. Lastly, it should be noted that the Commission participated in the Conference on AGOA held in September 2016 in Washington and in the 71st United Nations General Assembly held in New York in September 2016

2.8.5 Relations with other ECOWAS Institutions

512. This relatively new programme of the Commission is intended to deepen the Commission's relationship with other ECOWAS institutions by improving cooperation, coordination and harmonization of activities and programmes and engagement dialogue. Pursuant to this objective, the Commission deepened its engagement with the ECOWAS Parliament and Community Court of Justice by actively participating in the working sessions of the two institutions.
513. The relationship received further boost during the year with the assumption of duty of the new Management of ECOWAS Commission. At the 4th Extraordinary Session of the ECOWAS Parliament held in Abuja on 11 April 2016, the President of the Commission reassured Parliament of the Commission's support and close collaboration to ensure synergy and attainment of the common goal of the community.
514. Following fruitful consultations and discussions with the leadership of Parliament, the President set up an Ad' hoc Committee on the enhancement of the Power of the ECOWAS Parliament, headed by the Vice President of the Commission, to study the issue which has hitherto marred the relationship between the two Institutions and make appropriate recommendations on how to move the process forward. After several working sessions and dialogue with the Parliament, the Committee finally agreed on September 2016 on the Supplementary Act on the enhancement of the Power of ECOWAS Parliament.

⁴ ECOWAS Conflict Prevention Framework (CPPC/ECPF)

515. The Commission also moved to initiate dialogue with the ECOWAS Bank for Investment and Development (EBID) with a view to revitalizing relationship between the two institutions.

2.8.6 Human Resources

516. With respect to human resources, the Commission's activities during the review period related to the following:

✓ Recruitment into the eighty-five (85) critical positions

517. It would be recalled that the Council of Ministers at its 73rd Session held in Abuja in December 2014 approved the recruitment into seventy-five critical positions **across all Institutions** and thereafter approved an additional ten (10) critical positions making a total of eighty-five (85). A phased-approach was adopted for the recruitment as the HR Recruitment portal could not handle the huge volumes of applications that were submitted. Sixty-four (64) positions have been advertised so far with ten (10) Director positions interviewed and background checks underway. The publication of the third and final batch (twenty-one in all) as well as other positions that are at various stages of the recruitment process, have been suspended following the adoption of the cost-cutting measures proposed by the Commission and adopted by the 76th Session of Council in Dakar on 13th May, 2016.

✓ Recruitment of Statutory Staff

518. It will be recalled that at its 43rd Ordinary Summit held on 18th July, 2013, the Authority of Heads of State expanded the ECOWAS Commission from a nine (9) member to a fifteen (15) member Commission. Consequently, six (6) new Commissioners and a Financial Controller who were recruited assumed duty in February 2014. This created a two years gap between the tenures of the two sets of Commissioners. In a bid to harmonise the *end of tenure of Statutory Appointees, a new batch of Commissioners was appointed in February 2016 for a two years' tenure, to replace the outgoing nine Commissioners whose mandate ended on 31st January, 2016, in accordance with the Decision of the Authority of ECOWAS Heads of State and Government at their 48th Ordinary Summit held on 16-17 December, 2015, in Abuja, Nigeria.

✓ The Institutional Reform Process

519. Following the engagement of the Institutional Reform Consultants, Maxwell Stamp Plc, and as directed by the 66th and 68th Ordinary Sessions of Council, the Institutional Reform Process began in earnest on 1st July, 2013. The Consultants met and discussed with all Heads and management teams of the various ECOWAS Institutions and are already at an advanced stage of their proposals. They have already made and reviewed various proposals with Management. The reports of Phases I and II have been presented to Council and have been approved accordingly and the implementation phase is to be initiated.

✓ Laissez-Passer

520. Following the signing of the contract and the user-acceptance test, the biometric Laissez-Passer (LP) that conforms to international security standards, has already been delivered. The Commission received approval for the three-letter code of **XEC** in December, 2015. Samples of the e-biometric laissez-passer were distributed to Member States at the 40 anniversary ceremony held in December 2015 for dissemination. The e-Biometric Laissez-Passer was fully launched in January, 2016 and issuance has officially started. Specimen LPs are yet to be circulated to RECS, International Organisations and all other countries in the world.

✓ **Pension Scheme**

521. The ECOWAS Pension Scheme was expected to be operational from 1st January, 2015, following the signing of the contract with Alexander Forbes, Kenya. However, due to some administrative issues mainly associated with the late submission of relevant data from some of the Institutions, the Scheme was delayed. Following the submission of the relevant data, the Consultant, Alexander Forbes, Kenya, submitted their Report as agreed on 20 September, 2015. From 11 to 13 November, 2015, the Consultants presented their valuation and progress reports to the Board of Trustees (BoT) which exposed a number of key issues regarding the state of the pension.
522. Following a series of delays due mainly to absence of requisite data, the Scheme finally took off this year with the initial payments effected in June. Meanwhile the possibility of handing over the management of the Fund to an independent pension fund administrator is being explored.

✓ **Revision of Staff Regulations**

523. One of the major objectives of the Commission in the area of human resources is the revision of the ECOWAS Staff Regulations to make them more responsive to staff needs and to reflect the expected outcome of the current Institutional Reform Process. In line with this, and using the participatory approach (involving all staff of the various Institutions) for the review, a draft document was agreed upon by staff and Management of the various ECOWAS Institutions. The said document was submitted for vetting by the relevant ECOWAS Sectoral Organs: the Ministries in charge of Public Service and Legal Affairs in the various Member States at a meeting held in Guinea Bissau from 15 to 19 March, 2016. The final document as reviewed and amended in Bissau, is due for submission to the AFC and Council in November this year, for recommendation and adoption respectively.

✓ **Human Resource Management Actions**

524. Over the period, the Commission has improved its Performance Management System as it is equally important that the Performance Planning and Evaluation exercise enables it to closely align staff aspirations to the strategic goals of the organization and give supervisors a clear way to improve the performance of their staff. The exercise has enabled the Commission to provide the basis for human resource management actions such as salary increments, promotions, training and development, career management, talent management, redeployments etc. The Commission's bid to address staff complaints has led to the institution of regular meetings of the various Advisory Committees on a quarterly basis to handle such matters.
525. This has also resulted in quarterly visits to Institutions and Agencies to address critical human resources issues to ensure alignment and synergy of all HR practices, activities and processes. These visits have resulted in the following:
- Increased knowledge of services available to ECOWAS staff in different Institutions (eg. Contract Renewals, Benefits & Allowances; Leave Administration, Medical reimbursements etc);
 - Resolution of issues faced by ECOWAS staff and Institutions (eg. Discipline, Career Development, Training, Promotions, and General Motivation etc.);
 - Improved relationships amongst ECOWAS staff;
 - Harmonisation of procedures, processes and policies in ECOWAS Institutions (e.g. Structures, staffing needs, etc.).

✓ **Current Staff Strength**

526. As at 25th October 2016, the total staff strength of the Commission stood at 720, and distributed as follows:

Gender	Number	Permanent Staff	Contract Staff
Males	526 (73%)	274	252
Females	194 (27%)	85	109
TOTAL	720 (100%)	359 (49.9%)	361 (50.1%)

✓ **Major Issues/Challenges**

527. **Precariousness of employment** - One of the major issues that the Commission is confronted with is the precariousness of the situation of contract staff. One of the resultant effect of the continuous embargo placed on recruitment has been a serious human resources deficit in all the offices and departments in Community Institutions. With the mandate given to the Commission and its institutions to drive the integration process, it is impossible to make any meaningful progress without the requisite staff to execute programmes.

528. In this regard, Community Institutions, sometimes with the assistance of Development Partners, resort to the hiring of contract staff to help in the implementation of regional integration activities and programmes as well as the Commission's priority projects.

2.8.7 General Administration

529. In the area of General Administration, the following activities were carried out:

- Conducive work environment was provided to ensure that all staff carried out their work and responsibilities in an efficient, effective and continuous manner. In the area of security, sufficient arrangements were made to prevent any serious breach of security despite the lack of the requisite security equipment.
- Administrative services and support were provided to the nine new Statutory Appointees that arrived in March 2016 to enable their smooth installation, while support was given to the old appointees who had served their term in the transportation of their personal effects home.
- Providing a decent accommodation for the President of the Commission is considered a sine qua non for the effective and efficient performance of his duties and responsibilities. To this end, a contract has been awarded for the renovation of the official residence of the President of the ECOWAS Commission. It is expected that the works will be completed by end of October, 2016 to enable the President assume occupancy.
- Other activities that were carried by the Commission in the area of general administration that are intended to improve the work environment of staff and raise productivity included: the installation of a biometric attendance system that helps monitor staff movement, development of an Operational Manual that provides information on the various services provided by the relevant departments / directorates /units and how they can be accessed as well as the award of a contract for the installation of a mini solar plant at the Headquarters of the ECOWAS Commission.

- Following the completion of the first phase of the ECOWAS Logistics Depot in Lungi, Sierra Leone and subsequent hand over to the Commission in October 2015, the process for the commencement of the second and third phases of the project was initiated with the convening of the Meeting of Experts of the Ad Hoc Ministerial Committee on Construction of Headquarters of Community Institutions in Freetown, 26th – 27th September, 2016.
- An important accomplishment during the year was the resolution of the long standing debts owed Messrs N. Stephens Builders Limited and AIM Consultants through an out-of-court settlement initiated by the Commission. The two entities took the Commission to court for non-payment of fees with respect to the renovation of the Headquarters building in 2009. The initiative saved the Commission a total of one million, four hundred and eighteen thousand, five hundred U.S. Dollars (US \$1, 418, 500. 00).

530. The Commission’s activities related to support services includes procurement of goods, works and services. In this aspect, the total volume of procurement activities carried out as at 30th September 2016 amounted to **UA 6, 798, 138.90 (U.S.D. 9,510,875.01)** with the breakdown as follows:

- Goods -	UA 900,215.23	(U.S.D. 1,259,438.00)
- Works -	UA 96,0456.35	(U.S.D. 134, 372. 78)
- - Services-	UA 5,801,877.32	(U.S.D. 8, 117, 064.23)

2.8.8 Communication

531. The Commission has been contributing immensely towards the support of regional journalists and media practitioners in building their capacity through specialized training and harmonization of the regulatory environment for media practice. During the year under review, the Commission, in conjunction with the Friedrich Ebert Stiftung Foundation, kicked off a “Get to know ECOWAS” Training initiative for regional journalists, comprising journalists from 15 Member States under the age of 35. The training provided an opportunity for the Commission to engage young regional journalists towards gaining in-depth knowledge of ECOWAS and its activities and understanding the role of the media in advancing “ECOWAS of the people” within the context of ECOWAS’ Vision 2020.
532. In sustenance of its efforts to key into the online platform as medium to enhance visibility, the Commission upgraded the ECOWAS website to a modernized html5 standard in which users can now visit the website with different kinds of devices ranging from smartphones to computers. The website, which is now also available in the three official ECOWAS languages, has also been revamped with a feedback mechanism that allows visitors to share information and opinions. In order to consolidate its online presence and increase visibility, the Commission also tapped into major social media platforms including Facebook and Twitter which enables a wider reach for information dissemination and a window for feedback from community citizens.
533. During the year under review, the Commission published and circulated two editions of the ECOWAS Newsletter “ECHOES of ECOWAS” which highlights the activities and major achievements of the Commission. The newsletter has also now been improved from a leaflet to a widely circulated 20 - page publication which is now available for the first time in French and Portuguese.
534. The Commission also made great strides towards standardizing the ECOWAS Corporate Identity and the development of a Corporate Identity Management Manual. This project is aimed at harmonizing the visual representation of the institution in line with international standards and is being realized through the donor support from GIZ. The implementation of this project commenced with the recruitment of a consultant/specialist by GIZ.

535. In fulfilment of Article 9 (6) of the Revised Treaty on the publication of documentation of the activities and decisions of the Council, new issues of the Official Journal Volumes 63-66 were collated and processed for printing
536. Over 1800 reference enquiries were received and attended to from within the community and outside. These enquiries ranged from simple facts on the institution to requests for documents relating to integration as a concept and achievements of the ECOWAS Commission.
537. Adequate reprographic, minor printing and binding services were provided during the period. Video/photo coverage of over 1200 meetings and events held within and outside the Commission during the period were adequately documented.
538. An ECOWAS Repository database D-Space has also been configured and installed for use in the Library. These will represent the institutional memory, providing the historical evidence of its actions and decisions.

2.8.9 Finance

✓ Implementation of Community levy Protocol

539. Although ECOWAS Institutions have enjoyed a steady flow of revenue since the inception of the full regime of the Community Levy in July 2003, last year's operations of the Institutions experienced serious financial strains. There were issues of compliance of the Community Levy Protocol by Member States. In response, the Council of Ministers established the Community Levy Management Committee whose role, among others, is to report regularly on the implementation of the Community Levy Protocol. The Committee has consistently and regularly drawn the attention of Council, through its reports to the Administration and Finance Committee (AFC), on the status of implementation of the Community Levy Protocol. However, the Community continues to face funding limitations due to non-compliance of the Protocol by Member States.
540. During the review period, the Commission in execution of the provisions of the Community Levy Protocol and the Supplementary Decisions of the Council of Ministers, continued to undertake both High Level and Technical Monitoring Missions to Member States to ensure implementation of the Protocol. Also, due to the mounting challenges of non-compliance by Member States the new Management took upon itself to embark on an aggressive drive for revenue generation.
541. Thus on the High level drive, the new Management undertook various visits to and consultation with Member States with a view to improving the cash position of the Commission. The Member States visited include Cape Verde, Cote d'Ivoire, Guinea, Guinea Bissau and Nigeria. In addition, the President of the Commission made direct formal and informal contacts with all Member States regarding their financial position with the Community. These efforts have yielded significant results in the year under review with many Member States improving significantly on their previous years' performance.
542. Thus, out of the 2016 approved Community Levy revenue budget of UA195,939,332, an amount of UA127,166,937 was collected as at 30th August 2016, representing 65% of the 2016 Community Levy revenue budget. This shows that the revenue budget was on target, and has also enabled the proper functioning of the Community Institutions which were earlier hampered by inadequate funding in previous years.

✓ **Implementation of Ecolink in ECOWAS Institutions**

543. During the reporting period the Commission continued with the implementation of ECOLink, which resulted in the development of an integrated administrative and financial management system on a real-time basis in ECOWAS Institutions. This is expected to improve transparency and prudent financial management, corporate governance and risk management. It is also helping to align ECOWAS organizational strategies and plans through visibility of operations and improved decision making processes.
544. It is expected, upon full implementation and resolution of post-implementation issues, that the system will contribute to significant improvement of the Community's financial management system and in addressing various concerns from the Council of Ministers and ECOWAS Donor Partners alike who are yearning for a more robust, transparent and comprehensive reporting system for ECOWAS Community Institutions.
545. In this regard, Management set up a Project Governance structure which comprises a Project Steering Committee (PSC), chaired by the Commissioner for Finance, and a dedicated Project Team. The PSC comprises Heads of Finance of ECOWAS Institutions, Directors of Administration, Human Resources and Community Computer Centre from the Commission as well as the Financial Controller and the Chief Internal Auditor. It is the body that provides the Project Team with policy direction and ensures effective monitoring, coordination and reporting to Management on the project progress.
546. Sequel to the implementation of Wave 1 (Financial Management & Control, Material Management) of the project, the Commission, with the assistance of the European Union, engaged the services of Quality Assurance (QA) Consultants to review all the activities of Wave 1. The QA report highlighted series of shortcomings that occurred in Wave 1 that require rectification to enable the Commission enjoy the full benefits of the system. Thus, an Implementer has been engaged to work with the Commission to rectify the issues raised on Wave 1 implementation to enable the Community proceed to Wave 2 (Human Capital Management & Travel Management) of the project. Furthermore, the Commission has also engaged a Support Consultant to accompany it in resolving Wave 1 issues and preparation for the implementation of Wave 2.

✓ **implementation of international public sector accounting standards (IPSAS)**

547. During the review period, ECOWAS Commission with assistance of the World Bank, engaged the services of an IPSAS expert who conducted a Gap Analysis ('as-is' vs 'should be') between ECOWAS existing accounting practices and IPSAS (International Public Sector Accounting Standards). This Gap Analysis contains the identification and analysis of current ECOWAS financial policies and practices and assessment of important issues and problems associated with current financial policies and practices. The expert identified accounting issues by reviewing various ECOWAS documents, including ECOWAS's financial statements and the ECOWAS Revised Treaty, Financial Regulations, and Manual of Accounting Procedures, and by corroborative enquiries during interviews with ECOWAS staff. Subsequently, position papers were developed exploring accounting issues in the transition to IPSAS and presenting various accounting treatments regarding:
- Presentation of budget information in the financial statements
 - Segment reporting
 - Related party disclosures - key management remuneration and loans
 - Revenue recognition of transfers by donors
 - Functional and presentation currencies
 - Concessionary loans

548. An inter-institutional IPSAS Team has been established to drive the implementation across all ECOWAS Institutions. The team has adopted a work plan and is also developing additional position papers for the 'Gaps' identified by the consultant. In addition, training of staff on the Principles of IPSAS is scheduled to hold at the IAS Seminar facility in London, United Kingdom and Paris, France in October 2016 and January 2017.

CHAPTER III: ECOWAS COMMON EXTERNAL TARIFF: ACHIEVEMENTS, CHALLENGES AND PROSPECTS

3.1 Background

549. Article 3 of the revised ECOWAS Treaty makes the establishment of a free trade area and the creation of a Customs Union the important steps for the achievement of regional economic integration.
550. Since its establishment in 1975, ECOWAS has made significant progress, notably in the adoption and establishment of a regulatory framework to regulate the movement of people and products originating in the Community. Although tariff and non-tariff barriers and obstacles still exist here and there, the ECOWAS free trade area is a reality, and actions are taken by all stakeholders to improve the functioning of the intra-community trade.
551. Regarding the Customs Union which is a higher step than that of the free trade area, the process of its implementation has been extremely difficult due to the complexity of work and economic and political issues for Member States to move towards the harmonisation of customs tariffs at Community level.
552. It is worth recalling that in 1999, given the slow pace noted in the achievement of the objectives of regional integration as set out by the revised Treaty, the 22nd session of the Authority of Heads of State and Government approved in Lomé, by Decision A/DEC.2/12/99, the strategy for speeding up the ECOWAS integration process for the creation of a single regional market in West Africa based on trade liberalisation, the establishment of the common external tariff and the harmonisation of economic and financial policies of Member States.
553. During the 24th session of the Authority of Heads of State and Government, held in Bamako on 16 December 2000, the operational modalities of the strategy for the acceleration of the sub-regional integration process in West Africa were adopted. In that regard, the ECOWAS Executive Secretariat was asked to strive for the advent of the ECOWAS Common External Tariff using as reference the UEMOA Common External Tariff which was adopted by UEMOA Member States in 1997.
554. On that basis, an analytical work was undertaken by the ECOWAS Executive Secretariat since 2001 to assess the feasibility of migration of the national customs tariffs of seven (7) non-Member States of UEMOA (Cabo Verde, Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone) to the UEMOA CET.
555. Impact studies were carried out in each of the non-UEMOA States to assess the impact of the scenario on public finances, the economic fabric and businesses. After several meetings with Member States, the action plan for the implementation of the ECOWAS CET was submitted for consideration to the Authority of Heads of States and Government held in Niamey in 2006.
556. Against that background, the Authority of the Heads of State and Government at its twenty-ninth (29th) session in Niamey (Niger), adopted by Decision A/DEC.17/01/06 of 12 January 2006 the Common External Tariff for ECOWAS Member States (CET/ECOWAS) as a vehicle for the creation of a Customs Union and a Common Market in West Africa.
557. During the extraordinary session of their Authority held on 25 October 2013 in Dakar (Senegal), the ECOWAS Heads of State and Government endorsed the structure of the ECOWAS CET and approved the date of 1 January 2015 for the effective launch of its implementation in all Member States. The Authority launched the implementation in the Community at its 46th Summit held in Abuja on 15 December 2014.

558. The document seeks to identify the progress, challenges and prospects of the implementation of the ECOWAS Common External Tariff (CET) in Member States.

3.2 Presentation of the ECOWAS CET

3.2.1 Objectives of the ECOWAS CET

559. The ECOWAS CET, through the harmonisation of customs duties and taxes of equivalent effect at the borders of Member States, has the following major objectives:

- to deepen regional economic integration: Customs Union, platform conducive to the development of the ECOWAS Common Trade Policy and regional trade negotiations such as the Economic Partnership Agreement (EPA) between West Africa and the European Union;
- to boost regional productive capacity and investment;
- to consolidate the regional market.

560. With the establishment and the implementation of the ECOWAS CET, our region is on the threshold of a Customs Union. The customs union will be complete when the region harmonises customs procedures in order to implement free circulation.

3.2.2 International requirements

561. The CET was established taking into account the requirements of the Harmonised System of the World Customs Organisation (WCO) and those of the World Trade Organisation (WTO) relating to Regional Trade Agreements (Article 24 of the GATT).

3.2.3 Structure of the ECOWAS CET

562. Decision A/DEC.17/01/06 of 12 January 2006 adopting the ECOWAS Common External Tariff, together with its amendment Supplementary Act A/SA.1/06/09 of 22 June 2009, shows the structure of the CET as follows:

- a Tariff and Statistical Nomenclature (TSN), based on the Harmonised Commodity Description and Coding System (HS) of the World Customs Organisation (WCO) adopted by the Community;
- A table of Duties and Charges applicable to imported products which includes:
 - customs duty (CD);
 - Statistical Tax (ST);
 - ECOWAS Community Levy (ECOWAS CL).

563. Trade defence measures if necessary can generate additional that may affect the final price of products imported into the Community from third countries.

564. The statistical tax rate is fixed at 1% applicable indifferently to all imported products, exempted or not.

565. The tax base for the application of the Common External Tariff is Ad Valorem.

566. The products in the Tariff and Statistical Nomenclature were divided into four (4) categories shown as follows, and reflecting those of the UEMOA CET:

- Category 0: at the rate of 0%: essential social goods.
- Category 1: at the rate of 5%: goods of primary necessity, basic raw materials, capital goods, specific inputs;
- Category 2: at the rate of 10%: inputs and intermediate goods;
- Category 3: at the rate of 20%: final consumption goods.

567. The list of goods making up each category was to be adopted through the Council of Ministers Regulation on the proposal of the relevant Technical Committee.
568. To guide work and discussions among Member States on the categorisation of products between the different tariff bands of the ECOWAS CET and to discuss other matters relating to the implementation of the instrument, the 29th Authority of Heads of State and Government approved in Niamey by Resolution A/DEC.14/01/06 of 12 January 2006, the creation of an ECOWAS-UEMOA Joint Committee on the management of the ECOWAS Common External Tariff (CETJC).
569. The ECOWAS-UEMOA Joint Committee on the management of the ECOWAS CET, comprising experts from Member States and UEMOA and ECOWAS Commissions adopted a roadmap to complete the work and meetings on the ECOWAS CET and to submit for thorough analysis and discussion all the requests made by Member States as well as requests from the departments in charge of regional sectoral policies of both institutions (agriculture, industry, health, energy, etc.).
570. The objective of the Joint Committee is to advise UEMOA and ECOWAS Commissions on all matters relating to the management and monitoring of the ECOWAS CET. To that end, it is approached by the two Commissions concerning any project related to the categorisation of goods in the tariff or the import duties and charges included in the ECOWAS CET.
571. The Committee takes its decisions by consensus. The Committee has made it possible for the participatory process to be the driving force of the development process of the ECOWAS CET.
572. The ECOWAS CET expected to start on 1st January 2008 could not meet the deadline for several reasons but mainly because a Member State requested that a fifth category at the rate of 50% be introduced into the ECOWAS CET to enable it protect its economic sector. The highest rate of the ECOWAS CET, as provided for by Decision A/DEC.17/01/06 of 12 January 2006, was 20%.
573. The new problem required in-depth studies by the ECOWAS Commission and several meetings of the Joint Technical Committee to assess the impact of the introduction of the 5th tariff band. The results of the analyses showed that the 50% rate was excessive and that a rate of 35% would be enough to protect vulnerable industrial sectors.
574. At the end of the process, the 36th ordinary session of the Authority of Heads of State and Government of 22 June 2009 approved in Abuja the Supplementary Act A/SA.1/06/09 amending Decision A/DEC.17/01/06 of 12 January 2006 and establishing the ECOWAS Common External Tariff focusing on the creation of a 5th tariff band at 35%. The higher category (No. 4) of the ECOWAS CET is referred to as "specific goods for economic development".

To that end, Regulation C/REG.1/06/13 of 21 June 2013 defines the list of goods which make up the categories of the tariff and statistical nomenclature of the ECOWAS Common External Tariff (CET); the structure of the CET is as follows:

Categories	Description	Rate	Tariff lines
0	Essential social goods	0%	85
1	Basic raw materials and capital goods	5%	2,146
2	Intermediates goods	10%	1,373
3	Final consumption goods	20%	2,165
4	Specific goods for economic development	35%	130

3.2.4 CET, Instrument for the implementation of sectoral policies

- CET and the agricultural sector

575. The agricultural sector is very important in the economy of West African States. It weighs between 20-40 percent of the Gross Domestic Product of many States and contributes strongly to the export revenues of the States. In that regard, the ECOWAS common agricultural policy main guidelines were reflected in the regional tariff.

576. Thus, agricultural seeds, livestock and agricultural capital goods (farm tractors and other farm machinery) are imported into the region at a rate of 5%. The import duty for agricultural inputs such as urea and superphosphates (chapter 31) is 0% to facilitate the access of agricultural producers to such goods.

577. However, in order to make regional production competitive, processed agricultural products such as flour (wheat, corn, chapter 11) are taxed at 20%. Milk imported for retail sales is taxed at 20% to encourage local production. Live reproductive animals (chapter 1) necessary for the development of livestock are taxed at 5%. To encourage the production of meat in the sub-region, imported meat and edible offal (Chapter 2), some meat food products (sausages, hams in Chapter 16) are mostly taxed at 35%.

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- CET and the industrial sector

578. The ECOWAS CET is pro-industry. It was developed by taxing imported goods based on their level of processing. Imported inputs necessary for the production of finished products in the regional market are classified in category 1 and taxed at 5%. Imported finished industrial goods competing with regional productions are mostly taxed at 20%. Intermediate products are taxed at 10%. Some strategic industrial products such as textiles (WAX) manufactured in the region are protected at the rate of 35%.

579. Machines and equipment as well as transport equipment (chapter 84-89) necessary for production are mostly taxed at 5% to facilitate their import by operators.

580. On the issue of pharmaceuticals, work is ongoing with the collaboration of the West African Health Organization (WAHO) to determine the list of drugs manufactured in the region. In that regard, a survey was conducted in ECOWAS Member States for the development of the list. WAHO in coordination with ECOWAS Customs Directorate will propose to the management committee of the CET optimal taxation which will ensure the protection of the regional pharmaceutical industry.

- CET and the social sector

581. The import duty for most drugs and vaccines (Chapter 30), butane (Chapter 27), school textbooks (Chapter 49), treated mosquito nets (Chapter 67) and solar panels (Chapter 85) is at 0% to facilitate the access of the people to such products.

3.2.5 Support measures of the ECOWAS CET

582. As part of the package of accompanying measures, the following texts support the implementation of the CET for products imported into the community from third countries. The adoption of trade defence measures is derived from the premise that customs duties as listed in the regional tariff are not always sufficient to provide optimal protection to production sectors. Thus, ECOWAS has approved the regulations based on the provisions of the World Trade

Organization (WTO) which enable the correction of distortions to trade that could endanger the production of some goods in the region.

-Regulation C/REG.2/06/13 of 21 June 2013 on the determination of customs value of goods in ECOWAS

583. The purpose of the Regulation is to enable the application of a uniform customs valuation system throughout the region, as a basis for ad valorem rates provided for by the CET. The regulation is based on the WTO agreement on customs valuation. However, in the absence of free circulation in the Community, access fees were included in customs valuation.

-Regulation C/REG.3/06/13 of 21 June 2013 defining the procedure applicable to inputs which are more heavily taxed than finished products

584. The purpose of the text is to ensure that inputs used for the production of goods belonging to the first tariff band (0%) are not more heavily taxed than finished products. The Regulation provides for temporary admission for inward processing to cover such inputs without penalty charges or interests arising therefrom.

-Regulation C/REG.4/06/13 of 21 June 2013 on safeguard measures

585. The measures are intended to address any damage or threat thereof to a production sector of the Community resulting from massive and uncontrolled imports.

-Regulation C/REG.5/06/13 of 21 June 2013 on the imposition of countervailing duties

586. The Regulation is intended to address any damage or threat thereof to a production sector of the Community as a result of subsidies which imported products would have enjoyed.

-Regulation C/REG.6/06/13 of 21 June 2013 on anti-dumping measures

587. The objective of the Regulation is to address any damage or threat of material damage to production sectors of the Community as a result of dumped imports. It is intended to mitigate the effects of dumped products released for consumption in the Community which cause or threaten to cause damage to an industry or which delay its creation in the Community.

-Regulation C/REG.1/09/13 of 30 September 2013 on Supplementary Protection Measures

588. It introduced some flexibility and is designed to provide additional protection for Community industries in the initial phase of the application of the CET. The measures are intended to manage, for a period of five (5) years, the transition to uniform ECOWAS CET.

3.2.6 Transitional period for the implementation of the ECOWAS CET

589. During the transitional period of five (5) years, the ECOWAS Member States may not set aside the CET except on 3% of tariff lines by applying an **import adjustment tax** in cases where the rate of the ECOWAS CET is lower/higher than the duties applied in the Member State concerned before 1st January 2015

590. The ECOWAS Commission shall be notified within a period of thirty (30) days before the introduction of the measures. The time schedule of the adjustment over the five (5) year period must be specified in the letter. The purpose of the import adjustment tax is to allow, for a limited number of tariff lines, a smooth transition to the CET uniform duty rate.

591. Furthermore, within the limit of the 3% of the above-mentioned tariff lines, ECOWAS members can impose **Supplementary Protection Tax** in addition to the CET tariff and any import adjustment tax to a maximum cumulative tariff rate of 70% under the following conditions:

- imports to a Member State at regular tariff rates increased by at least 25% compared to the three preceding years for which statistics are available; or
- the average import price falls below 80% of the average import price in force during the three preceding years for which statistics exist; and
- the ECOWAS Commission allows the Supplementary Protection Tax.

592. For the first alternative, tax can be applied for a maximum of two years and the latter for a period of one year.

593. Downward deviations from the CET are allowed under Regulation C/REG.3/06/13 determining the Procedure Applicable to Inputs which are more Heavily Taxed than some finished products. In accordance with Article 2 of the Regulation, inputs for the production of products in category 0 may be imported under a duty suspension scheme and manufactured goods can be released for internal consumption without duties and penalty interest.

- **Example 1:** If printed plastic products (sub-heading 3921 90 20, 20% duty free) are imported for packaging pharmaceutical products (Chapter 30, duty free) by virtue of Article 2 of this Regulation, the finished product may be released duty free for consumption. Article 3 of this Regulation envisages facilitation measures for these «inputs» in keeping with international conventions, Community texts and international rights. This rule is understandable because the importation and processing of heavily taxed inputs released for consumption and taxing manufactured products at the rate of finished (customs-controlled production) are permissible if the finished product falls under category 1 or 2 because the revised Kyoto Convention does not restrict this customs procedure to duty-free goods.
- **Example 2:** If printed woven cotton fabrics (sub-heading 5209 51, 35% duty rate) are imported for the production of headbands (heading 6507, 10% duty rate), why not use this procedure to encourage local production??

3.3 PROGRESS ON THE IMPLEMENTATION OF THE ECOWAS CET

3.3.1 Status of implementation of the ECOWAS CET

594. As at 31st October 2016, the status of implementation of the ECOWAS CET is as follows:

- Ten (10) of the fifteen (15) Member States (Benin, Burkina Faso, Cote d'Ivoire, Ghana, Guinea Bissau, Mali, Niger, Nigeria, Senegal, Togo) are applying the ECOWAS CET while it is not being implemented in the five others for various reasons;
- Guinea, Gambia, Liberia and Sierra Leone have announced that measures are underway to commence the implementation of the CET from 1st January 2017;
- ECOWAS will provide adequate support for Cape Verde in 2017 to ensure its transition towards the ECOWAS CET.

595. As at today, Cote d'Ivoire, Nigeria, Ghana, Senegal and Burkina Faso are applying supplementary protection measures.

3.3.2 Evaluation of the implementation of the ECOWAS CET

596. In approving the CET and its related regulations, the ECOWAS Council of Ministers instructed the Commission to present it with regular reports on the implementation of the CET. In that regard, the Commission organized in August 2015 and June/July 2016 visits to Member States with the triple objective of:

- Assessing the implementation of the CET;
- Identifying challenges in the implementation process;
- Proposing measures to address these challenges.

597. At the end of the two assessment missions, the status of implementation of the ECOWAS CET in Member States indicated below was established and the following observations made:

- Sensitisation and trainings efforts on the CET were inadequate. A good number of stakeholders had very little knowledge of the CET;
- Poor capacity of certain administrations hindered the take-off of the CET;
- In the countries that the implementation of the CET commenced, customs duties have improved significantly thus dispelling the negative apprehensions about the impact of the CET on the West African economies.
- The ECOWAS CET has become an instrument of public finance in Member States and it has introduced discipline in fiscal policy.

3.3.3 ECOWAS CET and consolidation of the regional market

598. ECOWAS is in the process of establishing a West African common market with a common external tariff and a common trade policy. Many provisions of the ECOWAS Treaty are very important for the development of West Africa. These include:

- The development of agriculture and food security thanks to the liberalisation of inputs and agricultural equipment, harmonisation of food security policies and protection of agricultural exports on the international market;
- A CET, based on a common nomenclature to ensure that customs procedures are transparent, easily tracked and reduce delays at the border;
- The free movement of goods in consonance with Articles 38 (Community Tariff Treatment) and 40 (Fiscal Charges and Internal Taxation). There is the need to implement and comply with these articles relating to intra-ECOWAS trade to ensure the smooth functioning of the Common External Tariff, which protects the regional market from foreign competition.

599. If these conditions for an effective customs union are not fully implemented, West Africa would continue to suffer from trade diversion, smuggling and inefficient collection of fiscal revenue.

3.4 CHALLENGES OF THE ECOWAS CET

3.4.1 The issue of renegotiating tariff concessions

600. All ECOWAS Member States are members of the World Trade Organisation (WTO). As members, they have made tariff concessions as part of their WTO obligations within the framework of the Multilateral Trade System (MTS). The entry into force of the CET therefore implies that ECOWAS Member States are obliged to renegotiate their tariff concessions at the WTO because by implementing the CET they may have violated their commitments.

601. The ECOWAS and UEMOA Commissions have commenced a technical and legal assessment mission to the WTO, Permanent Missions of Member States in Geneva, Switzerland and other organisations. This has enabled them to identify appropriate actions with a view to renegotiating their tariff concessions during the 2015-2017 cycle. The problems were identified and proposals

made; a regional road map has been prepared taking due account of steps to be taken in order to conclude the renegotiations. It is in this regard that Member States were requested to contact the WTO Secretariat to reserve their rights as provided by Article XXVIII, paragraph 5, of GATT 1994. Eleven (11) Member States have complied with this directive. It should be pointed out that the Joint ECOWAS/UEMOA Joint Management Committee on the ECOWAS CET has expressed its desire for the renegotiations to be done in group.

602. Following the request by ECOWAS Member States, the WTO has done a comparison of the concessions of these members with the 20 March 2013 edition of the ECOWAS Common External Tariff
603. The transposed bound duties were compared with the ECOWAS CET at the HS sub-heading (6-digit HS codes) level. The average bound tariffs, minimum and maximum rates are compared with the average ECOWAS CET, at the minimum and maximum rates and termed as possible contraventions when higher. These are indicative and should be interpreted with care as they refer to HS sub-heading and may relate to one or several tariff lines.
604. With the exception of Cape Verde, where certain concessions have one more year to run (ex. 2013, 2014, 2016 and 2018, ECOWAS Member States have fully implemented their concessions. For 2018, 29 lines are involved). There is the likelihood that about 9 countries may violate their commitments and these involved 3 to 889 HS sub-headings (see Table 1 below). The worst cases of contraventions have been observed on industrial products (NAMA). Machinery, textiles and clothing are some of the tariff lines recording the highest cases of default. In agriculture, the chapter on meat recorded the highest number of violations.

Table 11: Comparison between the concessions of ECOWAS Member States and ECOWAS CET (HS 2012)

COUNTRY	Status	Binding coverage	Possible violations (number of HS sub-headings bound duties <with ECOWAS CET	of which AG	Average bound duties (%)
Benin	LDC	39.60%	624	15	29.4
Burkina Faso	LDC	39.70%	624	15	44.0
Cape Verde		100%	482	67	16.0
Cote d'Ivoire		34.10%	889	421	11.2
Gambia	LDC	14.80%	-	-	103.5
Ghana		15.40%	-	-	92.2
Guinea	LDC	39.20%	617	15	20.8
Guinea Bissau	LDC	97.80%	-	-	48.5
Mali	LDC	40.40%	622	15	29.5
Niger	LDC	96.80%	619	15	45.2
Nigeria		20.10%	-	-	120.9
Senegal	LDC	100%	115	94	30.0
Sierra Leone	LDC	100%	3	3	47.3
Togo	LDC	15.00%	-	-	80.0

Source: WTO LTC, UEMOA/ECOWAS Secretariat and WTO statistics Updated on 30/4/2013

605. In the light of the foregoing, the ECOWAS Commission in collaboration with WTO organised a training workshop in Dakar from 18 to 20 May 2016 on the renegotiation of tariff concessions for Member States as well as a meeting of ECOWAS Experts on renegotiations of tariff concessions also in Dakar, from 23 to 25 May 2016. The meetings were aimed at discussing the link between the ECOWAS Common External Tariff and Member States' obligations to the WTO. It was also to

familiarize the participants with the various stages of the procedures for modifying these commitments.

606. Furthermore, from 2017, the Commission and Member States should commence, at the WTO in Geneva renegotiating violations with third countries indicated in the table above. A regional strategy should be defined to ensure that trade compensations that may be required of the region by our primary trade partners do not negatively affect our regional trade or development policies.

3.4.2 The CET and establishment of an ECOWAS regional and national mechanism for the implementation of trade defence measures.

607. Apart from the final CET structure, ECOWAS has also adopted the prescribed regulations introducing the trade defence and supplementary protection measures to support the implementation of the CET regarding products imported into the Community from third countries.
608. There are no administrative structures in place in ECOWAS nor in Member States to investigate dumping, subsidies and other adverse practices; therefore, it is difficult, in practice, to address these complaints and impose additional duties.
609. ECOWAS should therefore consider establishing a mechanism in charge of requests for the application of antidumping, countervailing and safeguard measures. The administrative structures should also be involved in conducting the necessary investigations to enable ECOWAS Commission fulfil its obligations as prescribed by law.

3.4.3 CET and entry into force of the next revision of the HS (HS 2017)

610. The Preamble to the International Convention on Harmonised Commodity Description and Coding System (HS) underscored the importance of ensuring that the revision of the Harmonised System is determined by developments in technology and patterns of international trade as well as environmental and social factors. In that regard, the Harmonised System has been subjected to a revision every five (5) years to sustain its relevance in international trade.
611. The next version of HS Nomenclature will enter into force on 1st January 2017. As members of the World Customs Organization (WCO), ECOWAS countries are obliged to implement this new version.
612. ECOWAS should put in place measures to ensure not only its participation in the on-going discussions within the HS Committee in Brussels at the World Customs Organisation but also review the CET as may be required to align it with the latest version of the Harmonised System under implementation.

3.4.4 CET and the harmonisation of exemptions of customs duties

613. Regulation C/REG.1/06/13 of 21 June 2013 relating to the CET does not specify if the exemptions applied by ECOWAS Member States on inputs and equipment in specific agricultural and industrial sectors can be sustained and if they apply only to the 5-year transition period.
614. The period of transition should therefore be used in elaborating binding Community provisions on duty exemptions regarding the harmonisation of relevant procedures and conditions for granting these exemptions

3.4.5 Monitoring/evaluation mechanism for the implementation of ECOWAS CET

615. Apart from regular assessment missions on the implementation of the CET in Member States, there is no monitoring/evaluation mechanism in place at the moment. Additional efforts need to be made to establish such an instrument for an effective monitoring of the CET.

3.5 PERSPECTIVES AND PROSPECTS OF THE ECOWAS CET

3.5.1 Deepening regional integration: coordination of fiscal and trade policies

616. By adopting the CET, ECOWAS has taken another major step for the economic integration of West African States. More than ever before, there is the need for regional coordination of economic, trade and customs policies. National trade policies would gradually be replaced by a common trade policy. It would no longer be possible to conclude free trade agreements between an ECOWAS Member State and a third country. This obliges Member States to resort to the regional mechanism before embarking on any national policy reform.

617. In the light of the foregoing, it is evident that Member States, with ECOWAS support and supervision are obliged to meet on a regular basis at the regional level to arrive at a consensus on how to implement national trade measures or modify the CET in order to meet sectoral policy issues.

618. With the implementation of the CET, Member States are compelled to intensify efforts on their customs reforms particularly the harmonisation and simplification of customs procedures and operations for compliance with international standards (Revised Kyoto Convention, Trade Facilitation Agreement, etc.). In addition, the CET is hastening the pace of adopting a Community Customs Code, which will provide another platform for Member States to reconcile customs administrations while strengthening cooperation and partnership with the private sector.

619. The implementation of the free circulation which envisages the attainment of the full customs union is the next major step in the series of measures relating to the adoption of the CET. The free circulation involves the abolition of customs barriers within the Community. In that regard, once goods have been cleared at any Community border, it may be moved within the Community territory and across all ECOWAS Member States without being subjected to further customs formalities (as is the case with the European Union).

3.5.2 Trade negotiation instrument

620. The adoption of the CET has given ECOWAS, as a single customs territory, the capacity of signing trade agreements with other third countries. Even if the revised Treaty envisages this possibility (Article 83 of the Revised Treaty), it had not been possible for ECOWAS to sign a trade agreement with another party in the world because that partner would have been presented with fifteen (15) national tariffs.

621. The CET ensures the standardisation of customs and import duties of the fifteen (15) Member States. ECOWAS has become a single customs territory with a Community border which will enable the Community to conclude free trade agreements with third countries. These types of agreement are negotiated on the basis of customs duties, involving each party giving the other party concessions in the form of reducing/eliminating customs duties on foreign trade goods. The CET is the ideal ECOWAS instrument for conducting this negotiation with other entities.

622. In effect, the Economic Partnership Agreements between ECOWAS and the European Union were signed based on the CET. The trade liberalisation referred to in the EPA will be carried out using

the CET. The CET would also serve as the basis for the forthcoming ECOWAS trade agreement negotiations with China and Turkey.

CONCLUSION

623. The implementation of the CET by all Member States is a major step towards the consolidation of the regional market, boosting the regional production and investment capacity, and deepening economic integration in West Africa.
624. The ECOWAS Common External Tariff (CET) was adopted in 2006 as an engine for the completion of the Customs Union and the creation of a Common Market in West Africa.
625. The CET offers an enormous potential for achieving economic integration in West Africa.
626. The CET is a catalyst and a manifestation of the regional integration process. Its implementation would open the path for the establishment of new instruments that would oblige Member States to strengthen cooperation and old their individual national interests into common interests.
627. It is therefore necessary that the ECOWAS CET is well known and owned by the public in general and economic operators of the West African region in particular.

CHAPTER IV: ACTIVITIES OF OTHER COMMUNITY INSTITUTIONS

4.1 THE ECOWAS PARLIAMENT

628. The Third Legislature of the ECOWAS Parliament ended on 10th August 2015 while the Fourth Legislature was inaugurated on 5th February, 2016. Consequently, there was a period of lull in the Parliament, thereby no parliamentary activities took place. Furthermore, the end of the Third Legislature also coincided with the end period of the implementation of the Parliament's Strategic Plan.

✓ *Inaugural Session*

629. The Inaugural Session of the Parliament took place in Abuja, from 5th to 9th February, 2016. During the said Session, the Parliament elected a new Speaker, in the person of His Excellency, Moustapha Cissé Lo of the Republic of Senegal. His election was sequel to the decision of the ECOWAS Authority of Heads of State and Government, to allocate the position of the Speaker of Parliament to the Republic of Senegal, based on alphabetical order of Member States. In addition, the Parliament elected Four Deputy Speakers to constitute the Bureau.

630. The Parliament used the opportunity provided by the Inaugural Session to adopt the Rules of Procedure of the Fourth Legislature. It also constituted the membership of the Thirteen Standing Committees and elected the bureaux of each of the Committees. By this development, all the structures of the Parliament, notably; the Bureau, Conference of Bureaux and the Standing Committees, were reconstituted.

✓ *The Extra Ordinary Session*

631. The Parliament held an Extra Ordinary Session in Abuja, from 11th to 15th April, 2016. The main subject before the Extra Ordinary Session was, the consideration and adoption of the draft Strategic Plan (2016-2020) of the Parliament and the Activity Plan for the Legislature. The Extra Ordinary Session also addressed the issues concerning the draft Supplementary Act on the Enhancement of the Powers of the ECOWAS Parliament.

632. The Strategic Plan of the Parliament (2016-2020), was derived from the strategic orientation of the Community Strategic Framework (CSF). The Parliament is to operate its activities under Goal 3 of the CSF. This Goal aims at deepening the process of political cohesion and participation. This is in line with the core mandate of the Parliament, which is to promote popular participation in community issues and provide a voice for the people. The Parliament adopted the following objectives:

- Enhance the participation and representation of the entire population in the decision making process of the community;
- Strengthen the institutional role and powers of the ECOWAS Parliament;
- Contribute towards peace, security, good governance and human rights; and
- Promote relations with Community Institutions, National Parliaments, Inter-Parliamentary bodies and Partner Organisations.

633. Concerning the project on the Enhancement of Powers of the Parliament, Members resolved to embark on wide consultation and advocacy, especially among Member States. Parliament also agreed to reconsider certain provisions contained in the draft Act and review them, in an attempt to facilitate consensus and early adoption.

✓ **The Inter-Parliamentary Union**

634. The ECOWAS Parliament participated at the 134th General Assembly of the Inter-Parliamentary Union (IPU) and Related Meetings, held from 19th to 23rd March, 2016, in Lusaka, Zambia. The theme of the Assembly was the Rejuvenation of Democracy to encourage youth participation.
635. At the end of deliberations, a Resolution was adopted with the following highlights:
- Increase the presence of youths in our Parliament, by establishing a quota system and reviewing the legal age restriction for contesting elections;
 - Entrust key positions to young parliamentarians, by making them examples for other youths to emulate;
 - Reform the parliamentary process so as to make them more receptive (accessible) to youths; and
 - Facilitate effective participation of young parliamentarians at international debates and fora.

✓ **Appointment of a new set of Management Staff**

636. During the period under review, a new set of Management Staff was appointed to run the affairs of the General Secretariat of the Parliament. Earlier in 2015, advertisements for the positions of the Secretary General D2, the Director of Administration and Finance D1 and the Director of Parliamentary Affairs and Research D1 for the ECOWAS Parliament were published. This was done in accordance with the ECOWAS Staff Regulations. Subsequently, interviews were conducted and the following candidates were successful and therefore appointed, as follows:
- Dr. Nelson Magbagbeola - Secretary General
 - Mr. K. Bertin Some - Director of Parliamentary Affairs and Research
 - Mrs. Anna Jagne - Director of Administration and Finance
637. The Secretary General assumed duty on 11th February, 2016, while the two Directors assumed duty on 1st April, 2016.

✓ **2016 Ordinary Sessions of Parliament**

638. As it is statutory, the 2016 First Ordinary Session of the Parliament took place from 16 – 31st May, 2016. During the Session, the Standing Committees of the Parliament were officially inaugurated, with their membership formally confirmed at plenary. Furthermore, the Parliament established an Adhoc Committee to consider and review the draft Supplementary Act on the Enhancement of Powers of the Parliament. The Adhoc Committee was mandated to drop all provisions in the draft Supplementary Act considered contentious. In the meantime, the President of the ECOWAS Commission had put in place an Inter-Institutional Technical Committee to review the draft Act. As is customary with every Ordinary Session, the Parliament considered the Activity Report of the President of the ECOWAS Commission, as well as Country Reports from each National delegation.
639. In addition, a seminar on “Harmonizing Synergies for Parliamentary Action against Large- Scale Child Trafficking and Child Labour” was organised on 25th and 26th May, 2016. The Regional Seminar was co-organised by the Inter-Parliamentary Union (IPU), International Labour Organisation (ILO) and the ECOWAS Parliament.
640. The 2016 Second Ordinary Session was held from 22nd September to 7th October, 2016. During the Session, the Parliament considered and adopted the report of the Adhoc Committee that prepared the 2017 budget. Similarly, the Adhoc Committee on the Enhancement of Powers of the Parliament, considered and adopted the recommendations of the Inter-Institutional Committee, in which some aspects of the draft Act considered contentious were dropped. The Adhoc Committee

also considered and adopted the proposed roadmap for adopting the draft Supplementary Act. Report of the Ad-hoc Committee was adopted by the Plenary. The Second Ordinary Session also considered the Activity Report of the President of the ECOWAS Commission and Country Reports from each of the National Delegations.

641. On the side-lines of the Session, the Parliament, in conjunction with the United Nations High Commission for Refugees (UNHCR), organised a workshop for all Members of Parliament on the theme “The Role of Parliamentarians in Addressing Statelessness and Internal Displacement Challenges in ECOWAS sub-region.” At the end of the workshop, the following recommendations were made:

- a. ECOWAS Members of Parliament undertake to:
 - work together and tirelessly for the promotion of the Kampala Convention for its ratification and transformation into an internal positive law to the 15 Community Member States; and
 - work relentlessly for the ratification, by the few Member States that have not yet done so, of the 28 September 1954 Convention relating to the status of Stateless Persons as well as the 30 August 1961 Convention on the Reduction of Statelessness to make ECOWAS the pioneer region in this area.
- b. Adopt, for that purpose, a 2016/2017 joint action plan, particularly including:
 - fact-finding missions with logistical support from the United Nations High Commission for Refugees (UNHCR) on the conditions of refugees and Internally Displaced Persons (IDPs), starting in particular by the sites of the IDPs and refugees’ camps of North-Eastern Nigeria and in Niger;
 - an inter-parliamentary regional workshop on the status of implementation of international conventions and the other instruments at the African and regional levels, relating to Statelessness, refugees and displaced persons.
- c. Urge the Office of Representation of the UNHCR accredited to ECOWAS and the Bureau of the Joint Committee on: Human Rights and Political Affairs, Peace and Security and the African Peer Review Mechanism (APRM) to do all they can to monitor the implementation of the joint action plan.
- d. Appeal to all players in the region involved in the protection and promotion of Human Rights to support the implementation of the said plan.

✓ **Delocalised Committee Meetings**

642. As a result of paucity of funds, Delocalised Committee meetings, scheduled for the earlier part of the year, could not hold. Consequently, the Committee meetings were rescheduled to hold in the last quarter of the year, with the following schedule:

- The meeting of the Joint Committee on Communication & Information Technology; Agriculture, Environment, Water Resources & Sustainable Development; Infrastructure, Energy, Mines & Industry; Education, Science & Technology; Health & Social Services, on the theme, “ The Process of revision of the Regional and National Agriculture Investment Plans (RAIP and NAIPs); and the revision of ECOWAP for another 10 years (2016-2025)” Dakar, Senegal, 1st to 5th November 2016;
- The meeting of the Joint Committee on Political Affairs, Peace, Security & African Peer Review Mechanism; Legal and Judicial Affairs; Human Rights, Child Protection & Other Vulnerable Groups; Gender, Women Empowerment & Social Protection Maritime Safety

- and the Fight against Piracy, on the theme, “The Role of the ECOWAS Parliament in Implementing the ECOWAS Integrated Maritime Strategy,” Lagos, Nigeria, 15th to 19th November, 2016;
- The meeting of the Joint Committee on Administration, Finance, Budget Control & Audit; Economic Policies, Private Sector and NEPAD | Trade, Customs, Free Movement of Persons & Goods; Labour, Employment, Youth, Sport & Culture; on the theme “Impact of the adoption of the CET on the economies of ECOWAS Member States - Role of MPs in the implementation process of CET,” Ouagadougou, Burkina Faso, 29th November to 3rd December, 2016.

4.2 COMMUNITY COURT OF JUSTICE

643. In the discharge of its four-fold mandate, the ECOWAS Court of Justice has, through a combination of judicial rigour, collaboration with Member States, the Commission and partners, strengthened its value as an important instrument for deepening the culture of democracy, good governance and human rights in the ECOWAS sub-region. This is exemplified by the progressive increase in the number of cases filed before the Court which stood at 36 between January and October 2016, a period during which the Court held 75 sessions, delivered 25 judgements and 8 rulings at its headquarters.
644. Eleven other cases were heard at the 2016 External Court Session held in Cote d'Ivoire during which judgements were rendered in six of the cases. External sessions are annual activities of the Court rotated among Member States designed as a flag-showing opportunity, but critically intended as a window for citizens to appreciate the Court and engage with stakeholders in order to familiarize them with its operations to enhance the Courts' visibility and utility as an important recourse, particularly on the issue of human rights which accounts for the preponderance of its cases.
645. Although it held more sessions (91) in the corresponding period for 2015, there was a marginal increase in the number of judgements for the corresponding period in 2016 from 23 to 25 in 2016.
646. On the margin of the session in Abidjan, the Court inaugurated the West African Jurists Association (WAJA), the culmination of years of efforts by the Court to deliver on this platform through which it will engage with Judges and Jurists as critical stakeholders in the sub-regional effort to develop synergy in the delivery of justice and the entronement of a region-wide regime of respect for the rule of law. Moreover, the session enabled the Court to undertake the complementary activity of a radio and sensitization programme in Abidjan, one of the two such outings undertaken in 2016, with the first held in March in Dakar, Senegal.
647. In order to reduce the knowledge gap about the Court in Member States, the Court is engaged in a capacity building initiative for judges and magistrates of the Member States that is intended to acquaint them with the specificities of the Court, which is particularly useful for those that might appear before the Court. The only such programme allowed within the constraints of the budget for 2016 has been scheduled for Ghana in November.
648. While the Court has coped admirably with the progressive increase in the number of cases filed by citizens, it has sought to improve its internal arrangements for the management of cases in response to the dynamics of the environment and for greater efficiency in the delivery of justice. Consequently, it initiated the process for updating its practice directions on case management as well as harmonizing its basic texts to be finalized within the last quarter of 2016. As part of the preparatory process, the 2016 annual judges and judicial retreat of the Court focused on the theme "Improving the Case Management System of the Court" in order to sign post issues that needed to be addressed for a more efficient case management system.

✓ *Stakeholder Sensitisation, Mobilisation and Advocacy*

649. An effective public information support is indispensable for ensuring citizen and stakeholder sensitization, mobilization and advocacy in order to attract critical stakeholder support which is decisive for citizen utilization of the Court and part of the justification for Member States support.
650. Beside the radio and television campaigns that was only implemented in two Member States in 2016 due to budgetary constraints, the Court also relied on a variety of information tools, mainly press releases, which recorded a remarkable increase this year due, mainly, to the tweaking of the

emphasis with the intensive coverage of Court sessions, the publication of a monthly newsletter and special activities that involve local journalists. The Court also worked on updating its website to make it more user-friendly and improve its aesthetics while deploying social media to leverage the possibilities offered by platforms to improve access to information on the Court and citizen engagement.

651. In this regard, more than 50 local journalists covered various activities of the Court including Court sessions and special events reflecting the increasing media interest in the Court, locally and internationally. In statistical terms, the Court issued more than 30 press releases during the period which were circulated to the local, regional and international press as well as uploaded on the website. Moreover, a process was initiated for the electronic distribution of the monthly newsletter internally and to partners as well as members of the diplomatic community. As an ancillary to this, the Court hosted four press conferences on the margins of various programmes in Member States.
652. In order to expand the scope of the Court's citizen awareness, advocacy and mobilization campaign, the Court has resuscitated the bi-annual Court bulletin through which it engages with its stakeholders on various issues affecting the Court. The bulletin provides a policy platform for the robust discussion of the mandate of the Court, its rich jurisprudence, the vexed issue of the implementation of its decisions and the discussion of International Human Rights Law. The first edition of the revitalized journal is scheduled to be published by the last quarter of 2016.

✓ **Library and Documentation**

653. A well-equipped library is an indispensable resource for the judiciary. In this regard, the Court continues to improve the capacity of its library to provide reference support for staff through the procurement of books, periodicals and documents. The library has painstakingly accumulated a diverse inventory of 4,000 reference materials, mainly books, periodicals and other publications in the three Community languages that will assist the Court in the discharge of its mandate(s). The operations of the library are also being computerized to improve access for staff and citizens in anticipation of a future when it would be opened to the public.

✓ **Human Resources and Capacity Building**

654. The effectiveness of the Court is correlated to the quality and quantity of its human and material capacity. In recognition of this imperative, the Court had elaborated outstanding professional and other level positions that needed to be filled in order to capacitate it for better service delivery. Consequently, it identified fourteen professional positions which were forwarded to the Commission which coordinates recruitment based on the decision of the Council of Ministers.
655. However, as at 30th September 2016 only three (3) managerial positions namely: Director of Administration and Finance, Director of Research, Communication and Documentation as well as Deputy Chief Registrar, were processed and filled. These officials have since April 2016 assumed duty, thus strengthening the strategic level capacity of the Court. It is anticipated that the position of Registrar which became vacant with the elevation of the previous occupant to the post of Deputy Chief Registrar, would be filled before the end of the year in order to strengthen the Registry which is at the core of the mandate of the Court.

✓ **finance**

656. For sometime the court has had to operate on a shoestring, forcing management to resolve at a time to concentrate on core issues based on the lean finances of the Court, a manifestation of the difficult financial situation confronting the entire Community. As an institution which by its nature

is constrained to solely rely on the Community levy, with a very narrow possibility of alternative resources from partners, the Court was particularly hit with a Community budget process that emphasized across-the-board cuts in 2015, without due regard to the peculiarities of the Institutions, especially, the Court.

657. However, 2016 has marked a significant turnaround in the funding of the Court with total income of UA9, 505,132 for the period January- September representing 78.16 per cent. For the last quarter, we anticipate the receipt of UA2, 656,544 representing another 21.84 per cent. But for the 10 per cent across the board reduction in 2015, the Court would have been in better financial health as it is still stuttering from the collateral damage inflicted on staff welfare and other issues.
658. On the expenditure front, out of a total expenditure budget of **UA 12,161,676** for the year **2016**, **UA 6,416,353** had been committed at the end of September, representing 62.76% of the budget. This was a marked improvement in implementation compared to the 43.28% recorded for the corresponding period in 2105. It is projected that the last quarter expenditure would amount to UA2, 432,335 which is 20% of the budget.
659. Administration and staff expenses constituted about **93.33%** of the expenditure, with the organization of the West African Judges conference, the external Court session, the Judicial and budget retreats and equipping the Court accounting formed the bulk of the expenditure for 2016.

✓ **Collaboration**

660. In 2016 the Court participated in various fora organized mostly by Community institutions, international organisations and partners mainly in Addis Ababa, Dakar, Geneva, Nairobi, Praia, Arusha, Kigali, and Cotonou. In order to operationalize the MOU signed with the UNHCR in 2015, a work plan has been agreed with the UNHCR under which two capacity building seminars for staff of both institutions on issues of common interest will take place during the last quarter of 2016.
661. The Court is also collaborating with GIABA to address the challenges of money laundering and financing of terrorism. It is within this context that the Director General of GIABA delivered the Guest Keynote Speech at the opening of the 2016/2017 legal year where he spoke on “The role of the ECOWAS Community Court of Justice in the fight against money laundering and financing of terrorism within the West African sub region: A perspective from GIABA”. Remarkably, by delivering the speech, he entered into the history books as the first Community Staff to deliver the guest speech in the history of the Court.
662. The Court is also exploring the possibilities of other partnerships in 2016 and beyond in support of its activities without compromising its mandate, jurisprudence and independence.

✓ **Miscellaneous**

663. One of the profound developments for 2016 in the Court was the election, in June, of the first male President of the Court in the person of Honorable Justice Jerome Traore from Burkina Faso. He was elected by his peers along with Honorable Justice Micah Wilkins Wright from Liberia as Vice President and Honorable Justice Hameye-Foune Mahalmadane from Mali as the Dean.

✓ **Challenges**

664. The delay in translation of Court processes is posing a very serious threat for the Court because the Translators cannot cope with the large volume of court process requiring translation. The result is inordinate delay in translation of Court processes which in turn causes delay in the hearing of cases. Therefore, there is a need to address the problem of insufficient Translators in the three working languages of the Community.

665. The inadequacy of office space remains a major challenge for the Court. The institution is therefore encouraged by the recent steps taken by the Government of the Federal Republic of Nigeria, working with the Court, to discharge its Treaty obligation towards the expedited resolution of the problem.

✓ **Prospects**

666. Other activities anticipated to be concluded before the end of the year include the adoption of the Court's 2016/2020 strategic action plan, its practice direction and a workshop towards the review and harmonization of its basic texts.

4.3 WEST AFRICAN HEALTH ORGANISATION (WAHO)

667. The activities undertaken by WAHO during the period under review related to the implementation of its 2016 annual Work Programme. The key achievements made to date are presented below.

✓ Management

668. Management of WAHO participated in all the statutory meetings held during the review period and paid visits to national Authorities. The management also engaged in partnership strengthening through visits to technical and financial partners that resulted in more resources being mobilised.

✓ Health Information and Research for Health.

669. Under health information and research, the main accomplishments were: organisation of the annual meeting of NHIS and IDSR with TFPs, production and publication of weekly bulletins on the epidemiological situation in the region on WAHO's website, organisation of the second edition of the ECOWAS Forum on Good Health Practices, provision of financial support to Cote d'Ivoire for the development of health policy and strategy, provision of training grants to young researchers as well as the organisation of the regional meeting of National Health Ethics Committees. The regional platform for health information is used by countries to disseminate information on epidemic-prone diseases.

✓ Disease Control

670. Disease control constitutes one of the key programmes of the organisation. Key achievements in this domain during the review period include: development and validation of a regional plan on Non-communicable Diseases (NCD), provision of support to countries for vitamin A supplementation and care for key populations under HIV/AIDS control, synchronized campaigns of seasonal malaria chemo prevention and mass drugs administration against neglected tropical diseases carried out in Mali, Burkina Faso and Niger, co-organized the Conference of Heads of State on AIDS (New York), strengthening NMCP's entomological capacity for vector control, organization of the annual meeting of National Malaria Control Programmes, organization of Vision 2020 Forum for monitoring eye health in the ECOWAS region, regional meeting on Tuberculosis and regional meeting to monitor implementation of Ouagadougou Declaration on Primary Healthcare

✓ Epidemics and Health Emergencies

671. With respect to Epidemics and Health Emergencies, WAHO established the ECOWAS Regional Centre for Surveillance and Disease Control, signed an MOU with the Centre, proposed its Organisational Chart and held a meeting with the Centre's Governing Board. In addition, the ECOWAS Regional Rapid Response Team (ECOWAS' White Helmets), comprising 60 people drawn from 15 countries, and the Network of Regional Laboratories, were established. Also, the Organisation provided support to five countries (Benin, Burkina Faso, Guinea Bissau, Niger and Togo) under epidemics control and established 56 Centres for Epidemiological Surveillance (CES) which became functional in eight (8) countries. In addition, supervisory visits were undertaken to the countries affected by Ebola and meningitis epidemics, while high-level meeting on post-Ebola epidemics and a ministerial meeting on "one Health" were held.

✓ ***Medicines, Vaccines and Other Health Products***

672. This programme is intended to facilitate the uninterrupted supply and availability of quality health products in the region. In this regard, WAHO drew up a list of raw materials and medicines to be processed for exemption under the ECOWAS CET, evaluated the capacities of National Medicine Regulatory Authorities and developed roadmaps to help them achieve ISO 9001 certification. Also, the ARV's buffer stock was assessed to improve the supply and distribution system, while a meeting of laboratories for medical quality control of the 15 ECOWAS Member States was held.

✓ ***Traditional Medicine***

673. Under traditional medicine, the main activities undertaken during the period include: The setting up of an expert committee to develop the herbal pharmacopoeia for the treatment of newly emerging diseases; training of National Traditional Medicine Programme Managers on intellectual property of products and practices of traditional medicine; provision of support to Guinea-Bissau to hold its first congress on strengthening collaboration between practitioners of traditional medicine and those of conventional medicine; and provision of support to Burkina Faso to implement its Strategic Plan on Traditional Medicine

✓ ***Mother, New-born, Child, Adolescent, and Older People's Health.***

674. The key activities that were executed in this area were: the development and validation of an orientation manual for the implementation of strategies for youth and adolescents health; training of trainers for Emergency Obstetrical Neonatal Care Teams champions; training of trainers on the management of menstrual hygiene; supply of contraceptive to Member countries; Organization of large-scale mobilization campaign on family planning and HIV / AIDS along the Benin-Togo border hub; and organization of the annual review on National Maternal, New-born and Child Health Programme

✓ ***Health Infrastructure and Equipment.***

675. Under Health Infrastructure and Equipment, two (2) vehicles were procured (an ambulance and a pick – up truck) for Niger.

✓ ***Human Resources for Health***

676. WAHO continues to support the development and strengthening of capacities of health institutions for efficient health delivery in Member States. In this regard, 15 young professionals from ECOWAS countries were enrolled for training and are currently on attachment. Also, 15 medical personnel from Cabo Verde are being supported to undergo training in various specialities in Brazil. In addition, the Organisation undertook the harmonisation and validation of regulations for the practice of pharmacists. Other activities completed during the review period include harmonisation of Nursing and Midwifery training curriculum for English-speaking Colleges, harmonisation of code of ethics and practice for 11 categories of allied health professionals, service availability mapping of training institutions in Togo and The Gambia, and training in Health Emergency in Large Population (HELP).

✓ ***Strategic partnerships and Policy Harmonization.***

677. For the effective performance of its mandate WAHO collaborates, cooperates and develops partnerships with private and public institutions both within and outside the region. In this

context, WAHO Director General participated in regional and international high-level meetings and mobilized partners willing to work with WAHO through the funding of regional projects. In addition, several projects such as REDISSE with the World Bank, DEMSAN, and RIPOST with France Cooperation, PRAOLAB with Germany, IDB project and Project with UNDP/Japan were prepared. Furthermore, the West African Federation of Private Health Sector was established. Other activities undertaken during the period were the organisation of a regional workshop on health planning, regional workshop to review the implementation of the Universal Healthcare Coverage and half-year and annual reviews of WAHO programmes and projects,

✓ ***Building the Institutional Capacity of WAHO***

678. In relation to this programme, the following activities were undertaken: setting up of a Projects Management Unit which is functional; finalisation, printing and dissemination of WAHO's 2016-2020 Strategic Plan; development of a library/documentation policy for the institution; training of several members of staff; creation of a more conducive working environment for staff; organisation of the Annual Meeting of Health Ministers in Bissau; and enhancement of relationship with the media.

4.4 INTERGOVERNMENTAL GROUP AGAINST MONEY LAUNDERING IN WEST AFRICA (GIABA)

679. The following are the main activities implemented by the GIABA during the review period:
- Activities conducted within the framework of the Mutual Evaluation Process;
 - Activities conducted within the framework of Technical Assistance;
 - Activities conducted within the framework of Regional and International Cooperation
 - Administrative and Management issues.

✓ MUTUAL EVALUATION PROCESS

680. Within the mandate of GIABA lays two core functions aimed at developing strong AML/CFT structures in Member States; Monitoring and assessing the level of compliance of Member States with acceptable International AML/CFT Standards through the conduct of mutual evaluations and follow-up actions and the conduct of Typologies studies to determine the techniques, methods, extent, pattern, trends, location and impact of ML and TF on Member States.
681. As regarding Mutual Evaluation Process, during the year under review, GIABA has undertaken four (4) activities. Thus: (i) On-site visit for the mutual evaluation of Ghana, from 19 September to 4 October, 2016. A draft mutual evaluation report is slated for discussion at the May, 2017 Plenary. (ii) The 25th Plenary Meeting of the GIABA Technical Commission was held from 2-6 May, 2016, Praia, Carbo Verde. (iii) The 16th GIABA Ministerial Committee Meetings was held on 7 May, 2016, Praia, Carbo Verde and (iv) Typologies workshops were held from 25-29 July, 2016. The workshops relate to; 'Money Laundering related to the Counterfeiting of Pharmaceuticals in West Africa,'; 'Conduct and Management of Typologies Exercises'; and 'Terrorist Financing in West and Central Africa'.
682. In addition a study on typologies research "Electronics counterfeiting and intellectual property theft in West Africa" was completed during the review period.

✓ TRAINING & TECHNICAL ASSISTANCE AND CAPACITY BUILDING

683. One of GIABA's core functions is to provide support to Member States within the framework of training & technical assistance and capacity building, to create stronger and more effective and efficient AML/CFT structures and practices. Within this framework, GIABA conducted eleven activities over the period under review, including seven (7) technical workshops, two (2) advocacy visits, one (1) open house, one (1) regional stakeholder forum and the National Risk Assessment (NRAs):
684. These activities are listed as follows: (i) Workshop to finalise Ghana's Mutual Evaluation Questionnaire, Accra, Ghana, 8-10 March, 2016. (ii) Pre-evaluation workshops in Saly Portudal, Senegal, 15-18 March, 2016, and Abuja, Nigeria, 23-25 March, 2016. (iii) Regional training workshop for Police Chiefs and Interpol National Central Bureaus on the prevention and combating of terrorism in West Africa, Abidjan, Cote d'Ivoire, 11-15 April, 2016. (iv) Pre-assessment workshop organized for Chiefs of Compliance Officers of Banks in Nigeria (CCOoBIN), 14-16 June 2016. (v) Technical capacity building workshop for members of the National AML/CFT Policy Coordinating Committee, 13-15 July 2016, Abidjan, Côte d'Ivoire. (vi) GIABA National Workshop on ML/TF Risk Assessment for Financial Institutions & DNFBPs, 26-28 July 2016, Banjul, The Gambia. (vii) Open-House Forum for Youths on AML/CFT, 25 July 2016, Banjul, The Gambia. (viii) High level Advocacy visits and Technical Assistance to Member States, Guinea, Sierra Leone, Liberia, April, 2016. (ix) High level Advocacy visit to Ivorian Authorities, to support the development of AML/CFT Inter-Ministerial Committee, Abidjan, Cote d'Ivoire, 26 July, 2016. (x)

Regional Stakeholders' Forum on Emerging Global AML/CFT Issues and Implications for GIABA Member States, Saly Portudal, Senegal, from 16 - 18 August 2016. And (xi) Official launching of the Development of National Risk Assessment (NRA) for Senegal, 7 September 2016.

✓ **REGIONAL AND INTERNATIONAL COOPERATION**

685. Within the framework of regional and international cooperation, GIABA conducted and participated in thirty (30) activities, the main objectives of which were to share GIABA's expertise and experience, give a better perception and visibility of its activities, build strategic partnerships and fulfil its commitments with regional and international partners.
686. Some of the main activities organized by GIABA are as follows: (i) Meeting on Cyber-security Indicators in Senegal, 19 - 21 January 2016 (ii) Meetings of Working Groups and Plenary of the Egmont Group, Monaco, 31 January - 5 February 2016. (iii) Workshop on Risk Management in Organizations, Abuja, Nigeria, from 15- 19 February 2016. (iv) GIABA Working Session with Delegation from the UN Office for the Sahel, GIABA Secretariat, 22 February, 2016. (v) Roundtable of Compliance Officers of Financial Institutions in West Africa, under the Aegis of ACUITY, Accra (Ghana), 2 March 2016. The roundtable lay the groundwork for closer cooperation between compliance agencies through the sharing of reliable information. (vi) 2016 Regional Workshop on AML/CFT Challenges in West Africa, Abidjan, Cote d'Ivoire, 8 - 11 March, 2016. The meeting took stock of emerging challenges to global security. (vii) Meeting of the Liaison Committee of Anti-Money Laundering Franc Zone, Dakar, Senegal, 16 March, 2016. (viii) Conference on the Fundamental Concepts of AML/CFT at the International School of Dakar (ISD), Senegal, 22 March, 2016. This activity is part of the mission to raise the awareness of and provide training to non-institutional AML/CFT players. (ix) Extraordinary General Assembly and Advocacy Visits to RECEN-UEMOA, Ouagadougou, Burkina Faso, 30 March, 2016. (x) Meeting on "when will peace return to Mali" (20 June 2016), Dakar, Senegal, and in a seminar on "Fighting against Boko Haram, what outcome?" 31 August 2016, organized by the Institute for Security Studies (ISS). (xii) Conference on "Security Regimes in Africa", 28-29 September 2016," in Bamako, Mali

✓ **ADMINISTRATIVE AND MANAGEMENT ISSUES**

687. In the context of promoting team spirit, strengthening and motivating the human capital for maximum productivity in ECOWAS Institutions, GIABA engaged in number of activities in the year under review, including a sessions of the Management Succession Committee for recruitment into director and P5 managerial positions, 20 January – 4 February, 2016, Abuja, Nigeria;

✓ **LIKELY PROGRAMS AND ACTIVITIES SCHEDULED TO BE COMPLETED BY YEAR END, DECEMBER, 2016**

688. Preparation are concluded for the implementation the following programs and activities from October to December, 2016. (i) FATF Plenary and Working Group Meetings, October 16 – 22, 2016, Paris, France; (ii) Typologies project on "TF in West and Central Africa" for approval; October 2016, FATF Plenary and November 2016, GIABA Plenary; (iii) Regional Sensitization Workshop for CSOs on AML/CFT Requirements, October 31 – November 2, 2016, Cotonou - Bénin; (iv) 26th GIABA Technical Commission/Plenary, November 14 - 18, 2016, Senegal.
689. Other activities include Study Tour of Nigeria & Senegal FIUs to Europe under the Joint GIABA - European Union Project (SAMWA), November 21-25, 2016, Belgium (Nigeria), France (Senegal); Provision of essential equipment to Law Enforcement and Judiciary Authorities in ten GIABA member States, under the joint GIABA-European Union Project, October – December, 2016, Benin, Burkina Faso, Cabo Verde, Cote d'Ivoire, Ghana, Mali, Niger, Nigeria, Senegal, Togo; Provision of

essential equipment to the five weakest FIUs in GIABA member States under the joint GIABA-European Union Project (SAMWA), October – December, 2016, Guinea, Guinea Bissau, Liberia, Sierra Leone, The Gambia; Typologies study on “AML and Extraction Industries in West Africa” for approval; November, 2016, GIABA Plenary; Typologies project on “Counterfeit Pharmaceuticals” for approval; November, 2016, GIABA Plenary.

690. The following activities are also planned for the year, Strengthening Human Resource Capacities and Conflict Resolution Workshop for GIABA staff, 28-30 November, 2016; National Mutual Evaluation Pre-Assessment Training for Cabo Verde, December 5 – 8, 2016, Praia-Cabo Verde; Open House for Youths, December 8, 2016, Abidjan-Côte d’Ivoire as well as Regional Seminar on Capacity Building on Economic and Financial Crimes for Judges, December 13 – 15, 2016, Abuja-Nigeria.
691. It should be recalled that the cardinal ambition of the Strategic plan is to make GIABA a modern and model institution that is a reflection of ECOWAS's ambitions to fight against transnational organised crime in general, and money laundering, terrorism and its financing in particular. Consequently, the expertise gained during its activities and the quality of technical assistance provided to member States primarily helped prepare them for the second round of the Mutual Evaluation process started in September 2016 with Ghana.
692. In view of the significant deficiencies in our countries' AML/CFT regimes, and the new requirements of the evaluation process linked to strict compliance with internationally-accepted technical compliance and effectiveness standards, GIABA's excellent expertise and the effectiveness of its technical assistance to key players in the AML/CFT chain should be strongly encouraged and supported through sufficient budget allocations to allow it meet in real time and as effectively as possible ECOWAS's high expectations in terms of consolidating overall security and good governance within its zone.

4.5 ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)

693. This contribution of the ECOWAS Bank for Investment and Development (EBID) to the 2016 Annual Report of the ECOWAS Commission highlights the performance of EBID during the first three quarters of 2016.
694. Furthermore, in line with its mission, the activities undertaken by the Bank were within the framework of strengthening its interventions in Member States and the intensification of its resource mobilisation with a view to financing its operations.

✓ ACTIVITIES OF THE DECISION MAKING ORGANS

- Board of Governors

695. During the period under review, the Board of Governors of the Bank held its 14th Ordinary Session in Niamey, Niger, on 28th July, 2016. The latter saw the adoption of several documents: the minutes of the 13th Ordinary Session of the Board of Governors held in Bamako, Mali, on 15th June, 2015, the Activity Report as well as the financial accounts of the Bank.
696. Apart from the election of Mr. Saïdou Sidibé, Governor of EBID for Niger, as the new Chairman of the Board of Governors, the Meeting also made several resolutions:
- the adoption of the Bank's 2016-2020 Strategic Plan;
 - the adoption of the internal rules of the Board of Governors;
 - the approval of the Bank's 2015 Activity Report and the consolidated accounts of the Bank;
 - the appointment of four new members of the Board of Directors;
 - the renewal of the mandate of the Auditing Firms Mazars Senegal and KPMG Cote d'Ivoire as auditors and alternate auditors of EBID for a period of two years, expiring at the end of two years in 2017, with the auditing of the 2017 financial statements of the Bank.

- Board of Directors

697. Between 1st January and 30th September 2016, the Board of Directors of EBID held two ordinary sessions (49th & 50th) at the Headquarters of the Bank on 26th April and 19th July, 2016, respectively.
698. At these sessions, the Board of Directors:
- authorized the request of the President of EBID to issue a debenture loan in the amount of 50 billion FCFA on the UEMOA financial market ; and
 - approved the financing of three (3) projects in Guinea, Burkina Faso, and Ghana.

✓ OPERATIONAL ACTIVITIES OF THE BANK

- Overview

699. The operational activities of the Bank essentially comprised project appraisals, approval of loans, signing of loans and the supervision of projects.
700. During the period under review, five (5) projects in the private sector amounting to UA 43.2 million (USD 60 million) were appraised.

701. With regard to approvals during the first three (3) quarters of the year under review, the Board of Directors approved the financing of two projects amounting to UA 23.4 million (USD 32.5 million). The projects are:

- Project to set up a clinker production plant at Sougueta, by Diamond Cement, in the Republic of Guinea;
- Project to facilitate the granting of loans to Ghana Home Loans Ltd, an establishment that gives mortgage loans in the Republic of Ghana.

702. The new commitments signed during the period under review, amounted to UA 14.8 million (USD 20.6 million), for three (3) loan agreements for projects in Ghana, Cote d'Ivoire and Togo. These financing are essentially dedicated to the funding of road infrastructure in Cote d'Ivoire and in Togo. They are:

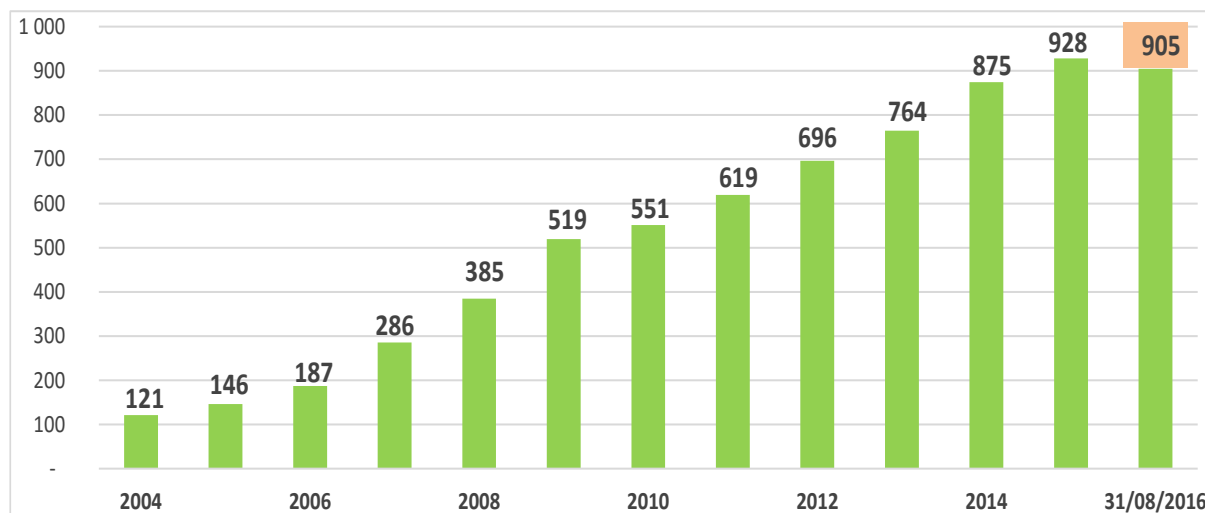
- Project for the development and upgrading of the national highway no 17 Stretch Katchamba-Sabori (60km), in Togo in the amount of FCFA 2.98 billion (USD 5 million) ;
- Project for the development and upgrading of the Adzope-Yakasse-Attobrou (25 km) Road for a total amount of FCFA 3.3 billion (USD 5.6 million) in Côte d'Ivoire;
- A line of credit in the amount of USD 10 million granted to Ghana Home Loans Limited, an establishment that gives mortgage loans in the Republic of Ghana.

- **Status of Commitments**

703. As at 31st August, 2016, the net cumulative commitments of the Bank to Member States stood at UA 905 million for 135 active projects compared to UA 928.1 million for 138 projects as at December 31, 2015, representing a fall of 2.5 %. This decline in the net cumulative commitments is essentially on account of matured projects, cancelled projects, and projects for which the promoters could not meet the conditions precedent for first disbursement.

704. As indicated in the chart below, after twelve (12) years of operation, the Bank has been able to increase its level of net cumulative commitments from UA 121 million in 2004 to UA 905 million as at 31st August, 2016.

Figure 18 : Growth of Net Cumulative Commitments of EBID between 2004 & August 2016 (in million UA)



✓ **COOPERATION AND MOBILISATION OF RESOURCES**

705. The implementation of cooperation, partnership and resource mobilisation activities constitute an important component of EBID strategic development. It is carried out with the double objective of strengthening its visibility within the Community and with development partners, and having adequate resources to give the necessary impetus to the financing of its activities, thus ensuring its profitability as well as its sustainability.

- ***Cooperation and Partnership***

- *AfDB/FAPA Technical Assistance Programme*

706. In the area of partnership and cooperation, the main actions embarked upon during the course of 2016 essentially centered around the implementation of the technical assistance programme signed with the African Development Bank (AfDB), on 4th March, 2013, financed by a grant from the Fund for the Support of the African Private Sector (FAPA) for an amount of USD 950,400. The programme consists of six (6) components, namely:

- Study on Visibility and Positioning of the Bank;
- Strengthening of Human Capital;
- Pricing Policy Model;
- Private Sector Intervention Strategy
- Resource Mobilisation Strategy; and
- Strengthening Legal Department of the Bank

707. As at the end of September 2016, all the contracts had been signed with all the service providers selected. The programme will come to an end on 31st December, 2016.

- *Cooperation with the ECOWAS Commission*

708. Within the framework of strengthening ties between the two sister institutions, EBID participated in several meetings organised by the ECOWAS Commission, notably those related to the preparation of the high level round table of donors scheduled for the first quarter of 2017 in Abidjan, for the mobilisation of resources intended to finance the ECOWAS Community Development Programme (CDP).

- ***Resource Mobilisation Activities***

709. Resource mobilisation activities relate mainly with the mobilisation of capital, borrowings and special resources.

710. With respect to capital resources, *the* President of EBID has been in talks with Heads of States of Member States to pay up capital subscription arrears. During the period under review, he paid courtesy calls on the Presidents of Nigeria, Cote d'Ivoire and Ghana. The Bank received five (5) payments in the total amount of UA 10, 221, 936, reducing the total amount of arrears from UA 185 775 066 at the end of December 2015 to UA 175 553 130 on 30th September 2016, representing 44.7 % of the called up capital. To date, only five countries (Benin, Burkina Faso, Guinea, Mali and Niger) have paid up the first and second tranches of their called up capital.

Table 12: Arrears of called up capital as at 30th September 2016 (in UA)

Country	Situation as at 31st December 2015			Amount paid in 2016	Amount due as at 30th September 2016	
	Called-Up Capital	Paid up	Arrears		Amount	(%)
Benin	11 228 211	11 228 211	0	0	0	0,0%
Burkina Faso	9 734 383	9 568 446	165 937	165 937	0	0,0%
Cabo Verde	3 734 570	1 692 945	2 041 625	0	2 041 625	1,2%
Côte d'Ivoire	57 971 063	25 412 536	32 558 527	0	32 558 527	18,5%
The Gambia	9 734 383	3 387 793	6 346 590	0	6 346 590	3,6%
Ghana	61 706 160	42 150 744	19 555 416	7 019 596	12 535 820	7,1%
Guinea	10842504	10 842 504	0	0	0	0,0%
Guinea Bissau	5 614 106	796 788	4 817 318	0	4 817 318	2,7%
Liberia	25 058 371	5 173 550	19 884 821	1005623	18 879 198	10,8%
Mali	7107934	7 107 934	0	0	0	0,0%
Niger	7 854 848	7 042 845	812 003	812 003	0	0,0%
Nigeria	122 689 907	55 279 433	67 410 474	0	67 410 474	38,4%
Senegal	29 539 328	11 406 653	18 132 675	1 218 777	16 913 898	9,6%
Sierra Leone	16 456 610	4 434 412	12 022 198	0	12 022 198	6,8%
Togo	13 468 953	11 441 472	2 027 481	0	2 027 481	1,2%
Total	392 741 331	206 966 265	185 775 066	10 221 936	175 553 130	100%

Source: Department of Finance and Accounting, EBID

711. **With respect to borrowings**, discussions were held with several partners, notably, Great Joint International / African Network Finance and Development, the China Development Bank, the OPEC Fund for International Development (OFID), the Banque Marocaine du Commerce Extérieur (BMCE), Exim bank India, etc. Discussions are far advanced with the China Development Bank for a line of credit in the amount of 50 million euros.
712. Furthermore, the Bank also commenced the process of issuing a debenture on the UEMOA financial market in the amount of FCFA 50 billion.
713. **For special resources** which principally concern the mobilization of internal resources at the Community level, namely a portion of the Community Levy, no significant progress was made. However, it is important to note that the new authorities at the ECOWAS Commission have shown real commitment to help the Bank in its resource mobilization strategy, internally as well as externally.
714. Overall, the issue of resource mobilization remains a major challenge for the Bank given the enormous financing needs for projects and programmes at the regional and Member State levels.

✓ **FINANCIAL SITUATION OF THE BANK AS AT END AUGUST 2016**

715. An analysis of the Bank's financial statements show a reduction of 3.0 % in its balance sheet, from UA 547 million as at end December 2015 to UA 530 million as at end August 2016, driven primarily by a decline of 5.6% in the Bank's portfolio of projects.

716. Regarding the provisional result, the Bank recorded a surplus of UA 4.2 million as at end-August 2016, consolidating the surplus of UA 2.4 million recorded in 2015.

- Balance Sheet

717. The provisional accounts of the Bank as at 31st August 2016 show a balance sheet of UA 530 million against UA 547 million as at 31st December 2015, corresponding to a decline of 3.0 %. This reduction in the balance sheet is explained by a 9.3 % decrease in the Bank's debt and the exiting of some projects from its project portfolio, on account of their maturity, cancellation and promoters not meeting conditions precedent for first disbursement during the period under review.

Table 13 : Growth in the Bank's Balance Sheet 31st December 2015 and 31st August 2016

ITEMS	31/12/2015	31/08/2016	Variation	
			Absolute	Relative
ASSETS				
Cash & Bank Accounts	7 105	6 143	-962	-13,5%
Short term investments	24 288	27 611	3 323	13,7%
Loans to Member States	453 582	428 249	-25 332	-5,6%
Inter-Institutional Accounts	1 091	958	-132	-12,1%
Other debit balances	15 926	17 784	1 858	11,7%
Long term investments	28 976	33 130	4 154	14,3%
Fixed assets	16 018	16 666	648	4,0%
Total Assets	546 985	530 542	-16 443	-3,0%
LIABILITIES			0	
Accounts payable	8 328	7 548	-779	-9,4%
Loans	298 765	270 921	-27 844	-9,3%
Inter- institutional accounts	1 375	125	-1 249	-90,9%
Capital	206 966	216 183	9 216	4,5%
Voluntary reserves	21 616	23 063	1 447	6,7%
Profit / Loss	1 447	4 198	2 751	190,1%
	538 497	522 038	-16 459	-3,1%
Minority Interest	8 488	8 504	16	0,2%
Total liabilities	546 985	530 542	-16 443	-3,0%
Off balance sheet				
Outstanding guarantees	5 282	5 282	0	0,0%
Loans not disbursed	249 595	262 869	13 274	5,3%

Source: Department of Finance and Accounting, EBID

- Income Statement

718. As at 31st August, 2016, the provisional interim income statement (excluding provisions) of the Bank recorded a surplus of UA 4.2 million on account of the resilience of interest and fees on loans. The interest margin having settled at UA 9.8 million for the year, represents an increase of 5.1% compared to the same period last year.

Table 14 : Income Statement of EBID between 31st December 2015 & 31st August 2016 (thousand UA)

ITEMS	31/08/2015	31/12/2015	31/08/2016
Income			
Interest and commission o loans	14 196	23 937	13 681
Interest on placements	660	978	180
Interest expense	-5 554	-11 139	-4 086
Net interest	9 302	13 776	9 775
Dividends	0	0	0
Other income	217	816	309
Total income	9 519	14 592	10 084
Fees	0		0
Personnel Cost	3 936	6 503	3 782
Other operating cost	1 282	2 574	1 773
Total cost	5 218	9 078	5 555
Gross Operating income	5 781	5 514	5 782
Amortisation	-573	-847	0
Provision on loans	0	-6 780	0
Gain / loss on foreign exchange	-151	4 488	-350
Operating income	5 057	2 375	5 433
Profit / Loss Net (loss) attributable to minority interests			
Profit / Loss for the year transferred (e) the revenue reserve	3 577	2 375	4 179

source: department of finance and accounting, EBID

CONCLUSION

719. As at 30th September 2016, the operational activities of the Bank have largely been impacted by the pressure on its treasury as a result of the constraints linked to the lack of concessional resources to meet up with the financing requests from Member States.
720. A fall of UA 16.4 million was observed in the balance sheet while a surplus of UA 4.2 million was realized.
721. The Bank continues to intensify efforts in mobilizing adequate resources to finance its project portfolio, and to ensure its viability as well as its profitability. In this regard, some arrears of the first and second tranches of the called-up capital for a total amount of UA 10.2 million were paid to the Bank.
722. Notwithstanding these, the major challenge facing the Bank remains the mobilization of adequate resources, especially at the Community level. To this end, the payment of the arrears on the first and second tranches of the called up capital by all Member States constitutes an important leverage to mobilize resources from other partners. In the same vein, it has become necessary to put in place in the ECOWAS zone, a mechanism for the mobilization of concessional resources with a view to financing major infrastructure projects to accelerate regional integration. In this regard, the strengthening of cooperation with the ECOWAS Commission portends well for EBID.

GENERAL CONCLUSION

723. This edition of the ECOWAS Annual Report gives a complete overview of key activities realised during the period under review. It presents the level of implementation of activities as well as challenges faced in building the economic, political and monetary union. Apart from financial challenges which had some negative impact on the smooth running of the Community work programme particularly in the first half of the year, the economic situation of Member States had varying degrees of success. The current economic crisis in Nigeria is unprecedented in the history of the country in the last two decades, leading to its economic recession in the second quarter of 2016.

724. For the ECOWAS region, using the October 2016 International Monetary Fund's World Economic Outlook (WEO), the report presents a negative economic growth rate of -0.2%. The situation of the Nigerian economy, the largest economy in the Community affected the overall economic growth of the ECOWAS region. Indeed, the negative and cumulative impact of the fall in the price of oil on Nigeria, coupled with the fall in production as a result of vandalism of oil installations led to the fall in export revenue, devaluation of the Naira and contraction of the GDP projected at 1.7% compared to 2.7% in 2015.

725. A review of the status of implementation of the Community work programme indicates a satisfactory level of performance, despite the current challenges. The record is itemized as follows:

✓ *Trade and free movement of goods and persons*

726. A task force on free movement of goods in the ECOWAS region has been created in order to improve the level of intra-regional trade and remove obstacles to the free movement of goods in the region. Members of the Task Force were sworn in on 20 May 2016 in Ouagadougou, Burkina Faso.

727. The Task Force is an ad-hoc consultative body under the authority of the President of the ECOWAS Commission. At the request of the President, the Task Force will be invited to settle disputes amicably among Member States arising from the implementation of the ECOWAS Trade Liberalisation Scheme (ETLS). It shall also field advocacy and mediation missions to political authorities in Member States to ensure effective and full implementation of Community texts on ETLS. The Task Force comprises seven (7) eminent persons selected from Member States and with a wide experience in obstacles to the improvement of regional trade. The Task Force is chaired by H.E. Salou Djibo, former Head of State of Niger.

728. The Commission also continued to monitor the process of implementing the ECOWAS Biometric Identity Card which is replacing the ECOWAS Travel Certificate. Three Member States, namely, Senegal, Mali and Niger have already commenced its implementation.

729. Lastly, an operational mechanism for monitoring passenger and goods vehicles to combat trafficking and ensure the security of persons has been launched in Cote d'Ivoire, Mali, Togo, Benin, Burkina Faso and Niger.

✓ *Economic and monetary integration*

730. In 2016, the Commission directed efforts at making the Customs Union a reality, with particular focus on the application of the ECOWAS Common External Tariff (CET), which entered into force on 1st January 2015. To date, ten (10) Member States have implemented the CET. They are: Benin, Burkina Faso, Cote d'Ivoire, Ghana, Guinea Bissau, Mali, Niger, Nigeria, Senegal and Togo.

731. Activities were also undertaken to ensure compliance with directives on the harmonisation of indirect domestic taxation and statistics in Member States.
732. Concerning monetary integration, the Commission continued the implementation of the road map for the creation of the single currency. In that regard, missions have been organized to evaluate the macro-economic convergence of countries in relation to the convergence criteria adopted by the region. The information gathered during the missions and an analysis of the country convergence reports enabled the Commission to produce the ECOWAS 2015 Convergence Report, and to update the Multilateral Surveillance database.

✓ **Agriculture and food security**

733. A review of the ten (10) years of implementation of the ECOWAS Common Agricultural Policy (ECOWAP) reveals various achievements at the institutional level; emanating from the signature of a pact by the major stakeholders of agricultural development in the region; the pact has made ECOWAP the reference framework for the various interventions in the agricultural sector. The achievements include the intensification production systems, particularly the production of grains which witnessed strong growth in the region.
734. The activities carried out in 2016 focused among other things on the coordination, steering, governance of the ECOWAP/CAADP as well as on Resilience, Prevention and Management of Food Crisis in cooperation with CILSS, UEMOA, SWAC and other partner institutions. The meetings of the Food Crisis Prevention Network (RPCA and PREGEC) resulted in the preparation of regular early warning bulletins; these are information bulletins on trends in food prices.
735. The Commission also contributed to the fight against fruit-flies and development of improved seeds. Other activities were focused on cross-border transhumance and pastoralism, food and nutrition security, veterinary governance and the fight against cross-border animal diseases.
736. **Concerning human development, gender and culture**, the Commission continued the implementation of a number of activities, among which are; i) strengthening Community tools for child protection by formulating the West African Child Protection Strategy with the support of UNICEF, «Save the Children», ISS, WAN and «Terre des Hommes», ii) strengthening regional instruments for better gender management ; iii) implementation of humanitarian and social activities and iv) support for youth, employment and sports activities.
737. The education sector also received attention with the award of ECOWAS scholarships, in collaboration with the Association of African Universities, for masters and doctorate degree programmes. There was also the harmonisation of primary education.
738. In the cultural sector, efforts were made towards making the ECOWAS Regional Intellectual Property Observatory operational and completing the feasibility study on the establishment of a West Africa Academy of Arts and Culture (WACA).
739. Concerning infrastructural development, the Commission continued with making functional the Noepe juxtaposed border post at the Ghana/Togo border, and finalising construction works of the Seme/Krake juxtaposed border post at the Benin-Nigeria border.
740. The Commission also lent its support to the implementation of the Nigeria/Cameroun multinational highway, the development programme of the Abidjan-Lagos corridor and the trans-Gambia transport corridor. Other activities in this sector related to the development of the West African air transport.
741. Activities were continued with the organisation of the Roundtable for financing the ECOWAS Community Development Programme (CDP). In that regard, several meetings were organized with the ADB and the World Bank, which are partners of the Commission in the implementation of this

programme. Meetings were also held with the Ivoirian authorities, the host country for the Roundtable.

742. In the energy sector, the Commission monitored the implementation of the Study for the development of rural and semi-urban electrification in West Africa as well as the Feasibility Study for the extension of the West Africa Gas Pipeline. Three regional workshops on the Feasibility Study were organised in Accra, Ouagadougou and Dakar respectively to validate the data collection report, preliminary report and draft final report.
743. The Commission commenced activities on a programme for improving the quality of petroleum products in the region. It also supervised the programmes for emergency power supply in Gambia, Mali and Sierra Leone which are at the practical phase of implementing the programme on the ground.
744. The major achievements in the field of governance, regional peace and security were on strengthening the ECOWAS Early Warning System, supporting elections monitoring in Member States (Benin, Niger, Cabo Verde and Ghana) and continuation of mediation efforts. In this context, the combined efforts by various stakeholders to end the institutional crisis in Guinea Bissau should be mentioned. Other activities have also been undertaken to strengthen the ECOWAS Stand-by Force as well as the fight against the proliferation of small arms and light weapons.
745. Finally, it is important to point out the remarkable achievements recorded in other Community Institutions, particularly the ECOWAS Parliament which witnessed the inauguration of the Fourth Legislature in February 2016, the ECOWAS Court of Justice, the West African Health Organisation, the ECOWAS Bank for Investment and Development (EBID) and GIABA. Accounts for these achievements have been given elsewhere in this report.
746. The measure of success achieved under the particularly difficult prevailing environment reflects the commitment of devoted men and women to the ideals of regional integration. It is necessary therefore that, in order to sustain and strengthen the current pace of work and consolidate ECOWAS Institutions, the following recommendations should be made for the attention of Member States:
- Continued efforts at the structural transformation of the economies of the region and the development of infrastructure in the light of developments in the international economic environment;
 - Continued and intensified efforts to implement the regional integration programmes, such as the ECOWAS CET, trade liberalisation scheme, free movement of persons and goods;
 - Continued efforts at consolidating good macro-economic management of the national economies, a necessary condition for the establishment of a stable and viable monetary union;
 - Compliance with the provisions of the protocol on Community levy;
 - Sustained efforts at the consolidation of regional peace and security;
 - Accelerate institutional reforms of the Commission and other Community Institutions to make them more functional and operational.

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ANNEXES