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Regional integration in West Africa : the evolution of ECOWAS

Reference: Gupta, Arushi (2015). Regional integration in West Africa : the evolution of ECOWAS. New Delhi : Observer Research Foundation.

This Version is available at:
<http://hdl.handle.net/11159/74>

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ORF OCCASIONAL PAPER #67

AUGUST 2015



Regional Integration in West Africa: The Evolution of ECOWAS

Arushi Gupta

OBSERVER RESEARCH FOUNDATION

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About the Author

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Regional Integration in West Africa: The Evolution of ECOWAS

Introduction

Many countries in Africa have an abundance of natural resources but lack the regulatory capacity to harness them. Economic inequality is also more serious in some of the resource-rich countries of the continent: their economic performance is poorer than other countries with less resources. This so-called 'resource curse' is explained by experts through various lenses. For one, these countries fail to invest their resource wealth productively and end up poorer. Conflict over resource rent further leads to undemocratic and corrupt governments. Thus the challenge is huge for states governing resource-rich countries: how to ensure that their nation's natural resource wealth translates to benefits for their citizens.¹

Over the past few decades, in spite of its 'resource curse', Africa has been among the world's fastest growing continents with an annual average growth rate of more than four percent, supported by improved governance and economic reforms. This is expected to reach 5.1 percent in 2015. Yet poverty is rife, and 75 percent of West African states are classified by the UN as among the world's Least Developed Countries (LDCs). The 15 states comprising the Economic Community of West African States (ECOWAS)—which is the subject of this paper—account for 35 percent of Africa's LDCs,² making West Africa the pre-eminent LDC region not only in Africa but also in the world.³

Historically, Africa has faced many problems arising out of its colonial legacy, the creation of geographically artificial states, and the ethno-linguistic diversity of its people. This has contributed to conflicts among countries and high trade and communication costs.

The integration of West African states into the ECOWAS was largely influenced by the processes of integration in Western Europe, Latin America, and elsewhere in Africa. The rationale was both political and economic: to promote the unity of states and their faster economic development. The process of economic integration is also a political process because of two main reasons: first, it requires the surrender of major national economic instruments to a supranational authority and second, it calls for governments of member states to implement sub-regional policies. At the same time, many West African countries wanted to ensure their political independence.⁴

It is important for developing economies like India to understand other developing economies and strengthen ties with them. This paper examines West African regional integration, initiatives and challenges. It discusses the need to develop infrastructure in the region to accelerate economic growth and explores the structure of ECOWAS as well as the steps it has taken to achieve its goals.

Integration in Africa

Regional integration initiatives in Africa started with the establishment of the South African Customs Union (SACU) in 1910 and the East African Community in 1919. Since then a number of regional economic initiatives have been taken and every African country is now part of one or another economic community. Attempts have also been made to

ensure economic cooperation among African countries at the continental level. This led to the African Economic Community Treaty (signed in Abuja, the capital of Nigeria and also known as the Abuja Treaty) in 1991. The treaty came into force in 1994. It was signed to establish continent-wide economic cooperation by strengthening the existing regional economic communities. But the progress of Regional Economic Communities (RECs) has been less than satisfactory.

There are various reasons for the lack of progress in regional integration efforts in Africa. Primary of these has been the unwillingness of the concerned governments:

- To accept the unequal gains and losses that could follow from an integration agreement;
- To terminate their existing economic ties with non-members; and
- To face the high consumption costs that could follow from importing from a high- cost member country.⁵

Despite its disappointing performance on this front till date, Africa is continuously trying to bolster its regional blocs and enhance regional integration efforts. This is reflected in the renewal of its political will, voiced in the Abuja Treaty of 1991. Africa is also making an effort to strengthen its regional communities to avoid further marginalisation from its regional communities set up outside Africa (in Europe, Asia and the US).

Further, the liberalisation initiatives undertaken by African countries have created an outward-looking economic policy environment.⁶ Three regional integration arrangements were planned in Africa: the Economic Community of West African States (ECOWAS); the Common Market

for Eastern and Southern Africa (COMESA); and the Economic Community for Central African States (ECCAS).

As in the East and South, the process of integration in West Africa started during the colonial period when Britain and France made efforts to merge each one's colonial territories to enhance the cost-effectiveness of administration. The first economic integration process was started by Britain in 1912, known as the West African Currency Board, which issued the legal tender to ease trade transaction in four regions: Gambia, Sierra Leone, Nigeria and Ghana.

After the West African Currency Board came the West African Railways Corporation, the West African Airways Corporation, and the West African Examination Council. France, meanwhile, created a still more inclusive integration process by introducing a common currency, the CFA, for the Francophone ECOWAS countries. The Francophone ECOWAS countries are still reluctant to be part of a common monetary zone.⁷

There were major challenges confronting the West African countries that made regional integration essential. Most important was the exploitation of the people and the neglect of their basic needs by their erstwhile colonial rulers—the British, Portuguese and French. Second, the economies of the West African countries were very weak and unable to compete with global economies, which thwarted nation-building. However, globalisation has brought developing and developed nations together. Successful integration of West African countries is essential to boost the size of their economies, enhance competition, and increase production.

Establishment of ECOWAS

ECOWAS was formally established in May 1975 in Lagos (the capital of Nigeria before Abuja) by the signing of the ECOWAS Treaty. The objective was to promote economic co-operation and integration among West African states through monetary and economic union. The step hoped to boost economic growth and development in West Africa by suppressing Customs duties and taxes across member states, establishing a common external tariff, harmonising economic and financial policies, and creating monetary zones. The signatories hoped “...to raise the living standards of the people, ensure economic growth, foster relations among member states and contribute to the progress and development of the African continent.”

The 15 signatories were: Gambia, Ghana, Guinea, Guinea-Bissau, Dahomey (now called Benin),⁸ Ivory Coast, Liberia, Mali, Mauritania, Niger, Senegal, Nigeria, Sierra Leone, Togo and Upper Volta (now called Burkina Faso).⁹ In 1976 Cape Verde joined the ECOWAS as its 16th member. However, membership went down to 15 again after Mauritania left the organisation in 1999 following differences over some of the decisions taken during the ECOWAS Summit that year and also because it was hesitant to integrate its army with the rest of the ECOWAS countries and remove border tariffs. (In 2007, Mauritania showed renewed interest in the organisation and signed a partnership agreement with it.) ECOWAS has its headquarters in Abuja, Nigeria.

Since its formation, ECOWAS has played a major role in the region. It has concluded several confidence-building protocols between the West African member countries, promoted transparency in their relations and convergence of their interests.¹⁰ Its creation was important for two main

reasons. First, for the first time in history, all 15 West African countries came together irrespective of their colonial past, their varied experiences and linguistic barriers. Second, it was an indication that West African leaders want to move beyond the adverse social and economic legacies of the colonial era and enhance pre-colonial ties.¹¹

ECOWAS was seen as a regional and national development strategy that will result in economic benefits. It was also an instrument of foreign policy, representing a collective political bargaining bloc and responsible for maintaining regional peace and security. As David J. Francis, an expert on the region, says: “The focus of ECOWAS integration and cooperation has been driven by developmental regionalism underpinned by market integration based on the liberal economic development strategy.”¹²

The drafters of the ECOWAS Constitution understood the importance of the organisation for the region. The Preamble explains:

“Conscious of the overriding need to accelerate, foster and encourage the economic and social development of their states in order to improve the living standards of their peoples,

“Convinced that the promotion of harmonious economic development of their states calls for effective economic co-operation largely through a determined and concerted policy of self-reliance,

“Recognizing that progress towards sub-regional economic integration requires an assessment of the economic potential and interests of each state.”

The 1970s, when ECOWAS was set up, were chaotic years for the region. There were strong rivalries between Francophone and Anglophone blocs. West Africa was going through dramatic changes of sovereignty and independence. Coup d'états occurred in eight of the ECOWAS member states between 1960 and 1975. Mismanagement of natural resources, lack of development, lack of education, healthcare facilities and infrastructure contributed further to the failure of the unified economic community. In that period, ECOWAS was unable to record much success in its objectives.

The integration process leading up to the formation of ECOWAS in fact took many decades. Establishing free trade zones and pushing political integration in the region—both imperatives—took time to happen. After the Second World War, there was an effort to expand world trade to ensure growth and prosperity in the West African regions. Unfortunately, compared to developed economies, the LDCs did not gain much from world trade. The root cause of the problem was that the LDCs were exporters of primary products while the advanced economies exported manufactured products. It was difficult for the LDCs to export manufactured products as they were not industrialised and also because the advanced economies had erected high tariff walls. Setting up ECOWAS was the only way to protect West African markets and increase market size.¹³

Foreign Policy Imperatives

ECOWAS was established to accelerate the process of economic development in the region. There were three foreign policy goals. The first was ensuring the success of member states in their struggle against domination and subjugation by external forces. This required small states to cooperate effectively to protect themselves. Economies of the

region were required to be strong as well as independent of outside support. The second was eliminating poverty, which was a pre-requisite for building a strong economy. The third related to national economic development. Lack of appropriate institutions and mechanisms for economic cooperation had prevented the West African economies from developing during the two United Nations development decades, the 1960s and 1970s.¹⁴

Evolution of ECOWAS

The objectives of ECOWAS have evolved over time. It was formed to promote trade, free movement, and policy harmonisation among member countries but due to various problems it needed to shift its focus to conflict resolution, environmental issues, enforcing international laws, labour unions, education initiatives, gender equality, promotion of small and medium scale enterprises and humanitarian projects.¹⁵ These problems included civil conflict, inadequate education, poor healthcare, corruption, and mismanagement of natural resources that prevailed in West Africa during the 1970s.

The ECOWAS Treaty was then revised in July 1993. The treaty now consists of 93 articles within 22 chapters. The revision was carried out to accelerate the process of integration and establish an economic and monetary union to galvanise economic growth and development. The specific objectives were: removal of Customs duties for intra-ECOWAS trade and taxes having equivalent effect; establishment of a common external tariff; harmonisation of economic and financial policies; and creation of a single monetary zone.¹⁶ The revised document was far more detailed than its predecessor and clearly listed the powers of officials. More than just a statement, it was a descriptive and regulating treaty.

There were a number of reasons for revising the original ECOWAS treaty:

- 1) Lack of policy implementation at the national level in member states as well as lack of government financial assistance to fulfil the regional integration process in Africa;
- 2) The perceived threat from the ratification of the North American Free Trade Agreement (NAFTA) between the US, Canada and Mexico in 1994, which meant that these large economies would now dominate global geo-economics;
- 3) The 1990 war in Liberia, which marked the first active conflict resolution initiative of the ECOWAS;
- 4) And the 1991 establishment of the African Charter on Human and Peoples Rights and the African Economic Community the same year, which further added to the commitments of ECOWAS.

ECOWAS: Key Institutions

The setting up of the ECOWAS community required setting up of new institutions. The revised ECOWAS treaty of 1993 led to the creation of a West African Parliament, an ECOWAS Court of Justice to enforce community decisions, an Economic and Social Council, and the ECOWAS Bank for Investment and Development.

West African Parliament: It is an assembly of Peoples of the Community and its members represent the people of West Africa. The Parliament has 115 seats, where each of the 15 member states has at least five. The

remaining seats are shared in proportion to the population of member countries.

The ECOWAS Parliament has a number of standing committees, namely: Agriculture; Environment; Water resources and rural development; Education; Science and technology; Youth, sports and culture; Gender; Employment; Labour; and Social welfare.

The ECOWAS Parliament was greatly influenced by the European Union (EU) Parliament. The Rules of Procedure of the EU Parliament were adopted verbatim by the ECOWAS Parliament. It did not, however, adopt the administrative features of the EU Parliament.

More recently, the EU and the ECOWAS Parliaments held talks to create a new visa-free regime to improve diplomatic and economic cooperation between the two economic blocs.

The Community Court of Justice: It takes forward the process of regional integration in West Africa. The Community Court of Justice was formed under the provisions of Articles 6 and 15 of the revised treaty of the ECOWAS. The mandate of the court is to safeguard the law, the principle of equity and the interpretation and application of the provisions of the revised treaty. The court is competent to hear cases of human rights violations. So far, the court has fared well on cases relating to education, rights of women and children, due process, slavery and non-retroactive penal matters.

The ECOWAS Bank for Investment and Development (EBIED): The EBIED is a financial institution formed by the 15 member states of the ECOWAS, based in Lomé, Togo. The Bank promotes both the private

and public sectors. The EBIED finances the projects of the ECOWAS relating to various sectors like transport, environment, energy, and telecommunications. The Bank has three special funds: one for telecommunications and IT, a second guarantee fund for culture-related industries, and a bio-fuel and renewable energy fund.

The institutions have been designed to promote ECOWAS policies, pursue programmes and carry out development projects in the member states. The community took several steps to ensure effective cooperation among member states. First, it reached mutual agreement for a priority programme, to draw out the priority sectors that needed more attention. Second, it worked towards the full utilisation of regional resources—natural, financial and human. Third, keeping in mind specific conditions of the West African region, it made an effort to reduce the 'costs' to member states and ensure an even spread of development in the region.¹⁷

More recently, EBIED has invested outside the West African region as well through Arcode Europe Ltd, incorporated in the United Kingdom. This initiative allows people outside West Africa to subscribe to 30 percent of EBIED's equity, which in a way will help EBIED broaden its base and reach out to a larger population.¹⁸

ECOWAS has adopted a new flexible approach to ensure economic integration as well as cooperation among the member countries. Flexibility was needed to allow member states to move at their own pace, adopt the means of integration best suited to their countries, while setting broader objectives and guidelines for the member countries and their voluntary participation in cooperation programmes.

The integration was carried out keeping in mind the atmosphere in the sub-region. The major areas of activity of the Community included:

trade liberalisation; free movement of persons; infrastructural development; and defence cooperation.

Trade Liberalisation

The main focus of ECOWAS was to dismantle the barriers to trade in the sub-region to enhance trade expansion. But the trade liberalisation scheme is not yet operational, which is clear from the low level of intra-regional trade. The common ECOWAS external tariff has also not yet seen the light of day.¹⁹ Economic and financial policies have not been integrated, although a framework for this has already been established.

The trade liberalisation scheme had two phases. In the first phase, in May 1980, heads of state of ECOWAS reached an agreement for the consolidation of intra-ECOWAS trade barriers. In the second phase, which began in 1983, the trade of unprocessed goods and handicrafts was to be liberalised immediately. The focus was also on trade of the industrialised products. The member states were divided into three groups based on their size and economy. The Most Advanced Countries (MDCs) among them which included Cote d'Ivoire, Ghana, Senegal and Nigeria were given up to six years to remove all tariff and non-tariff barriers. The Class Two countries got eight years and the third group of the poorest countries, 10 years. The idea was to eliminate trade barriers completely by 1990. While this happened slowly, there was an increase in total trade within the community.

Free movement of persons

A major objective of ECOWAS is the promotion of the free movement of persons across member country borders; this has not been a success. The protocol of free movement of persons was signed at the Second

Summit of the Heads of State and government in Dakar, Senegal, on 29 May 1979. The protocol was divided into three phases. The first phase was to take effect over the first five years. During this phase, all ECOWAS citizens would have the right to enter any member state without a visa and stay for a period of 90 days; this was ratified by all member states in 1980. The second and the third phases would bring in the right to residence and establishment, respectively.²⁰ Right to residence became effective in 1986 and right to establishment has yet to be ratified. The focus of the protocol was to use the human resources of the region to the fullest. However, its implementation of the first phase itself ran into major problems. It led to massive immigration from some countries with political and social-economic consequences in the recipient countries.²¹

Infrastructure development

ECOWAS member states cooperate in the three key areas of transport, telecommunication and energy. Its formation has led to the construction of regional (inter-state) roads, development of telecommunications links between the states, and maintenance of peace and regional security. In the road transport sector the key achievements of ECOWAS in 2013 were the following: the ECOWAS Joint Border Posts Programme; the Axle Load Harmonisation Policy; the Nigeria-Cameroon Multinational Highway; and the Transport Facilitation Programme, which is part of the Trans-Africa Highway programme. Rail and air transport have also benefited. Air transport liberalisation and strengthening of aviation safety and security to enhance capacity building have all been carried out.²² At its 10th meeting of Energy Ministers and Council of Ministers, ECOWAS allocated USD108 million to tackle the power-related problems of Gambia, Mali and Sierra Leone.

In the early years of the 21st century, regional integration was slow. But the integration process escalated in 2010, with the formation of the ECOWAS Commission and the establishment of Vision 2020²³ as well as a Regional Strategic Plan (2011-2015).²⁴

Several initiatives were taken to build a regional development strategy and institutions. ECOWAS re-established the Federation of West African Manufacturers Association (FEWAMA), the Federation of West African Chambers of Commerce and Industry (FEWACC) as well as the Federation of Women and Women Entrepreneurs (ECOWAS-FEBWWE). It brought out a strategy paper for regional poverty reduction²⁵ which highlighted the priority sectors of the region—infrastructure, agriculture, finance and trade.

The average GDP growth rate of the ECOWAS countries increased to 7.1 percent in 2014 from 6.3 percent in 2013. This growth has been driven by the increased production of gas, oil and various minerals, as well as improvement in agricultural production. ECOWAS regional institutions such as the West Africa Monetary Institute (WAMI) and the ECOWAS Bank for Investment and Development have also augmented their efforts to ensure macroeconomic stability in collaboration with member states.²⁶ Key partners in West African integration efforts include France, UK, US, Germany, the EU, Canada, Denmark, the African Development Bank and the World Bank. Financial assistance has been provided for a range of activities, from agriculture to trade, to peace and security and capacity building.

ECOWAS member states are also developing a regional strategy (INTELECOM II) to harmonise Information, Communication and Technology (ICT) policies, develop alternative broadband infrastructure and lay undersea cables.

Further, ECOWAS is in the process of developing a Regional Investment Policy and Regional Competition Policy across all member countries. This will be a boon for businesses as well as investors.

Defence Cooperation

The West African region is characterised by irredentism and high insecurity. There has been a high incidence of coup d'états.²⁷ The first attempt at defence cooperation came in 1979 at the Third Summit of the Authority of the Heads of State and Government where the protocol on Non-Aggression was adopted. However, three years after its adoption, it had been ratified by only four of the (then) 16 Members States. In 1981, the protocol on Mutual Assistance on Defence (MAD) was adopted after prolonged discussions with Senegal and Togo. However, the MAD protocol has created more difficulties than any other protocol. The divisions between Francophone and Anglophone countries have made it impossible to implement the protocol properly. The Francophone countries, for instance, have signed military pacts with France as well. These pacts allow France to engage in military intervention in these states in the event of external aggression or internal unrest.

India and ECOWAS

India and Africa—and in particular, Eastern and Southern Africa—share a long history. Over time, India's relations with West Africa have grown exponentially as well.

On the economic front, ECOWAS provides India a strategic opportunity to promote sustainable growth to facilitate more South-South cooperation. The India-ECOWAS relationship has fostered not

only growth, but also interdependence. In January 2010, the Federation of Indian Chambers of Commerce and Industry (FICCI) and ECOWAS signed a Memorandum of Understanding (MoU) to facilitate trade relations. The MoU will expedite investment opportunities.²⁸ To boost private sector investments and business-to-business transactions, there should be collaborations between African and Indian Chambers of Commerce. Indian private sectors can also invest in e-learning services in Africa and in infrastructure, to meet social demand.

India and ECOWAS have also come together in the field of education. Indian ministries have provided scholarships to West African students leading to increased enrolment of students from those countries at the Indian Institutes of Technology (IITs). Links have strengthened between Bangalore-based IT companies and their West African counterparts. An Indian studies programme should be started in West Africa to ensure greater interaction and cooperation between the two regions.

Both India and ECOWAS have taken steps to encourage people-to-people contact, free movement of goods and services, and also focus on ICT, renewable energy and other issues.

To further strengthen relations between India and ECOWAS, it is necessary to add new dimensions to the existing alliance. There is a need to move beyond trade and focus more on capacity building, skills development, addressing growing security challenges (terrorism and piracy) as well as ensuring the promotion of dialogue between India and West Africa.²⁹

ECOWAS and Extremism in West Africa

Although terrorism is not a new threat in Africa, its area of operation within the continent has been increasing and it is seen as a major threat to peace and security in many West African countries. This is partly due to the recent attacks by the extremist militant group, Boko Haram (from 2009 onwards) in Nigeria, the terrorist takeover of Northern Mali in 2012, and the worsening of the Niger Delta conflict (in 2006). ECOWAS states are highly concerned about the growing terrorist attacks in the region followed by abduction, killing, drug smuggling and other related activities. The source of funding to the terrorist organisations has been a cause of concern, too. Growing unemployment, corruption, poverty, violence and instability in West Africa makes it easier for terrorist groups to acquire funds and recruit new members.

To curb terrorism, ECOWAS, inspired by the United Nations Global Counter-Terrorism Strategy, formed the Counter Terrorism Coordination Unit that functions as an element of the ECOWAS Counter Terrorism Strategy and Implementation Plan. The unit was set up at ECOWAS' 42nd ordinary session in Yamoussoukro, Cote d'Ivoire, and is seen as a historic achievement. Its strategy rests on three broad pillars: prevent, pursue, and reconstruct. The first pillar, 'prevent', is the most important one and requires implementation of legal regimes, laws and operational intelligence to restrict the spread of terrorism. The second, 'pursue', takes measures and adopts strategies to respond to terrorism when it occurs by investigating the incidents, promoting rule-based law and adopting a criminal justice approach. The last measure, 'reconstruct', was adopted to rebuild and enable the proper functioning of states disrupted by terrorism and counter-terrorism activities.

Further, the Declaration and strategy adopted includes the implementation of instruments such as an ECOWAS Counter-Terrorism Training Manual, an ECOWAS blacklist of terrorist and criminal networks, an ECOWAS arrest warrant and an ECOWAS Counter-Terrorism Coordination Unit. The basic principle is to create conditions for a better environment and a stable economic development for ECOWAS citizens.

It is important to note that the Declaration and strategy adopted by ECOWAS is only a first step. The effectiveness of any such institution depends on the cooperation of member states, citizens, the international community and the playing out of regional factors. ECOWAS' approach may not be able to resolve or eliminate the roots of the problem, but it is surely a step towards a proactive and robust framework to curb the threat of terrorism.

Economic Overview of ECOWAS

ECOWAS makes up a significant part of Africa's economy: 18.4 percent of Africa's total GDP in the years 2003-2011. The combined GDP growth of ECOWAS in 2014 was estimated at 6.4 percent of the total growth of Africa. According to some reports in the African media, the sub-region's real GDP growth is expected to hit 7.1 percent in 2015.³⁰

Nigeria's GDP is larger than the combined GDP of all other ECOWAS countries put together, 64.2 percent of ECOWAS' total GDP. In 2015, Nigeria's GDP growth is expected to reach 7.8 percent; it was in the negatives in the period 1980-84. It was only in 1985 that Nigeria began to show positive growth. Overall, ECOWAS' economic performance has improved notably since 1980. ECOWAS witnessed its highest GDP

growth rate in 2004, at 7.7 percent. But in 2005, it fell to 4.9 percent. Since then, it has risen steadily, reaching 6.7 percent in 2010.

Figure 1: Share of total ECOWAS GDP, based on 2003-2011 annual average values of GDP³¹

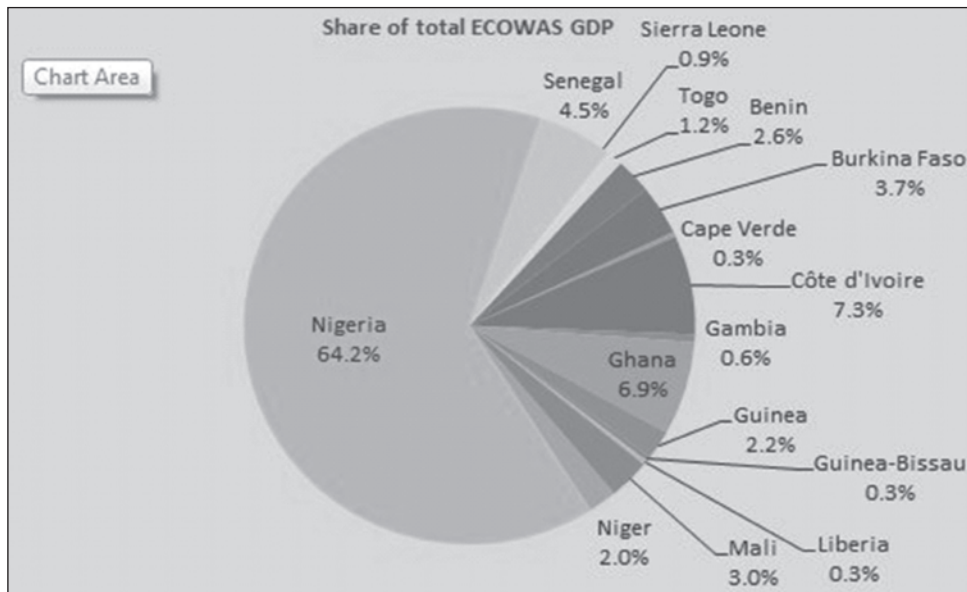
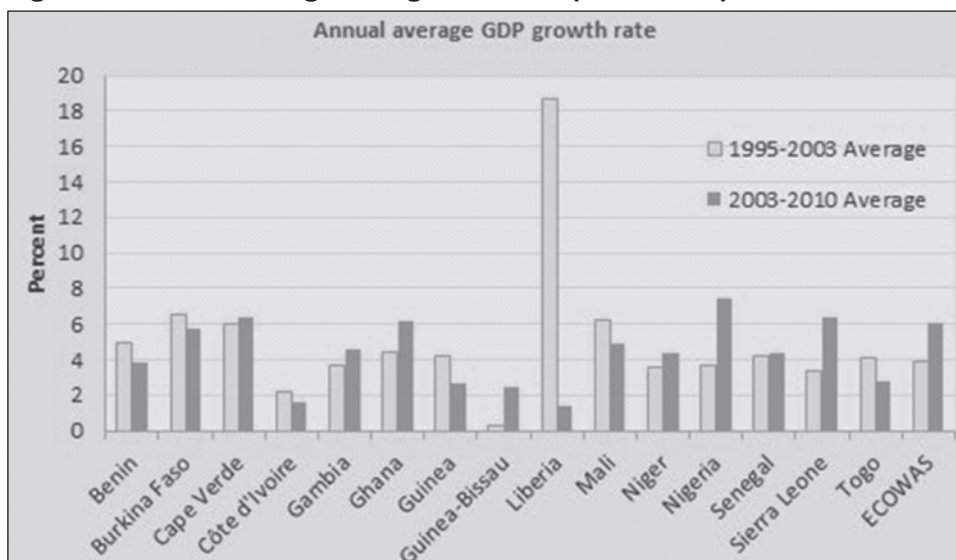


Figure 2: Annual average GDP growth rate (1995-2010)³²



Import/Export and Investment by ECOWAS Countries:

Economic Integration (EI) promotes the trade participation of members and enhances the economic performance of the country. EI is represented by entities like Custom unions, trade blocs, free trade areas, economic unions, and monetary unions. For EI to be effective, access to transport and commercial facilities is essential, and so is capital, and institutions. One of the major objectives of RECs is to promote and facilitate trade within the region. Some indicators in Table 3 show that ECOWAS import shares have ranged from 11.67 to 17.04 percent from 1999 to 2009 while export share ranged from 11.53 to 12.46 percent. Import share kept increasing and reached its highest point in 2005 when it hit 19.94 percent of the world market. However in 2006 it reached its lowest point (12.97 percent), but again thereafter it has been constantly growing. Export share fluctuated between 2004 and 2008, finally touching 12.46 percent in 2009.

This clearly shows that ECOWAS countries have been net importers. Exports increased from USD 20 billion in 1999 to USD 100 billion in 2009 while imports rose from USD 18 billion to USD 60 billion in the same period. Intra-regional trade during that period, however, declined.

Table 3: ECOWAS trade share in the World Market (in percent)

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Import | 11.67 | 17.00 | 16.23 | 13.50 | 13.37 | 18.82 | 19.94 | 12.97 | 11.52 | 17.04 | 17.04 |
| Export | 11.53 | 8.58 | 9.60 | 12.83 | 10.22 | 8.93 | 8.40 | 14.18 | 10.06 | 12.46 | 12.46 |

Source: *Economic Integration, Trade Facilitation and Agricultural Exports Performance in ECOWAS member states*³³

Figure 4 lists the import/export partners of, as well as the Foreign Direct Investment (FDI) made by, the 16 countries (including Mauritania).

Nigeria is the largest exporter with exports of \$93.01 billion in 2014, followed by Cote d'Ivoire (\$14.58 billion), Ghana (\$13.53 billion), Mali (\$2.73 billion) and Mauritania (\$2.573 billion). Exports are mainly petroleum products and cocoa. The countries exported to include Netherlands, Germany, US and India.

The major importers are Nigeria (\$52.79 billion), followed by Ghana (\$16 billion), Cote d'Ivoire (\$9.788 billion), Senegal (\$5.481 billion) and Mauritania (\$3.489 billion). Products are imported mainly from China, Netherlands, India and the US and include petroleum products, transport equipment and capital equipment.

Nigeria is the largest country in Africa in terms of economy. It has the highest GDP, the largest volume of exports and imports as well as the highest Foreign Direct Investment. But Nigeria is also highly dependent on crude oil, which accounts for much of its foreign exchange earnings. It is also a new importer of food, particularly rice and wheat, as well as luxury goods. One percent of its population controls 80 percent of the country's wealth.³⁴

Figure 4: Import/Export and FDI by West African countries (2014)

| Country | Volume of Imports and commodities imported | Import partners | Volume of Exports and commodities exported | Export Partners | Foreign Direct Investment |
|--------------|---|--|---|---|---------------------------|
| Benin | \$2.905 billion, foodstuffs, capital goods, petroleum products | China, India, US, Malaysia, Thailand, France (2013) | \$2.045 billion, cotton, cashews, shea butter, textiles, palm products, seafood | Lebanon, China, India, Nigeria, Niger (2013) | – |
| Burkina Faso | \$3.117 billion, capital goods, foodstuffs, petroleum | Cote d'Ivoire, France, Ghana, India, China, Togo (2013) | \$2.254 billion, gold, cotton, livestock | China, Indonesia, Japan, Thailand, Turkey, Cote d'Ivoire, Ghana (2013) | – |
| Cape Verde | \$888.2 million, foodstuffs, industrial products, transport equipment, fuels | Portugal, Netherlands, China, Spain, Belgium (2013) | \$189.8 million, fuel (re-exports), shoes, garments, fish, hides | Spain, Portugal, India, Italy (2013) | – |
| The Gambia | \$353.1 million, foodstuffs, manufactures, fuel, machinery and transport equipment | China, Senegal, Brazil, India (2013) | \$107.4 million, peanut products, fish, cotton lint, palm kernels | China, India (2013) | – |
| Ghana | \$16 billion, capital equipment, refined petroleum, foodstuffs | China, Nigeria, Netherlands, Cote d'Ivoire, US, India (2013) | \$13.53 billion, oil, gold, cocoa, timber, tuna, bauxite, aluminium, manganese ore, diamond, horticultural products | France, Italy, China, Netherlands, Germany, UK, South Africa, US (2013) | \$148 million (abroad) |
| Guinea | \$2.155 billion, petroleum products, metals, machinery, transport equipment, textiles, grain and other foodstuffs | China, Netherlands, UK (2013) | \$1.754 billion, bauxite, alumina, gold, diamond, coffee, fish, agricultural products | India, South Korea, Spain, Ireland, Ukraine, US, Germany (2013) | – |

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| Guinea-Bissau | \$236.2 million, foodstuffs, machinery and transport equipment, petroleum products | Portugal, Senegal, India (2013) | \$179.9 million, fish, shrimp; cashews, peanuts, palm kernels, sawn lumber | India, Nigeria, China, Togo (2013) | — |
| Cote d'Ivoire | \$9.788 billion, fuel, capital equipment, foodstuffs | Nigeria, France, China, Bahamas (2013) | \$14.58 billion, cocoa, coffee, timber, petroleum, cotton, bananas, pineapples, palm oil, fish | Ghana, Netherlands, Nigeria, US, Germany, Gabon, France, Belgium (2013) | — |
| Mauritania | \$3.489 billion, machinery and equipment, petroleum products, capital goods, foodstuffs, consumer goods | China, Netherlands, France, US, Brazil, Spain, Belgium (2013) | \$2.573 billion, iron ore, fish and fish products, gold, copper, petroleum | China, Italy, Japan, US (2013) | — |
| Niger | \$2.269 billion, foodstuffs, machinery, vehicles and parts, petroleum, cereals | France, China, Nigeria, French Polynesia, Belgium, India, Togo, Cote d'Ivoire (2013) | \$1.652 billion, uranium ore, livestock, cowpeas, onions | Nigeria, South Korea, Ghana (2013) | — |
| Nigeria | \$52.79 billion, machinery, chemicals, transport equipment, manufactured goods, food and live animals | China, US, India (2013) | \$93.01 billion, petroleum and petroleum products, 95 percent cocoa, rubber (2012 est.) | India, US, Brazil, Spain, Netherlands, Germany, France, UK, South Africa (2013) | \$81.72 billion (home), \$76.75 billion (abroad) |
| Senegal | \$5.481 billion, food and beverages, capital goods, fuels | France, Nigeria, China, Netherlands, India, Spain (2013) | \$2.462 billion, fish, groundnuts (peanuts), petroleum products, phosphates, cotton | Mali, Switzerland, India, Guinea, France (2013) | — |
| Sierra Leone | \$2.069 billion, foodstuffs, machinery and equipment, fuels and lubricants, chemicals | China, India, South Africa, UK, US, Belgium, Netherlands (2013) | \$2.241 billion, diamond, rutile, cocoa, coffee, fish | China, Belgium (2013) | \$2.704 billion (home), \$400,000 (abroad) |

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|---------|--|---|--|---|---|
| Togo | \$2.284 billion, machinery and equipment, foodstuffs, petroleum products | China, Belgium, US, France, Netherlands, India (2013) | \$1.381 billion, re-exports, cotton, phosphates, coffee, cocoa | Lebanon, India, China, Burkina Faso, Benin, Belgium, Niger, Ghana, Nigeria (2013) | – |
| Liberia | \$2.615 billion, fuels, chemicals, machinery, transportation equipment, manufactured goods, foodstuffs | Singapore, South Korea, China, Japan (2013) | \$897.9 million, rubber, timber, iron, diamond, cocoa, coffee | China, US, Spain, France, Algeria, Poland, Germany, Canada (2013) | \$17.01 billion (home), \$201 million (abroad) |
| Mali | \$2.995 billion, petroleum, machinery and equipment, construction materials, foodstuffs, textiles | France, Senegal, Cote d'Ivoire, China (2013) | \$2.763 billion, cotton, gold, livestock | China, India, Indonesia, Bangladesh, Thailand (2013) | \$2.812 billion (home), \$61.2 million (abroad) |

Source: Central Intelligence Agency, *World Fact Book*³⁵

Conclusion

Established to promote the economic growth of the West African region, ECOWAS plays an important role as a conflict prevention, management and resolution mechanism in Africa. A sub-regional body in the form of ECOMOG (ECOWAS Monitoring Group) was established also in the 1990s to intervene in the conflicts in Liberia, Sierra Leone, Guinea-Bissau and Cote d'Ivoire. The organisation received mixed results with successes in Liberia, Sierra-Leone and Cote d'Ivoire; in Guinea-Bissau, it was an unfathomable failure.³⁶ It also faced many problems that prevented it from fully performing its functions. Financial and institutional limitations of ECOWAS prevented the community from fully performing its function of conducting peace and security operations.

Declaration and implementation of policies has also been slow. The Mutual Assistance on Defence (MAD) protocol of 1981, for example, was implemented after five years in 1986. ECOWAS further struggled to deal with the problems of smuggling, corruption, poverty and economic hardship in the region. Still, it has played an important role in helping the continent deal with conflicts.³⁷ ECOWAS also promoted the establishment of The Counter Terrorism Coordination Unit—influenced by the United Nations Global Counter Terrorism Strategy—to combat terrorism in West Africa.

Endnotes:

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