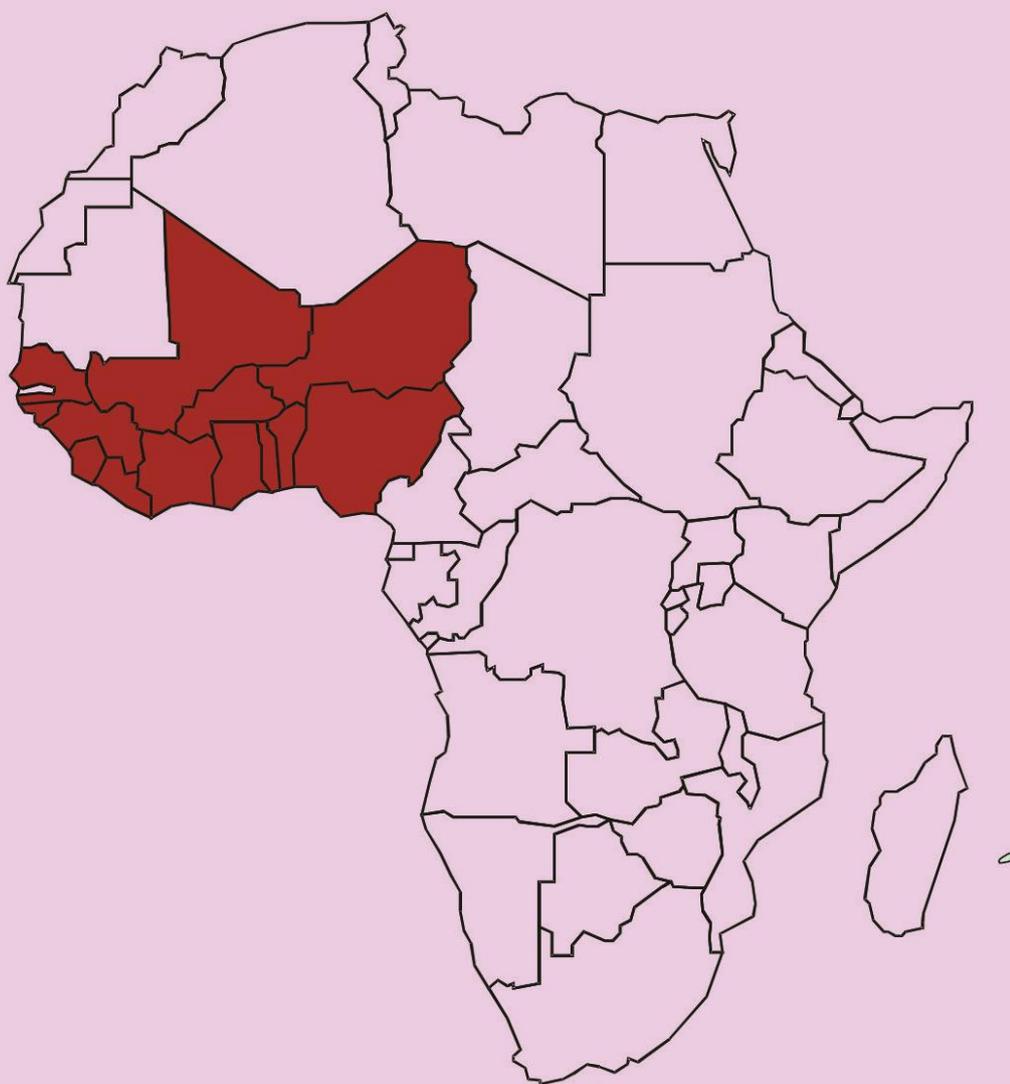


CONSUMER ENGAGEMENT IN THE ECOWAS REGIONAL INTEGRATION PROCESS



Consumer Engagement in the ECOWAS Regional Integration Process

Final Study Report
By
CUTS Accra

Consumer Engagement in the ECOWAS Regional Integration Process

Published by



CUTS Accra

30 Oroko Avenue, P O BOX AN 6156, Accra North-Ghana

Ph: +233.302.245652

Email: accra@cuts.org

Web: cuts-international.org/arc/accra

© CUTS International, 2015

With the support of



&



First Published: April 2015

Authors

Abubakari Zakari, Appiah Kusi Adomako and Amadou Kanoute
with support from Leonard O Ugbajah and Rijit Sengupta

The material in this publication produced under the project entitled, '**Consumer Engagement In The ECOWAS Regional Integration Process** implemented by CUTS Accra in Ghana, may be reproduced in whole or in part and in any form for education or non-profit uses, without special permission from the copyright holders, provided acknowledgment of the source is made.

CUTS would appreciate receiving a copy of any publication, which uses this publication as a source. No use of this publication may be made for resale or other commercial purposes without prior written permission of CUTS.

Disclaimer

The views in the report are those of CUTS and do not correspond to official SWARIP RPF/UKAID positions.

#1708

Contents

Acronyms	1
Executive Summary	3
Part I: Introduction.....	8
1.1 Background and Context.....	8
1.2 The Objectives of the Assignment.....	9
1.3 Scope of Work.....	9
1.4 Research Hypotheses and Methodology.....	10
1.5 Organisation of the Assignment.....	13
Part II: ECOWAS Regional Integration.....	14
2.1 Background: ECOWAS Regional Integration.....	14
2.2 Objectives of Regional Integration.....	15
2.3 Performance of Regional Integration in West African Region.....	16
2.4 Some Achievements of ECOWAS Regional Integration	17
2.5 Challenges Impeding the ECOWAS Regional Integration	19
2.6 Contribution of Regional Integration to Economic Development.....	22
Part III: Importance of Consumer Involvement in Regional Integration	23
3.1 Consumption Baskets, Price Differentials and Regional Integration.....	23
3.2 Consumers, CSOs and Private Sector Involvement in ECOWAS Regional Integration Process	25
3.3 Benefits of Regional Integration to Consumers/Citizens	26
Part IV: Case Study in Ghana and Senegal	28
4.1 ECOWAS Regional Trade Policy Making and Involvement of Citizens.....	28
4.2 Country Specific Analysis of ECOWAS Integration and Economic Performance: The Case of Ghana and Senegal	33
4.3 Assessment of Consumer Welfare in Ghana and Senegal.....	59
4.4 Recommendations and Conclusion.....	61
References	64
Endnotes.....	67

Acronyms

AEC:	Africa Economic Community
AGI:	Association of Ghana Industries
CARICOM:	Caribbean Community
CDD:	Centre for Democracy and Development
CI:	Consumers International
CDP:	Community Development Programme
CEAO:	Communauté Economique de L’Afrique de L’Ouest
CEDEAO:	Communauté économique des Etats de l’Afrique de l’Ouest
CEPA:	Centre for Economic Policy Analysis
CET:	Common External Tariff
CFA franc:	franc de la Communauté Financière de l’Afrique
COMESA:	Common Market for Eastern and Southern Africa
CSOs:	Civil Society Organisations
DfID:	Department for International Development
EAC:	East African Community
EBID:	Economic Bank for Investment and Development
ECOWAS:	Economic Community of West African States
EPA:	Environmental Protectional Agency
ETLS:	ECOWAS Trade Liberalisation Scheme
EU:	European Union
FDI:	Foreign Direct Investment
FTA:	Free Trade Agreement
FTI:	Fast Track Initiative
GDP:	Gross Domestic Product
GMM:	Generalised Method of Moments
GMO:	Genetically Modified Organisms
GSM:	Global System for Mobile Communications
GUTA:	The Ghana Union of Traders Association
HDI:	Human Development Index

ICT:	Information Communication Technology
IEA:	Institute of Economic Affairs
LDCs:	Least Developed Countries
MERCOSUR:	Southern Common Market
NGO:	Non-government Organisation
NSAs:	Non-state Actors
NTBs:	Non-Tariff Barriers
OSIWA:	Open Society Initiative for West Africa
RPF:	Regional Policy Fund
SADC:	Southern Africa Development Community
UEMOA:	Union Economique et Monétaire Ouest-Africaine
UNCTAD:	United Nations Conference on Trade and Development
USA:	United States of America
WACSI:	West African Civil Society Institute
WACSOFF:	West African Civil Society Forum
WAEMU:	West Africa Economic and Monetary Union
WANEP:	West African Network for Peace Building
WCO:	World Customs Organisation

Executive Summary

Introduction and Background

The Economic Community of West African States (ECOWAS) regional integration process, like other regional economic initiatives, such as the East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA) and European Union (EU) requires the involvement of consumers to achieve its intended objective. This is because the regional consumers are the most important beneficiaries of enhanced economic cooperation, integration and reduced trading barriers. These benefits include lowered prices and expanded range of goods and services as a result of trade creation due to reduced tariff and Non-tariff Barriers (NTBs).

Due to the small size of West African countries, their individual macro-economic performances are quite poor. Membership in regional economic schemes, offer a wider market access as well as wider range of products. However, it is imperative to include consumers' perspective in the process. The policymaking process should therefore involve a fair representation of consumer groups that facilitates the inclusion of their feedback in key areas.

The benefits being accrued from regional integration, need proper advocacy to ensure better uptake and understanding amongst the stakeholders. For example, the protocol on free movement of people is often perceived negatively. Ghanaian traders often consider the free movement of their Nigerian counterparts in Ghana, a threat to their business. This is a similar sentiment among some of the other ECOWAS Member States. Therefore, there is a need for sensitising such stakeholders on the advantages of regional integration.

With this background, CUTS undertook a project with support from Department for International Development (DfID) Regional Policy Fund. The overall objective of the project was the strengthening consumers' voice in the ECOWAS regional integration process with an evidence-based research with special focus on Ghana and Senegal. The specific objectives include:

- To determine the potential impacts of regional trade and integration on consumer welfare using few popular consumer goods as indicators;
- To assess current awareness and understanding of consumer organisations about the regional integration process and scope for improving their engagement; and
- To identify some specific areas where advocacy can be carried out.

This study consists of the following components:

- ECOWAS regional trade policymaking and involvement of citizens, which analyses some key trade programmes and the extent to which consumer feedback has been taken into account.

- Limitations to consumer participation in Regional Integration, which highlights some reasons for limited consumer involvement in the process.
- Regional Integration and Economic Performance: This analyses the economies of Ghana and Senegal *vis-à-vis* their membership in ECOWAS.
- Popular consumer goods traded in Ghana and Senegal and
- Consumer welfare in Ghana and Senegal

ECOWAS Regional Trade Policymaking and Involvement of Citizens

The study reveals that ECOWAS has acquired many decisions but few are implemented with additional challenges of meeting targets. The ECOWAS Trade Liberalisation Scheme (ETLS) for example, was aimed to promote cooperation and integration among members of ECOWAS through trade liberalisation and progress towards the creation of common market;¹ i) by gradually eliminating duties on goods being traded within the ECOWAS region as long as they prove originating status and ii) provision of common market to provide free flow of goods, and free movement of labour and capital in the region. However, the decision making for ETLS and other related issues, remained with the Presidency and other bureaucratic institutions. Since the policymaking process did not consider the involvement of consumers and other Civil Society Organisations (CSOs) from the grassroots at the initial stage itself, the implementation of ETLS was fraught with challenges.

The negotiation of Economic Partnership Agreement (EPA) between ECOWAS and EU also had low participation of citizens. In Ghana, although groups, such as The Ghana Union of Traders Association (GUTA) and Association of Ghana Industries (AGI) contributed to the negotiation of EPA, their efforts could have been honed by sensitising the general masses on the issues for better understanding and buy in. The West Africa Economic and Monetary Union (WAEMU) countries were more active in this regard as is evident from the roles played by CSOs and private sector groups including farmers in sensitising different stakeholders on the benefits of Environmental Protectional Agency (EPA).

The reasons for excluding citizens from trade and regional policymaking could be attributed to the pedagogy of the political economy of West African countries. The citizens that are directly affected by the outcomes of legislation and policymaking are actually represented. The citizens at large are generally left out. Trade policies are developed by national policymaking institutions, thus most of these policies reflect the interest of national polity. Some Member States relegate the participation of citizens while developing their foreign trade policies, as these policies are deemed to have no impact on the citizens. Therefore, it is observed that many foreign trade policies do not appreciate the national identity and societal self-development.

Since its inception, some headway has been made by ECOWAS in this direction. Yet there is much scope for involvement of consumers in the policymaking process. Consumers are not aware of their role in this regard and this creates a gap in their understanding of the mission of ECOWAS along with its mandates and objectives.

The ECOWAS Commission, on the other side, is ready to partner with CSOs but is doubtful of their capacity to provide feedback. Therefore, it will be useful to create network of CSOs to ensure the cause of citizens' involvement in the policymaking process. Local chiefs and leaders could be engaged to promote the agenda of consumer participation. Social media platforms could be utilised for propagating the benefits of regional integration. Pressure groups and youth bodies could then take advantage of the consumer feedback received on these platforms to communicate it to the ECOWAS Commission.

Limitations to Consumer Participation in Regional Integration Process

For consumers to be actively involved in regional trade integration, an institutional framework for engagement must be defined in ECOWAS protocols. CSOs do exist but a lack of defined mechanism limits their scope since some areas of integration are favoured over the other. For example, focus on peace and security is more defined than it is on trade and economic integration.

Other limitations include focus of national governments on domestic issues. More attention is often paid to national political activities and the regional policy advocacy campaigns are met with opposition from uninterested government regimes.

Regional Integration and Economic Performance

Economic integration among countries can enhance their macro-economic variables. Through integration, positive benefits may accrue to country's growth rates, inflation and exchange rates. These variables have links with faster growth of consumer welfare in terms of increased incomes and purchasing power (owing to changes in population structure and preferences) and will, in turn, enhance market opportunities.

The historical economic performance of Ghana and Senegal indicates that there are a lot of opportunities in regional integration, if all member countries cooperate and harmonise national policies on trade. There are opportunities for the ECOWAS countries to develop through regional integration as the macro-economic variables and indicators of the member countries converge. The ultimate benefits are received by the consumers as their welfare is increased.

Popular Consumer Goods Traded in Ghana and Senegal

The project research indicates that the most traded consumer goods between Ghana and the rest of the region are essential commodities like foodstuffs, textile raw materials, drugs etc. The value of Ghana's exports of these goods to rest of ECOWAS countries amounted to approximately US\$930,152,573 in 2013 whilst that of imports from other ECOWAS countries amounted to approximately US\$687,243,784.

In the same way, the popular consumer goods exported by Senegal, in 2-digits harmonised system (HS) code, to the rest of ECOWAS totalled US\$1,033,391,740 in 2013 whilst the imports of these popular consumers into Senegal from other ECOWAS countries totalled US\$896,459,386.00.

Consumer Welfare in Ghana and Senegal

The consumer welfare loss, represented by import bills, arising from Ghana in the sum of the product category is calculated at US\$128.66mn. The consumer welfare loss is as a result of limited trade between Ghana and other ECOWAS members. The total import value of Ghana from other ECOWAS countries based on the selected consumption baskets is US\$183.62mn whilst import value from rest of the world amounted to US\$6,764.92mn out of total imports of US\$10,018.23mn.

The welfare loss of consumers in Senegal as a result of non-cooperation on intra-regional trade is estimated at US\$11.32mn. Senegalese imports from other ECOWAS countries constitutes about 2.8 percent of the import value of the selected consumption baskets from rest of the world, which is about US\$3,919.06mn out of a total import of US\$6,434.22mn.

Consumers in Ghana and Senegal do not benefit much from trade between these two countries and rest of ECOWAS. There are low levels of intra-ECOWAS trade leading to limited choices of products, high prices, and low quantity of products. These low levels may be attributed to high cost of moving goods within the ECOWAS region as compared to shipping them to Europe.

In addition, the cumbersome procedures involved in ETLs, its low accessibility to most firms in the region and above all lack of proper implementation in some Member States, are also responsible for low levels of intra-ECOWAS trade. Inefficient infrastructure and logistics performance in the region also acts as a barrier to trade. Even though, a number of border check points in some key transit corridors and routes in the region have reduced, rent seeking behaviour of some officials still impede trade between Member States.

Conclusion

ECOWAS aims to establish a single currency and customs union, with fully integrated economies and open borders. In order to achieve this, sensitive decisions on issues of economic sovereignty and a significant amount of political will would be needed.

ECOWAS has adopted various relevant legal texts and protocols but these have not been matched with significant levels of implementation. This is partly due to conflicting interests and lack of commitment due to overlapping membership in two regional economic zones (WAEMU and ECOWAS). Policies on free movement of goods, monetary integration, transport and goods in transit have met with barriers to implementation across ECOWAS Member States. For example, both in the case of Ghana and Senegal, the imports of popular consumer goods from ECOWAS member countries range from 2.7-2.8 percent respectively. This minimal trade among members have caused significant consumer welfare losses (welfare loss of US\$128.66mn and US\$11.32mn respectively in Ghana and Senegal in 2013 alone).

One way forward could be to define an institutional mechanism for CSO participation in regional policymaking, in the ECOWAS protocols. Due to its absence, currently, the CSOs and other related advocacy groups focus on their areas of interest.

Amongst the challenges, however, ECOWAS has managed to push the agenda of regional integration. The functioning of Free Trade Area (FTA) and the recent adoption of a Common External Tariff (CET) are few such examples.

Part I: Introduction

1.1 Background and Context

As is peculiar to the case of developing countries, the motivation of the West African countries to achieve formal regional integration was to overcome the constraint of small economic size. the preamble to the 1975 ECOWAS Treaty noted that the community was being created in view of the “... overriding need to accelerate, foster and encourage the economic and social development of Member States in order to improve the living standards of their people” (ECOWAS, 1975). The structural transformation envisaged was later clarified to be within the context of “self-reliant and self-sustaining development of Member States” (Organisation of African Unity, 1981, p. 128).¹

The interest of member countries towards regional integration has deepened and the member countries have strengthened their efforts both at the policy level and to build the awareness of the stakeholders on its benefits. Since regional integration aims to enhance economic cooperation and reduce trade barriers, it leads to reduced prices and more choices in the markets. The consumers prove to be the ultimate beneficiaries. As the supply of goods in the market increase, the prices of goods and services go down.

Economic growth is related to imports and exports, monetary policies, such as inflation rate, the supply of money, cost of money or rate of interest), fiscal policy, per capital income, exchange rates and general price level of goods and services. The countries in West Africa individually are performing poorly in most of these macro-economic variables due to their small size.

With ECOWAS looking into the agenda of regional integration, these variables are expected to be enhanced² to the advantages of the consumers. With the right efforts, integration is expected to positively affect the Gross Domestic Product (GDP) of member countries leading to large market share with increased efficiency and greater advantages of economies of scale for member countries.

Thus, competition would increase enabling producers to increase their capacity and develop specialised products. As the scope for intra-regional markets increase, production base of the ECOWAS region would be enhanced. This integration is also expected to give West African countries a strong bargaining power. Consumer welfare therefore could be used as an optimal measure to assess the extent to which regional integration is actually generating benefits for ordinary people. However, the policymaking process generally overlooks the critical involvement of consumer feedback thus creating an imbalance in estimating the overall welfare.

With this backdrop, CUTS International through its Accra Centre, approached the Regional Policy Fund (RPF) for support in contributing to this process, through its

¹Adapted from OECD Development Centre: Working Paper No. 170 entitled REGIONAL INTEGRATION IN WEST AFRICA by Ernest Aryeetey

Project “Integrating Consumers’ Voice in the Regional Integration Process: a Pilot in Select West African Countries” dubbed as IVORI Project.

DfID designed the Support to West Africa Regional Integration Programme (SWARIP), to reinforce the regional integration process and reduce the cost of doing business in the region. RPF had thus been designed to operationalise SWARIP to improve knowledge and policy dialogue on regional integration, under the supervision of Crown Agents Limited and Sanaa Consulting Limited.

There is a need of evidences to highlight the need of integrating consumer feedback in the policy decisions pertaining to regional integration. CUTS therefore embarked upon carrying out a study informing the perception of regional integration by consumers in two ECOWAS Member States: Senegal and Ghana, as a pilot initiative.

1.2 The Objectives of the Assignment

The overall objective of the assignment was to strengthen consumers’ voice in the West African regional integration process using evidence-based research. The aim was to undertake evidence-based research to allow consumer focussed organisations to express their views on the inclusion of consumer interests into the regional trade policy making process with a focus on two countries (Ghana and Senegal).

The following specific objectives are set up to be achieved:

- To determine the potential impacts of regional trade and integration on consumer welfare using some popular consumer goods as indicators.
- To assess current awareness and understanding of consumer organisations about the regional integration process and scope for improving their engagement.
- To identify certain specific areas where advocacy can be carried out (recommendation).

1.3 Scope of Work

The scope of the assignment has been summarised as follows:

- Assessment of consumption basket of consumers in Ghana and Senegal to check if consumers enjoy the benefits in-terms of improved consumer welfare (wider choice, fair prices, greater quantity, and good quality) resulting from intra-regional trade (regional integration) in the ECOWAS region. The objective is to focus on certain popular goods in the ECOWAS region and thus the analysis is based on the volume of imports and exports of goods to determine popular consumer goods being consumed from within the region. Impediments leading to reduced benefits to the consumers would also be identified in this process.
- The level of awareness and understanding of consumers, consumer organisations and NGOs on ECOWAS Regional Integration process would also be assessed. This is to estimate the involvement of CSOs and consumers (citizens) in the regional trade policymaking process. The factors limiting the consumers/citizens’ participation in the trade policymaking process would also be identified.

The Project aims to document the findings in the following deliverables:

- 1) Final Draft Reports on “Consumer Engagement in Regional Trade Integration Policy and Processes” in Ghana and Senegal.
- 2) Report on Focus Group Discussions for Soliciting Views of the CSOs and other Private Associations.
- 3) Final Report incorporating comments from a Validation Workshop from Key Stakeholders and Existing Platform(s)

1.4 Research Hypotheses and Methodology

1.4.1. Research hypotheses

I) Focus One: Assessment of consumption baskets of consumers in Ghana and Senegal to check if consumers enjoy the benefits in-terms of improved consumer welfare (wider choice, fair prices, greater quantity, and good quality) resulting from intra-regional trade (regional integration) in the ECOWAS region.

A) Research hypothesis One: Hypotheses to analyse the focus above are the following:

- The identified goods are extremely more expensive in the receiving country/countries than in the originating country/countries (both within the ECOWAS region) due to tariff and non-tariff barriers and
- The extreme price differentials are as a result of high import tariffs (assuming ETLIS is not fully functioning to cover all products, all regional firms), high cost of transportation/inefficient transportation network, and border delays/corruption/illegal checks, and other factors.

NOTE: the prices in originating countries are expected to be lower than those in the receiving country however the price differential should not be extremely high (It should be moderate after adding cost of transport even without import duties). If prices in originating country/countries and receiving country/countries become the same or are lowered in receiving country/countries, whilst receiving country produces similar goods, then it would be considered as ‘dumping’.

B) Research Issues

- What are the most traded consumer goods within the region, especially within the two project countries?
- What are the origins/sources of these goods, quantity imported/consumed in the project country, price of the goods in the project country, socio-economic importance (quantity and distribution of consumption among the different income groups) in the project country, etc.?
- What can account for difference between prices of these goods in the originating country and the consuming country (both within the ECOWAS region) as stated in the hypothesis (ii)?
- What is the most economical cost (true cost) of these variables if we adjust for inefficiencies (if any)? In other words, what is the economic cost of the inefficiencies in moving the goods from origin to consumers?

C) Methodology/Approach

Desk research – review of relevant literature

- The desk study involves the review of relevant literature on consumer welfare and regional integration and related studies.

- Among others, publications, articles and studies by CUTS were referred to and build on the organisation's similar previous experiences in other regions/countries when consumer welfare gains were assessed.

Secondary and primary data to identify the consumption basket and assess price differentials

- The basket of consumer goods in Ghana and Senegal are selected based on the volume and quantity of imports and exports of the various goods. A convenient way of assessing the consumption basket in the two countries is that goods are selected on the account of the volume of trade in the countries and this is assumed to be determined by the demand and supply side of the goods. Thus, it is believed that the goods are traded among the countries because consumers have preferences. The higher the preferences the higher the volumes of trade in those goods.
- After identifying what are included in the 'shopping basket' (popular goods) then the origins of individual goods was explored using country level import and export data from government institutions, such as Customs, National Statistical Departments, Ministry of Trade, Economic Community of West African States (ECOWAS), United Nations Commodity Trade Statistics Database (UN ComTrade), World Bank (WB) database and United Nations Conference on Trade and Development (UNCTAD) data. The data included the prices at the point of origins, volumes and values of goods imported, the import duties charged, and other levies (if any) in the two countries.
- Interviews and focus group meetings were carried out which include government officials (Trade Directorates, Customs) and transporters, Civil Society Organisations (CSOs) and other private organisations to assess current *status quo* consumer involvement in the ECOWAS trade policy making process.

3. Assessing Consumer Welfare

Consumer welfare gains from regional integration (intra-regional trade) would be assessed based on the reduced price that consumers in Ghana and Senegal are going to receive leading to increase in living standards. Thus, the high consumer prices due to high import duties will be reduced through regional integration (free trade) and reduced prices will be accruing to consumers. Therefore, the consumer welfare gain (or loss) to each of the countries (Ghana and Senegal) in the identified consumption baskets of goods will be calculated as follows:

$$\sum CW_{ij} = \sum [P_i^m \cdot Q_i^m - P_i^x \cdot Q_i^m] ; i=1, 2, 3... n \text{ and } j = \text{Ghana and Senegal.}$$

Where $\sum CW_{ij}$ is the Consumer Welfare as a result of the change in import price of good, i , in Ghana or Senegal (j); P_i^m is the Import price of good/service i into Ghana or Senegal (j) from identified originating countries; P_i^x is the Export price of good i in Ghana or Senegal to other countries; Q_i^m is the Import Quantity of good i in Ghana or Senegal from identifies originating countries.

II) Focus Two: Assessment of the level of understanding and awareness of consumers and consumer organisations of ECOWAS Regional Integration process and perceptions of its impacts.

A) Research hypothesis two: Hypotheses to analyse the above focus are the following:

- Consumers are not properly informed of/involved in the regional economic integration process in West Africa.
- Integrating consumer voices can deliver more positive outcomes for the regional integration process in West Africa.

B) Research Issues

The research assesses the following areas:

- Consumers' awareness of Regional economic integration processes. This will target; (i): consumers in general and (ii) their organised groups, and will assess their level of awareness of the nexus between RI and its expected benefits to consumers.
- Consumers' involvement in the Regional Integration processes. This will cover: (i) the texts, legal documents, provisions for consumer groups' involvement in the process, (ii) take stock of the structures that are in place to facilitate such involvement at national and regional levels. This research will take into account the two-layer structures of Regional integration in West Africa: The Economic and Monetary Union of West Africa (UEMOA)/WAEMU and ECOWAS.
- Forms of engagement and activities deployed by consumer organisations to influence the Regional Integration processes to ensure its benefits are accrued to consumers.

C) Methodology/Approach

The consumers' expressions and opinions about the regional integration and how it affects their living standards will be analysed through synthesis of both primary and secondary sources.

Primary data will be two categories: (i) qualitative data and, (ii) quantitative data, which will among others include consumers' perceptions, feelings about integration, opinions, awareness level of regional integration.

The source of primary data will be:

- Interviews: Interviews with targeted Civil Society Organisations (CSOs) and Non-government Offices (NGOs) selected in two cities in Ghana and two cities in Senegal. It will also include private sector associations and institutions, such as public services.
- Focus group discussions: Focus group meetings will be held among CSOs, government officials, development partners, consumer society organisations, etc.

The analysis of the level of consumers' awareness of the nexus between Regional Integration and benefits, the effectiveness of identified contents, stakeholders, structures and forms of engagement will help identify and shed light on the limitations of the current structures, processes and the capacity constraints faced by consumer organisations as perceived both by governments and consumer organisations themselves.

Recommendations are to be derived for immediate and long term solutions and more effective entry points that would ensure consumers' voices are integrated into the regional economic integration policies and processes in West Africa.

1.5 Structure of the Assignment

This report has been organised into four main parts.

Part I is the introduction where the background information, objectives and methodology of the assignment are presented. Part II is the ECOWAS Regional Integration; Part III is the Importance of Consumer Involvement in Regional Integration; whilst Part IV is the Case Study in Ghana and Senegal.

Part II: ECOWAS Regional Integration

2.1 Background: ECOWAS Regional Integration

The ECOWAS, which was founded on May 28, 1975, is the main economic bloc in West Africa. It is made up of 15 West African countries, namely: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo.³ ECOWAS aimed to create a common market in the West African region and in 1993, it revised its treaty to include important changes that were taking place in the region and the rest of the world. The revised treaty aimed to promote cooperation and integration, leading to the establishment of an economic union in West Africa in order to raise the living standards of its people.⁴

The ECOWAS Treaty's provisions mandated the Union to:

- eliminate between Member States customs duties and other charges of equivalent effect on imports and exports
- eliminate quantitative and administrative restrictions on trade among members, establish a common external tariff structure and commercial policy towards non-member countries
- eliminate obstacles restricting the free movement of persons, services and capital between Member States
- harmonise agricultural policies and promote common projects in the member states notably in the field of research and marketing agro-industrial enterprises
- implement schemes for the joint development of transport, communication, energy and other infrastructural facilities as well as the evolution of a common policy in these fields
- harmonise economic and industrial policies of Member States and eliminate disparities in the level of development of Member States
- harmonise monetary policies of Member States
- establish a fund for cooperation, compensation and development
- embark on other activities in the interest of the member states within the community

The protocol of ECOWAS was projected as an integral part of institutionalising a single regional socioeconomic space where all citizens could benefit from opportunities in Member States, including the utilisation of arable land by indigenous agriculturists, access to coastal areas by landlocked Member States, employment of English and French language experts and, most significantly, unrestricted access to natural resources by Member States.⁵

The treaty clearly defines its mission and the mechanism of achieving this defined mission so as to promote cooperation and integration within the West African regional bloc⁶. However, outside of peace-keeping missions in the region, which are primarily responsible of reminding sub-regions of ECOWAS' existence, ECOWAS has achieved very little.⁷

The process of integration is expected go through five main stages by the ECOWAS Commission. The first stage of ECOWAS regional economic Integration is the Preferential Trade Arrangements. This is a provision of merely lowering trade barriers among participating nations while the non-participating members still face high levels of trade barriers. This is the most basic form of economic integration.

The second stage of economic integration is the Free Trade Area where all barriers to trade are removed among members of ECOWAS. The member countries however, maintain their trade barriers with non-ECOWAS countries. There is thus the need for 'rule of origin' to protect the goods and services originating from ECOWAS countries by attesting their point of origin.

The Customs Union is the third stage of economic integration of ECOWAS region. The members are expected to levy no tariff or non-tariff barriers on other Member States. The Member States are also expected to sign the common external tariff (CET) with rest of the world as members of a Customs Union. The CET is usually the accepted lowest pre-union rate and members are expected to harmonise all non-tariff barriers.

The fourth stage in the regional economic integration process is the Common Market that has all the characteristics of the Customs Union. No invisible trade restrictions are expected among members of ECOWAS. The members are expected to endeavour to harmonise trading standards and practices including the monetary and fiscal policies. Free factor mobility and competition policy are enjoyed by all the members.

The last stage of the regional economic integration process is the EU, which is the most advanced form of economic integration having all attributes of a common market where there is coordination of macro-economic and budgetary policies.⁸

The dynamics of ECOWAS integration process is complicated due to overlapping membership in two regional schemes (WAEMU and ECOWAS), which leads to conflicts of interest in some cases. Despite well-defined protocols and legal documentation, implementation levels remain low⁹ which is reflected in low levels of intra-community trade. The contribution of export in the GDP of West African countries has not shown any significant rising trend since the inception of ECOWAS.¹⁰

2.2 Objectives of Regional Integration

The need for Regional Integration in West Africa is particularly strong due to the size, structure and low level of development of the regions' economies. With the exception of Nigeria, most countries are small and non-diversified, with very little trading relations amongst each other. The fragmentation of the markets is therefore impeding industrial development in the sub-region.¹¹ In order to reap the benefits of economies of scale, stronger competition and increased domestic and foreign investment, regional integration is imperative for West African countries

Regional Integration was perceived as one of the best means to attain development objectives and address globalisation issues in addition to finding ways of overcoming challenges in penetrating the markets of developed countries.¹² ECOWAS aimed to achieve this through the elimination of customs duties on intra-ECOWAS trade and

taxes of similar effects, through establishment of common external tariff, harmonising economic and financial policies and creating a single monetary zone. The objectives of ECOWAS regional integration are spelt out in its treaty.

2.3 Performance of Regional Integration in West African Region

West Africa is considered to be the harbour of Least Developed Countries (LDCs) all over the world as 11 out of the 15 ECOWAS Member States fall within the LDC category. The United Nations (UN) human development index (HDI) also states the same in addition to the fact that about 60 percent of the ECOWAS citizens live below the poverty line (less than a dollar per day).¹³ As countries commit to the realisation of regional economic integration, the small and poorer countries among ECOWAS stand to benefit as it may contribute to overcome some of the natural disadvantages and limitations that engulf them.¹⁴

There is abundant well-documented evidence, however, that the regional integration arrangements in West Africa have, in general, not significantly improved intra-regional trade. The volume of intra-regional trade has stagnated or even declined slightly, and composition of trade has also changed slightly, suggesting that integration has led to significant structural change¹⁵ in the region.

The percentage contribution of Export to GDP for many of the ECOWAS members declined from the base year of 1975 (inception year of ECOWAS) through 2003. Niger's exports declined from 19.2 percent to 17.2 percent from 1975 to 1995 with a further decline from 16 percent in 2003 (10 years after the ECOWAS revised treaty of 1992). Senegal's export contribution to GDP in 1975 was 35.4 percent, which fell consistently to 26.9 percent in 1980 and to 25.4 percent in 1990 before recording 34.5 percent and 29.9 in 1995 and 2000 respectively. Ghana's GDP exports declined from 19.4 percent to 8.5 percent in 1980 before increasing to 10.7 percent and 49 percent in 1985 and 2000 respectively.¹⁶ Togo and Sierra Leone also faced similar declines in their export in GDP (see Table 2. 1).

Table 2.1: Contribution of Export to GDP among Selected ECOWAS Members

Exports of Goods and Services (% of GDP)									
Year	Benin	Burkina Faso	Cote d'Ivoire	Ghana	Niger	Nigeria	Senegal	Sierra Leone	Togo
1975	14.50	7.35	36.70	19.40	19.20	18.30	31.40	25.10	43.40
1980	15.80	8.95	35.00	8.47	24.60	29.40	23.90	22.90	51.10
1985	23.70	9.92	46.80	10.70	20.70	17.40	27.80	14.80	48.40
1990	19.20	11.00	31.70	16.90	14.80	35.30	25.40	34.70	33.50
1995	27.40	14.10	41.80	24.50	17.70	35.80	30.90	18.60	32.40
2000	25.40	9.08	40.40	48.80	17.80	51.70	27.90	18.10	34.40
2003	21.00	8.71	45.80	40.70	15.20	39.80	26.60	14.10	43.40
2005	21.60	9.74	49.80	36.40	16.60	31.70	27.00	17.80	40.00
2007	19.50	10.60	47.10	24.50	17.40	33.70	25.40	15.60	37.90
2009	15.80	12.60	50.70	29.30	20.30	30.80	24.30	13.50	36.70
2010	15.10	17.00	50.50	29.50	22.20	25.30	24.90	16.80	40.20
2011	14.30	21.10	53.80	44.10	20.90	31.30	25.20	16.40	39.40
2012	15.30	27.50	48.40	48.10	24.60	31.40	24.30	35.20	-
2013	18.30	-	45.40	42.20	23.30	18.00	26.20	53.10	-

Source: World Development Indicators, 2015

According to CEDEAO (2005) and Zannou (2010), the share of intra-community trade to the total ECOWAS trade volume, is around 12 to 15 percent. This share of intra-regional trade among ECOWAS countries compares favourably to several other regional economic communities in Africa. For example, intra-regional trade is 10.7 percent for the WAEMU, 12.8 percent for Eastern African Community (EAC), 7.7 percent for Southern Africa Development Community (SADC), 16.2 percent for Southern Common Market (MERCOSUR), 9.6 percent for Caribbean Community (CARICOM) and 9.6 percent ANDEAN.

However, intra-regional trade in West Africa is far below the 60.4 percent share of intra-region trade in European Union in 2003¹⁷ and about 72 percent in 2009¹⁸. Even in comparison to other developing areas, trade among African countries is believed to be relatively low. United Nations Conference on Trade and Economic Development UNCTAD (2009) compared the intra-regional trade share of African countries (9 percent on average between exports and imports in (2004-06) to that of developing America (20 percent) and Asia (47 percent), and presented data from 1960 onwards. It concluded that Africa has consistently low proportion of intra-regional trade than other regions.¹⁹

2.4 Some Achievements of ECOWAS Regional Integration

The effects of regional integration in ECOWAS have been slower, although commendable progress has been made by ECOWAS over the years.

Free Trade Area: ECOWAS has been able to form a vibrant free trade area²⁰ and has supported it with trade facilitation programmes, such as a uniform and simplified customs declaration form and a common statistical nomenclature, which is in line with the World Customs Organisation (WCO) harmonised system. The organisation embarked on a programme of economic integration, which attempted to attain accelerated and sustained economic growth within the region through complete elimination of barriers to free movement of goods, capital and persons.

This is undertaken through a structured regional programme of trade liberalisation and liberalisation of migration barriers. Its main purpose is to ensure stability and economic growth throughout the region. Understanding has been reached among Member States although the full implementation is yet to be realised. Schemes like ETLS are only limited to few regionally processed and manufactured products with cumbersome procedures. Though the ETLS scheme benefited some producers, it stands to benefit consumers in the region if procedures are simplified to help increase accessibility by many producers in order to increase trade among members.

Customs Union: ECOWAS adopted the Fast Track Approach endorsed from LOME Summit (1999) for the formation of a single regional market. The region formed a customs union by adopting the UEMOA Common External Tariff (CET) structure already in force in the countries of the CFA Zone comprising a scale of 0 percent, 5 percent, 10 percent and 20 percent²¹ as the starting point.

Based on the decision of the ECOWAS members, the seven country members, Cape Verde, The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone, that did not belong to UEMOA were committed to harmonise their tariff regimes through a process that began with impact assessments (from the adoption of CET through to the proper implementation of CET). In the Dakar Summit on October 25, 2013, members of ECOWAS approved the ECOWAS CET, which was to come into effect by January 01, 2015 in order to move to a full-fledged Customs Union of West Africa.

The current ECOWAS CET is made up of five tariff bands based on the categories of essential social goods (medicine) classified as 0 percent with 85 tariff lines; essential commodities, basic raw materials, capital goods, specific inputs are classified as 5 percent with 2146 tariff lines; Inputs and intermediate products are classified as 10 percent with 1373 tariff lines; final consumer goods classified as 20 percent with 2165 tariff lines; and specific goods for economic development are classified as 35 percent with 130 tariff lines.²²

The regulations adopted along with ECOWAS CET include: the trade defence measures, which consists mainly of safeguard measures to restrict imports of certain products temporarily; countervailing duty levied to counteract the effects of subsidies; anti-dumping measures to counteract unfair practices; and additional protection measures.

The necessary activities of the Customs Union have been completed for the implementation of the ECOWAS CET in all member countries, including the final text on community customs code and the adoption of the steering and monitoring mechanism for ECOWAS' fiscal transition programme. ECOWAS has also introduced programmes

that seek to strengthen and develop the infrastructure in the sub-region, particularly the areas of telecommunication, roads and energy.

CET has resulted into some positive impacts on the citizens of ECOWAS. For instance, Kareem (2014) finds that CET in ECOWAS has had net positive effects on the welfare of households of Nigeria largely due to the gains from the expenditure basket. The expenditure gains through lower prices outweighed losses in households' purchasing power incurred through lower income. Poorer households experienced larger welfare gains than richer ones, and urban households were better off than their rural counterparts.²³

Macro-economic Stability: The region has made some gains in terms of the macroeconomic policies although full integration has not yet been achieved. Essien (2009), for instance, observes that ECOWAS integration process achieved reasonable level of macro-economic stability in terms of a credible commitment to price stability. Economic growth was robust in almost all the countries while inflation moderated significantly and foreign exchange reserves improved substantially.²⁴ This clearly indicates the element of consumer welfare that accrues as a result of improved macroeconomic variables of West Africa.

Enabling Environment for Improved Integration: For smooth implementation of the protocols, ECOWAS has moved from a Secretariat to a Commission and formed ECOWAS Parliament made up of representatives of member countries for dialogue, consultation and consensus on integration and other issues including human rights, freedoms of citizens, energy, communication and infrastructural development. The ECOWAS community court of justice has also been established for adjudication of matters concerning Member States and their citizens.²⁵ The establishment of ECOWAS Bank for Investment and Development (EBID) is also responsible for deepening integration. The EBID is composed of the ECOWAS Regional Investment Bank for financing private sector and the regional development projects.

As part of the integration process, ECOWAS has successfully designed an enabling institutional structure to harmonise and integrate production infrastructure, strategies and policies in pricing and price support policies in production, trade and marketing of major agricultural products and inputs. This stands to benefit regional citizens, especially poor farmers living in the rural areas who do not get access to better market for their produce. Another conducive condition for ECOWAS regional integration is issuing of single passports and regional biometric Identification Cards for citizens of member countries. This would be fully effective by 2016.

2.5 Challenges Impeding the ECOWAS Regional Integration

West African countries face similar challenges that can best be dealt with collectively. These problems include the marginalisation of the region in global economy, weak infrastructure, weak performance in macro-economic policies as well as challenges related to environment and natural resource utilisation.

2.5.1: Low income of Member Countries: Most of the ECOWAS countries fall in the low income group. Only exceptions are Nigeria, Cape Verde, Ghana and Cote D'Ivoire that fall

within the low-middle income groups with per capita income of more than US\$1,000. The Table 2.2 summarises the per capita income levels of the ECOWAS Member States from 2008 to 2012.

Table 2.2: Per Capita Income of ECOWAS Members in US\$

Net National Income Per Capita (current US\$) in ECOWAS					
Country	2008	2009	2010	2011	2012
Benin	660.00	634.00	610.00	661.00	665.00
Burkina Faso	502.00	483.00	504.00	530.00	521.00
Cape Verde	3,180.00	3,050.00	2,890.00	3,230.00	3,090.00
Cote d'Ivoire	1,080.00	1,070.00	1,050.00	1,070.00	1,070.00
The Gambia	512.00	462.00	471.00	424.00	423.00
Ghana	997.00	866.00	1,030.00	1,150.00	1,160.00
Guinea	271.00	265.00	263.00	253.00	296.00
Guinea-Bissau	445.00	432.00	421.00	476.00	388.00
Liberia	117.00	180.00	173.00	216.00	235.00
Mali	585.00	562.00	570.00	613.00	572.00
Niger	319.00	307.00	311.00	336.00	343.00
Nigeria	921.00	794.00	1,870.00	2,010.00	2,240.00
Senegal	952.00	876.00	864.00	953.00	890.00
Sierra Leone	420.00	410.00	387.00	444.00	503.00
Togo	358.00	373.00	353.00	395.00	403.00

Source: World Bank, World Development Indicators

2.5.2: Shared economic resources: The management of water resources from important rivers, such as the Niger, the Senegal and the Gambia have to be managed in a collective and sustainable way as they are common resources to many member countries. Additionally, three countries, Burkina Faso, Mali and Niger are landlocked and therefore face high transport costs as the goods have to pass through various border check-posts across Member States. Improved regional cooperation would therefore help in reducing these costs by allowing free movement.

2.5.3: Low intra-regional trade: There is a weak link that exists between regional integration and intra-regional trade in West Africa, resulting into a small average of about 10 percent of total exports in the region. Apart from the poor implementation of regional commitments (rules and policies), there are many factors contributing to the low intra-community trade. These include the economic structure of the Member States, which constrains the supply of diversified products; poor institutional policies; weak infrastructure; weak financial and capital markets and failure to implement trade protocols; the complementarities of specialisation patterns; macro-economic stability for convergence criteria; and good governance.²⁶

2.5.4: Low implementation of policies by inter-governmental organisations: The ECOWAS looks to strengthen regional migration and the integration process, especially through its inter-governmental organisations and their activities. But migrating citizens within ECOWAS Member States continue to experience routine intimidation and harassment by officials along the common borders. For instance, routine threats of arbitrary arrests and denial of passage if bribes are not paid are still common (Adeniran, 2010), even though the ECOWAS policy on a common passport for the entire sub-region has been in place since 2005 (Gheho, 2011). Between Badagry (the exit point from Nigeria to Benin) and Noe (the entry point from Ghana to Cote d'Ivoire), there are an estimated 120 border posts and security check points, forcing individuals crossing these borders to switch intermittently from one official language to the other and exchange currencies several times across borders.²⁷

2.5.5: Presence of multiple regional economic communities: The projected unification of the ECOWAS and the West African Economic and Monetary Union (UEMOA) has been largely unattainable. The ECOWAS' intent of a common external tariff regime is likely to face a slow kick-off, though it was slated to start from January 01, 2015. In Ghana, for instance, the parliament could not approve the ECOWAS CET for implementation as on November 2014. Besides, it will take time for customs officials to be conversant with the new CET in Ghana as they are used to the "Commissioners' Value" instead of the HS classification for valuation of import duties.

2.5.6: Absence of single economic zone: Intent of a single monetary zone has not been realised as a result of disagreement over an appropriate formula and subsisting colonial undercurrents. Presently, eight monetary zones exist within the sub-region, making trans-border social and economic interaction a cumbersome task. Other specific constraints include the plurality of socio-economic groupings whose formations, aims and market measures are as divergent as their membership compositions. A good example of this is the contradictory roles of the ECOWAS and the UEMOA and the split in language groupings into Anglophone and Francophone groups.

2.5.7: Differences generated due to colonialism: The differences created due to colonial occupation of ECOWAS Member States still act as bottlenecks by fomenting political instability and border hurdles. Additionally, persistent economic instability experienced by member states has weakened capacities to create feasible macroeconomic policies.

2.5.8: More focus on national interests: The national interests often take precedence over regional interests among Member States. The political zeal required to drive the regional agenda at the national level is lacking. For example, in mid-2004, Liberia requested that all legal West African migrants in the country should undergo a process of (re)registration while those without legal status should be deported. In most cases, national exigencies override sub-regional interests.²⁸ Also simultaneous membership of dual regional communities has prevented effective execution of ECOWAS decisions by national governments.

Equally, many social, economic, and political goals of ECOWAS that have to be abided by the member countries are unrealistic and therefore they see a very low commitment from these Member States. For instance, the right of residence and of establishment,

recognised in the 1992 revised ECOWAS Treaty, has not been functionally implemented because of Member States' commitment to other organisations²⁹.

In addition, the potential economic benefits from liberalisation in terms of cost reductions on economic agents (that is, producers and consumers) are based on the assumption that all tariff and non-tariff barriers to trade within the region are fully removed. However, the welfare benefits that should accrue from liberalisation are drastically reduced because internal market programmes of ECOWAS face implementation challenges.

2.6 Contribution of Regional Integration to Economic Development

The benefits of regional integration towards growth effect have been clearly mentioned in the research by Oyejide *et al.* (2003).³⁰ Herenkson *et al.* (1996), state that the economic growth of EU Member States has enhanced due to efficacious implementation of integration. Kamau (2010) observes that economic integration and trade (for COMESA, EAC and SADC), separately and jointly, have a positive and significant impact on economic growth for all parties. He recommends among other policies, pursuance of non-discriminatory trade liberalisation concomitantly with preferential liberalisation in both goods and services, for economic integration to have a significant and sustained positive impact on growth.³¹

Within the EU, Coe and Moghadam (1993) also specifically conclude that about 0.3 percent of the growth experienced in France during the 1980s could be ascribed to its membership of the EU. The Cecchini Report (1988) further identifies that between 2.5 percent and 6.5 percent increase in EU countries' income were attributable to the 1992 internal market arrangement. Other researches, such as Gunning (2001), Lyakurwa (1996) and Aryeetey and Oduro (1996) confirm the positive contribution of regional economic integration on economic growth in Africa and maintains that growth was attributable to trade reforms, increased investments and trade.

In West Africa, lessons relating to intra-regional integration have clearly shown that the CFA zone has particularly been able to transform their economic and monetary cooperation into a powerful driving force for economic policy coordination.³² In particular, single currency has been and remains the cornerstone of the UEMOA (another West African regional economic community). This is probably due to the preparedness of its member countries to yield their economic policy matters to strong, independent regional organisation. Therefore, there is a need for all the ECOWAS Member States to derive lessons from their UEMOA counterparts and strive achieve rapid integration into the global economy.³³

Part III: Importance of Consumer Involvement in Regional Integration

3.1 Consumption Baskets, Price Differentials and Regional Integration

The list of items contained in the consumption basket of consumers and their prices is a good representative of consumers' spending patterns.³⁴ Changes in the prices of goods and services that households consume usually affect the real purchasing power of consumers' incomes and their welfare. There is difference in preferences across countries and besides, changes in relative prices have differential effects on price of consumption basket in different countries. Deviations from the provision of 'one price' could arise due to goods arbitrage involving transportation costs. Changes in the relative cost of consumption baskets affect demand of goods and hence expected quantity.

The variables that affect the prices of consumption basket include exchange rate, import duties, trade policy inconsistencies (export/import bans) and other levies at the point of entry, cost of transportation, non-tradable³⁵ and other macro-variables, such as inflation. In ECOWAS, the relative prices change over time and differ across Member States due to consumers' preferences. Because members are acting individually in terms of trade, it has caused high price differentials among the countries. When ECOWAS act together to trade among themselves and the rest of the world, the high price differentials will be resolved thereby increasing the purchasing power of consumers' income and welfare.

The changes in the prices of goods and services purchased or otherwise acquired by households, which households use directly, or indirectly, to satisfy their own needs can be intended to measure either the rate of changes in purchasing power (price inflation) as perceived by consumers or changes in their cost of living.

Price indices as a result of changes can also be used to measure differences in price levels between different countries in the ECOWAS at the same point in time. Iyiola and Adetunji (2014) confirm that inflation rate, GDP and credit to private sector have positive relationship with changes in the prices of goods consumed by consumers (changes in the consumption basket). However, the broad money and net credit to Government shows a negative relationship with prices of consumption basket of goods indicating that increases in money supply and increase in credit to government lead to a reduction in the prices of consumption basket.³⁶

Economic and Financial Affairs of EU identified some remarkable differences in the household consumption baskets both within and outside countries in the EU. The cross-country differences were found to be due to differences in consumer preferences, the institutional structure (such as social security system, tax system, and government-financed benefits), the income distribution, and the general level of economic development of the countries. In its findings, the Economic and Financial Affairs of EU

observed that poorer households spend a higher proportion of income on food, clothing and housing whilst higher income households and households with more active persons in terms of labour market participation spend higher fractions of their income on recreation and leisure.³⁷ This shows that as consumer goods, especially food prices become high, poorer households suffer more than the middle and high income households.

Canova and Pappa (2004) also studied the effect of regional expenditure and revenue shocks on price differentials for 47 states in the US and nine countries in the EU. They identified the expenditure and revenue shocks using sign restrictions on the dynamics of deficits and output and then constructed two estimates for structural price differentials dynamics, which optimally weigh the information contained in the data for all units. Their findings stated that fiscal shocks cause 14 percent of the variability of price differentials in the US and 23 percent of the variability of price differentials in the EU. On an average, expansionary fiscal disturbances are positively related to price differential in both (the US and the EU) while distortionary balance budget shocks are negatively related to price differential.³⁸

Yang and Hwang study suggested that there was a negative and thus restraining effect of import competition on the domestic prices in the Korean manufacturing sector and that import competition not only affects profit rates in developing countries, but price behaviour as well.³⁹ In addition, the findings of Pain, Koske and Sollie (2008) imply that the purchasing power of consumers is greatly affected by higher consumer prices as a result of inflation process. Non-integration among countries in a regional bloc has impact on import prices which in turn influence consumer prices.⁴⁰

From the empirical reviews on consumption basket and price differentials above, one can clearly observe that any alterations in consumer prices greatly affect the poor. It is therefore worthy to note that regional integration stands to benefit consumers in the integrated area as prices of goods and services contained in the consumption baskets are likely to be low with only small margins of difference.

Despite all these benefits that the consumers in the ECOWAS region stand to gain, the regional efforts at attaining macro-economic convergence of Member States' economies through the framework of ECOWAS have so far yielded little dividends.

In order to guarantee a balanced distribution of wealth and to significantly reduce the wide gaps between members, ECOWAS Member States should facilitate intra-regional trade in both goods and factors of production. This can be realised by the harmonisation of economic and financial policies of Member States. It would eventually help ECOWAS achieving convergence in fiscal balance, inflation rates, limiting of central banks budget deficit and maintenance of sufficient levels of gross official foreign exchange reserves.⁴¹

The consumers would eventually benefit as the prices of the consumption baskets will be likely to fall and thus would increase their purchasing power.

3.2 Consumers, CSOs and Private Sector Involvement in ECOWAS Regional Integration Process

Abbey (2011) expressed the view that Regional Integration is a process rather than a single occurrence and thus requires the involvement of the citizens in terms of decision making in order to help shape the implementation of the policies in West Africa.

Since its inception, ECOWAS has not been able to mobilise the participation of consumers and/or consumer groups. It currently stands to be an institution comprising of political leaders and senior bureaucrats. The ECOWAS regional integration must be driven by a 'grassroots' ethos and thrust based on broad citizen participation at all levels of the West African society.

CSOs in West Africa must form a social movement that is citizen-based, centred and driven. The interest now flows from a new reality that we live in the age of consent, and that the nature of our democratic politics has to be transformed in the face of new information and communication technologies, and with social media becoming a huge and effective platform and vehicle for empowering citizens to voice opinions, agitate and even propel revolutions.

It can be observed from the examples of EU, East Africa Community (EAC) and COMESUER, that consumers associations, CSOs, businesses and other Private Sector Organisations have contributed in the process of shaping economic policies that are inclusive in nature.⁴² In the efforts to bring about political federation amongst its five Member States, EAC had closely involved the regional CSOs in the process. The CSOs were able to advocate and recommend for the inclusion of Non-state Actors (with particular reference to the civil society) in the formal structures of the integration process of EAC. This included full participation and institutionalisation in the various levels of discussions and negotiations including the EPAs with the EU-ACP.

A regional directorate of CSOs in West Africa developed by the West Africa Civil Society Institute (WACSI) shows that there are over 3,000 organisations, associations, networks and groups working within the civil society sector at different levels in the region.² However, CSO collaboration with ECOWAS is inadequate. This is because most CSOs lack information and the capacity to collaborate. Additionally, these CSOs lack the information on the structure and functions of ECOWAS.³ However, these CSOs have their work agendas that promote regional integration.

New CSOs have established in the region that have the capacity to collaborate with the ECOWAS on this agenda. Organisations like Open Society Initiative of West Africa (OSIWA), Third World Network Africa (TWN), CUTS international, Borderless Alliance, IMANI Ghana, Institute of Economic Affairs (IEA) of Ghana, Pan African Institute for Citizenship, Consumers and Development (CICODEV Africa), ENDA, CACID, Centre for Democracy and Development (CDD), etc. voice interests of the private sector and consumers including ordinary citizens of the region. For instance, policies have a long

²WACSI (2009)

³ibid

term impact on the citizens, and therefore, the polity should not impose them without taking into consideration, the citizens' feedback.⁴³ It is believed that getting civil society to be involved in the development processes including regional integration processes like ECOWAS integration would bring the dividends to the people much faster.⁴⁴

Open Society Initiative of West Africa (OSIWA) is involved in publishing the views and opinions of consumers and citizens in a quarterly publication known as WACSERIES. The objective of WACSERIES is to emphasise the contribution of CSOs in the promotion of democracy, good governance and socio-economic development of West Africa including regional integration. There is also a growing collaboration between ECOWAS and regional CSOs, such as the West African Civil Society Forum (WACSOFF), the West African Network for Peace-building (WANEP) and West African Civil Society Institute (WACSI) as partners in the integration processes in the region to represent the views of the ordinary citizens.

TWN-Africa is another example. It is a pan-African research and advocacy organisation working for economic and social equity within Africa and for an equitable place for Africa in the global order. TWN-Africa focusses on strategic development issues faced by Africa in the age of globalisation, especially from the perspectives of vulnerable and marginalised. It also facilitates the organisation and expression of African civil society at the supra-national (regional, continental and global) levels on these issues.

In the past, there were some initiatives of Consumer involvement in regional debates, which have nonetheless failed. Among such initiatives, one can mention the efforts by Consumers International (CI) Office for West Africa in the early 1990's, which was promoted as an observer organisation at ECOWAS programmes. This allowed the organisation to be invited to various meetings held by the ECOWAS particularly on the issue of biosafety and Genetically Modified Organisms (GMOs).

The restructuring of CI led to the closure of its West Africa office, thus ending its representation in the ECOWAS. Another initiative was taken by organisations in the French speaking West African countries. This resulted in the establishment of a network of WAEMU consumer organisations. Due to management and financial constraints, the organisation could sustain itself.

3.3 Benefits of Regional Integration to Consumers/Citizens

Regional integration leads to the harmonisation of regional investment policies into a singular code which removes obstacles to "doing business" and provide efficient and effective legal, as well as regulatory frameworks promoting growth and competition. The simplification of investment due to singular code helps in reducing and/or eliminating complexities in the regional investment policies both in terms of cost and procedures.

Regional integration leads to both consumer and producer welfare. Better allocation of resources leads to reduced prices of goods and services for the consumers as the cost of production goes down (producer welfare). As governments continue to get revenues through income and corporate taxes, it proves to be a win-win situation. There is chain reaction towards economic development due to regional integration. As the market

opportunities increase, the member countries have better scope of increasing their production capacities.

This strategic industrial development enhances agricultural production through the reorganisation of the community's land tenure system in terms of land acquisition, reallocation and rehabilitation; increased subsidies in terms of machinery and improved varieties; enhanced production both for export and domestic purposes; and, effective marketing and distribution network for the benefit of both the consumers and the producers. Through integration, the customs union enhance general welfare by the use of a common currency thus enhancing mobility of capital, labour and consumers. This also contributes in reducing regional disparities in taxes and increases the supply of public goods with the potential for fiscal spill over across national borders.⁴⁵

Apart from intra-regional trade, the member countries gain bargaining power collectively and they gain better scope of 'trade creation' with the rest of the world. This is because as terms of exchange among members improve the prices of imports from rest of the world are reduced due to trade liberalisation. The price reduction in this case occurs due to collective market of the Member States that influences the prices of non-member exporting countries. Consumers thus benefit from reduced prices, which increase their welfare.⁴⁶

Chang and Winters (1999) stated that Brazil's participation in the MERCOSUR led to a significant fall in the prices of imports from Non-member States. The increased competition in MERCOSUR's market had induced non-member exporters to reduce prices, thus improving the MERCOSUR members' terms of exchange.⁴⁷ Pigato *et al.* (1997) found that welfare gains from preferential trade liberalisation were bigger for South Asian countries.⁴⁸

Regional trans-border migration has made positive contributions to the social and economic advancement of individuals and nations by increasing mean household incomes in the ECOWAS sub-region. Evidences suggest that cross-border remittances (which are increasing) contribute to poverty reduction in the region through investment activities.

The increasing volume of fund transfer homeward by migrant workers within West Africa, for instance from Cote d'Ivoire to Nigeria, Senegal and Burkina Faso and from Nigeria to Benin and Togo, have rekindled interest in the development potential of remittances at the regional level.⁴⁹ Within the transnational social space, the citizens of the region are able to retail other member countries.⁵⁰

Part IV: Case Study in Ghana and Senegal

This section enumerates the issues affecting regional integration to determine the potential available for Senegal and Ghana for partaking in the economic and monetary integration of the ECOWAS region. The aim is to determine the gains that are accrued to the consumers/citizens *vis-à-vis* regional integration. An evidence-based analysis would be presented to demonstrate the benefits of participation of CSOs, consumers and producers in the agenda of ECOWAS for achieving the goals of integration. The issues discussed include regional policies on trade and investment including the ETLS and regional trade negotiations, such as EPA. It also analyses the country specific economic performance variables that affect regional integration of ECOWAS with special reference to Ghana and Senegal.

4.1 ECOWAS Regional Trade Policy Making and Involvement of Citizens

4.1.1 Trade Policy Making and Implementation

i) *ECOWAS Trade Liberalisation Scheme (ETLS)*: As indicated in above sections, ECOWAS was founded with its objective to step up the development of its members by close economic and political cooperation. The results have so far been sobering. According to certain studies, many resolutions are passed but few have been implemented and they too are faced with challenges in meeting the targets.⁵¹ A typical example is the ETLS, which is the ECOWAS integration programme aimed at creating a FTA to provide free flow of goods. ETLS came into force in January 1990 and was established among the Member States since then.

However, the implementation of the protocols establishing the ETLS and other trade-related initiatives in most member countries are still fraught with challenges. At the time of formulating policies and protocols CSOs, consumers, consumer groups, businesses were not consulted. For instance, in December 1999 governments of Ghana and Nigeria adopted the Fast Track Initiative (FTI) on five ECOWAS programmes (which were the ETLS); the establishment of a Second ECOWAS Monetary Zone; a borderless zone, infrastructural development, private sector development and collaboration and investment promotion.

In March 2000, the Ghana-Nigeria initiative was broadened to include Benin, Burkina Faso, Mali, Niger and Togo. However, decision making on these issues remained in the Presidency and other bureaucrat institutions without the inclusion of the ordinary citizens who were the final incidence of the policies.⁵² Since many of these policies as it is not conducive to the benefits of the consumers, they proved impractical to the local conditions of the Member States.

ii) *Economic Partnership Agreement (EPA)*: In the case of the EPA negotiation between ECOWAS and EU launched on October 2003, there was low participation by citizens in Ghana. Although limited groups, such as Ghana Union of Traders Association (GUTA) and Association of Ghana Industries (AGI) contributed to the negotiation of EPA in Ghana, they did not make any effort to sensitise the general public on the issues related

to the EPA negotiation until the Government finally agreed to sign it in December 2014. Some non-state actors participated in the EPA negotiations, but they were from WAEMU region.

However, CSOs and other private sector representatives including some farmer groups played an important role in the EPA process at both national and regional levels as compared to other trade negotiations in West Africa. For instance, an independent review was prepared by the ROPPA (*Réseau des Organisations Paysannes et des Producteurs Agricoles de l'Afrique de l'Ouest*), as a contribution to the formal review, highlighting the views and positions of farmer organisations in the region, and presented at the negotiation meeting (ROPPA, 2006). This was due to the realisation of the importance of contribution of CSOs and private sector operators, especially among the WAEMU member countries.

iii) *ECOWAS Policy Making Process*: In general, it appears ECOWAS pays more attention to project execution rather than the economic, financial and political integration of member countries, as evidenced in its activities at three levels: the inter-governmental, the multinational, and the national/state level.

The decision-making power officially lies in the hands of the Heads of States and Governments, the Council of Ministers and other bureaucrats alone. In addition, ECOWAS Commission has a strong position in terms of issuing recommendations, initiating programmes as well as in 'political cooperation' such as trade or migration policy. The Commission is the only institution with the human resources and organisational capacities required for drafting meaningful, realisable programmes and policies for the entire community, hence it is all encompassing decision making role.

The Commission works with well-informed experts who take part in developing common positions. The Member States lack the basic capacity and know-how for implementing the decisions signed by the heads of state and government. The ECOWAS does not have any promotion instruments at sub-national regions and hence the sub-optimal implementation of policies. ECOWAS has recently established permanent liaison offices in the Member States, whose task is to maintain contact with the lower levels of administration of member state governments to facilitate better implementation.

Even though quorum of seven states is achieved to affect decisions, there is low implementation of ECOWAS policies. This clearly shows the low level of interest of member countries towards regional integration. Also, ECOWAS is unable to implement a common legal regime as individual states do not integrate certain resolution in their national legislations. Besides, ECOWAS does not define or influence any national political decisions of its member states. This presents a good reason for ECOWAS Commission to engage with CSOs at national levels to undertake training and sensitisation workshops for the relevant stakeholders.

4.1.2 Reasons for low involvement of citizens in ECOWAS Trade Policy

The reasons for excluding the citizens from the community's policymaking process at national, especially matters related to foreign trade, may be the following:

Post-independence, West African countries moved away from electoral democracy. The voters were thought to have the potential to influence trade policy, which was contrary to the political economy assumptions of trade policy. The political economy of trade policy has been based on three existing models. The first is the market oriented political economic model. This model interprets trade policy as a consequence of rent-seeking, lobbying and other activities of relatively smaller well-organised economic interest which demand the policymakers to formulate favourable legislations. Only those voters interested in the outcomes of legislation are represented. Thus the larger masses account for very little in trade policy making outcomes.

Secondly, the policymaking institutions are responsible for developing trade policies and hence they generally capture the interests of politicians and bureaucrats.⁵³ The trade policy institutions are autonomous bodies and are free to make decisions that generally take into account the national interests alone. For instance, the Ministry of Trade and Industry in Ghana was mandated by law to formulate and implement trade policies, thus making it autonomous in its trade policymaking.

The third model hypothesises that trade policy is a reflection of a country's socio-political culture though it does not completely disregard material gains and institutions. However, it sees materialism and institutional bureaucrat preferences secondary in trade policy design. Hence, trade policies, especially foreign policies, of some member countries, do not appreciate their national identity and societal self-development as well as their moral ideals and values. This analysis assumes that individual voters do not have much impact on foreign trade policy.

Research on foreign trade policymaking in West Africa has confirmed the above argument. For instance, Charlick (1994) looked at how the machinery for foreign policymaking had virtually remained the same since independence in Niger and found that the Head of State and a small group of loyal followers still controlled foreign policy making.⁵⁴ A similar situations applied in Nigeria where public opinions played very little role in the framing of Nigerian foreign trade policy.⁵⁵ The generally accepted view was that public opinion was unnecessary on account of the assumption that elites and citizens share the same views on foreign policy.

Another possible explanation is that sometimes the local interest groups acted as agents for foreign business. Influence of such a group on public opinion therefore was not conducive to national and regional development.⁵⁶ This is not surprising since the structure for foreign policy decision making in some West African Countries, such as Nigeria and Liberia in the period when ECOWAS' institutions were being created was the main interaction of government departments and agencies.⁵⁷ This could be attributed to one party system, no state guarantee of civil liberties, and no mechanism for review of decision made by the Head of States and bureaucrats.⁵⁸

4.1.3 Some recent Development in Citizens' Involvement

In recent times, the ECOWAS Commission has realised the importance of CSOs. In May 2008 the Commission initiated the formulation of Community Development Programme (CDP), with greater emphasis on participatory and inclusive approaches of all ECOWAS citizens, especially the Non-state Actors (NSAs). To some extent, the involvement of CSOs and non-state actors in the EPA negotiations between EU and ECOWAS has contributed to this participatory approach by creating a benchmark. Currently with pressure from organisations, such as the Borderless Alliance,⁴ the ECOWAS Member States have taken measures to improve upon their borders by eliminating some malpractices that lead to delays of goods being transported by trucks between them (ECOWAS Member States).

In Senegal, consumers' associations deploy various initiatives to be involved in, and influence, the sub-regional economic integration process. The CSOs and consumer Associations were able to set up UEMOA consumers' association in 2012 with its headquarters in Abidjan. This network was further extended to cover the ECOWAS integration process as well. The networks of CSOs and consumer associations organise regional workshops for building capacity.

In December 2013, the network of CSOs and consumer association advocated for "support to competitiveness and harmonisation of technical Barriers to Trade and Sanitary and Phyto-Sanitary measures and provided training for members of CSOs and consumer associations on consumerism. The CSOs and Consumer Associations in Senegal as part of the UEMOA also engage in consultation with national public authorities on trade policies and participate in meetings involving setting of standards by standard authorities. A typical advocacy workshop was the Senegambian Association workshop on the rise in chicken imports in Senegal and Gambia.

4.1.4 The perceptions of the citizens and their involvement in trade policies

For the ECOWAS regional integration process to be successful, it is very important to have a functional regional trade agreement that includes the views and opinions of the citizens of the region. This is because the consumers/citizens benefit from trade through lower prices and expanded range of goods and services as a result of trade creation due to reduced tariff and non-tariff barriers. However, even after 40 years of its existence, the achievements of ECOWAS towards trade integration are felt less.

Some consumer groups in Ghana were concerned about the extent to which the citizens were relegated from policymaking process concerning regional integration. Besides, some CSOs claimed that ECOWAS works through selected members of Parliament who are not close to the citizens. As a result, many consumers in Ghana were not well informed of the mission, mandates and the benefit that can be derived from ECOWAS as an organisation. This lack of knowledge hampered participation of Ghanaian consumers in the regional integration process.

⁴In May 2011, private sector stakeholders formed the Borderless Alliance to increase trade across West Africa. It is working to ensure the realisation of benefits of increased trade by West African stakeholders.

4.1.5 Limitations to consumer participation in Regional Integration process

The ECOWAS Treaty is weak in addressing the engagement of CSOs in any effective way. Many CSOs have indeed mushroomed in the region – some weak, some strong – the ECOWAS lacks an institutional framework for engaging the CSOs. It is clear that some existing CSOs are either merely for lobbying or interest groups or both. However, they play diverse roles in peace building and political issues than trade issues. This makes it more difficult to broadly involve and allow them space to participate in the ECOWAS regional integration process.

National Governments and other politicians do not talk about Regional Integration issues to consumers because they think that does not bring them votes. There is general lack of knowledge about the ECOWAS integration among the broader masses. In addition, CSOs fear being accused of favouring the opposition if they advocate issues that are important for the consumers.

4.1.6 Strengthening consumers' voice in policy process

It is important for CSOs and private sector associations to understand the need for including consumer feedback in policymaking. It has been observed that the ECOWAS Commission is ready to partner with CSOs but is doubtful of their capacity. However, in Ghana people perceive that the policymakers adhere to the views of politicians and bureaucrats and do not regard the views of the ordinary citizens. The situation in Senegal seems to be better as most of the consumer focussed CSOs understand the integration process.

CSOs should identify consume groups sharing similar interests within the region and garner their support for partnerships. Youth can be mobilised as they are aware of the benefits of integration and are ready to advocate for such issues. The heads of states in the ECOWAS region should consider establishing departments in the universities that promote ECOWAS studies. Local chiefs and leaders should be involved in the discussions on the importance of regional integration and how best they could promote this agenda.

There are some areas that need advocacy programmes to generate awareness of ECOWAS regional integration process. Provisions like free movement are perceived negatively by the citizens. In Ghana, traders and some citizens see free movement of Nigerians and other national, as a threat to their business. Therefore, there is a need to sensitise such groups of stakeholders on the benefits of provisions that are otherwise perceived negatively.

ECOWAS should pay particular attention to ways of strengthening cross-border trading network and eliminating rent seeking and intimidation along transit corridors. ECOWAS Commission should set up desks at border check posts of member countries to deal with complaints from traders and passengers that face challenges.

ECOWAS can use technology to advocate their agenda. Action groups could be involved to build pressure on the respective governments through social media to speed up the integration process. CSOs, youth and pressure groups could also use these social media platforms to relay the feedback of consumers to the ECOWAS Commission. Media could also be used by the Commission to educate CSOs on its protocols and conventions and

help members to harmonise the regional laws and policies of Member States. This can help ensure that all policy enforcers and implementers access the same information and with no disparities in implementation.

4.2 Country Specific Analysis of ECOWAS Integration and Economic Performance: the Case of Ghana and Senegal

Regional Integration is an important factor in explaining economic performance.⁵⁹ Most Governments of ECOWAS Member States are much concerned about macro-economic variables, like Gross Domestic Product (GDP) growth rate, Foreign Direct Investment (FDI) etc. and are aiming to stabilise and enhance economic development. Thus it is important to analyse the impact of ECOWAS regional integration on Ghana and Senegal against these variables.

4.2.1 Ghana: Regional Integration and Economic Performance

Macro-economic indicators: Research studies indicate that economic integration among countries can enhance the macro-economic variables of the Members. At the macro-economic level, Ghana's engagement in the ECOWAS integration process is expected to have an impact on the growth rate, increased trade, stable inflation exchange rate regime as well as enhancing infrastructure and Foreign Direct Investment (FDI). These factors are believed to enhance market opportunities, thereby increasing consumer income and purchasing power (owing to changes in population structure and preferences).

In order to determine the impact of ECOWAS integration, Ghana's macro-economic variables are compared with ECOWAS' average over time. Since ECOWAS is not fully integrated, trade liberalisation (the ratio of the sum of import and export to GDP) has been used as a proxy for trade integration. This has then been used to assess the changes in infrastructure (including transportation) before and after the initiation of regional integration.

i. Economic Growth

As indicated in Table 3.1, the period before the formation of ECOWAS (1970) shows that Ghana's real GDP was above the West African Regional average by 2.3 percent. It fell alarmingly below the Regional average during the year of ECOWAS formation. Ghana's per capita GDP of US\$255.17 was higher than ECOWAS regional average of US\$165.69 in 1970 but performed *vis-à-vis* the regional average after ECOWAS' formation.

However, the real GDP from 1980 to 2011 had performed well as compared to the regional average. For instance, in 2011 the economic growth was 10.18 percent above the ECOWAS average of 4.21 percent. ECOWAS' average of per capita GDP has not been strong partly due to the fact that ECOWAS countries have limited trade among themselves.

Table 3.1: Ghana's Economic Growth Compared with ECOWAS Average

Ghana's Economic Growth Indicators										
Year	GDP at Constant (2000) Million US\$		GDP at Current Million US\$		Real GDP growth (%)		GDP per capita (Current US\$)		GDP per capita growth (%)	
	Ghana	ECOWAS (AVE.)	Ghana	ECOWAS (AVE.)	Ghana	ECOWAS (AVE.)	Ghana	ECOWAS (AVE.)	Ghana	ECOWAS (AVE.)
1970	2,552.42	2,763.34	2,215.32	1,552.51	9.72	7.42	255.17	165.69	7.23	4.63
1975	2,521.02	3,430.89	2,810.11	3,254.87	(12.43)	2.00	283.20	281.62	(14.47)	(0.77)
1980	2,642.71	3,818.31	4,445.23	6,681.54	0.47	(0.23)	406.97	474.27	(1.90)	(2.98)
1985	2,586.45	3,544.40	4,504.34	3,655.89	5.09	3.31	349.93	312.75	1.75	0.55
1990	3,270.40	4,105.12	5,889.18	4,468.95	3.33	(1.22)	398.09	425.57	0.53	(3.74)
1995	4,033.26	4,600.54	6,464.39	4,458.93	4.11	3.51	380.33	418.95	1.40	0.83
2000	4,982.85	5,483.07	4,982.85	5,483.07	3.70	4.51	259.99	378.97	1.27	1.70
2005	6,370.93	6,980.44	10,731.88	11,714.44	5.90	4.59	495.93	581.25	3.36	1.91
2010	8,788.96	9,213.27	32,174.84	22,850.18	8.01	5.50	1,319.08	895.07	5.50	2.84
2011	10,053.62	9,753.99	39,199.66	24,872.96	14.39	4.21	1,570.13	982.89	11.76	1.63

Source: Ghana Statistical Service and World Development Indicators/World Bank

ii. Trade: Imports and Export⁵

Ghana is a member of several trading blocs, including ECOWAS and Africa Economic Community (AEC). As part of its commitment to an open trade policy, the Government has focussed on harmonising external tariffs with the members of ECOWAS. It has moved away from a protectionist approach and has progressively eliminated and/or reduced its import quotas, tariffs and import licensing requirements over the last two decades.

The total trade in Ghana was US\$975.14mn, which was higher than West African Regional average of US\$490.34mn in 1970. In 1975, the average trade value of the region was higher than Ghana's total trade and this continued until 2000. In 2000, Ghanaian total trade increased to US\$5,782.52mn above the regional average of US\$4,336.36mn due to increase in imports to US\$3,350.78mn in 2000 from US\$2,128.51mn in 1995 and increase in exports to US\$2,431.74mn from US\$1,583.55mn (see Table 4.1). It is observed that Ghana's trade in goods and services increase above the ECOWAS regional average after the revision of the ECOWAS treaty and the liberalisation of Ghana's economy.

⁵Ghana's trade with rest of West Africa

Table 4.1: Ghana's Trade Performance Compared with ECOWAS

Ghana's Trade in Goods & Services Compared with Rest of ECOWAS (US\$mn)						
	Ghana		ECOWAS Total		ECOWAS (Ave)	
YEAR	Imports	Exports	Imports	Exports	Imports	Exports
1970	502.72	472.42	3,372.07	3,002.40	259.39	230.95
1975	517.82	543.94	11,161.83	9,120.10	858.60	701.55
1980	406.95	376.35	22,839.22	26,495.70	1,631.37	1,892.55
1985	612.11	479.91	10,780.67	11,168.23	770.05	797.73
1990	1,522.37	993.97	19,511.35	21,603.25	1,393.67	1,543.09
1995	2,128.51	1,583.55	24,658.81	23,572.01	1,761.34	1,683.71
2000	3,350.78	2,431.74	28,619.61	36,425.77	1,907.97	2,428.38
2005	6,623.96	3,911.69	61,881.49	73,046.43	4,420.11	5,217.60
2006	8,313.16	5,141.90	70,058.26	85,654.53	5,389.10	6,588.81
2007	10,108.32	6,071.81	78,347.84	93,675.12	6,026.76	7,205.78
2008	12,690.62	7,140.41	107,849.34	118,777.25	8,296.10	9,136.71
2009	10,989.38	7,609.40	87,125.26	87,224.85	6,701.94	6,709.60
2010	13,264.60	9,460.90	110,093.06	111,624.97	8,468.70	8,586.54
2011	20,050.08	14,901.79	141,285.07	136,603.90	10,868.08	10,507.99

Source: Ghana Statistical Service and World Development Indicators/World Bank

Table 4.2 summarises the trade liberalisation proxy for trade integration. International trade including export and import of goods and services between Ghana and rest of the world constituted about 44 percent of Ghana's GDP in 1970 but reduced to about 38 percent of GDP in 1975. Ghana was the founding member of the ECOWAS but still practised restrictive trade and had a closed economy until the Structural Adjustment Programme and Economic Recovery Programme was initiated in 1985. As indicated in the Table, Ghana's trade liberalisation was below the ECOWAS regional average from 1970 to 1995. This implies that Ghana was trading more with other regions like EU and the US rather than ECOWAS member countries. After 1995, Ghana liberalised its economy and its impact was felt from 2000 onwards.

The ratio of trade (sum of import and export) to GDP is the openness to trade or trade liberalisation. The higher ratios of trade to GDP may imply that the country's trade policy is conducive to trade integration. In 2000, Ghana's international trading activities were 16 percent higher than national GDP and far above the ECOWAS regional average (see Table 5). The implementation of protocols of the revised treaty had made it possible for Ghana to increase its trade with rest of ECOWAS, as is indicated by higher ratio of trade to GDP above the regional average.

**Table 4.2: Ghana's Merchandise Trade to GDP Ratio
(Trade Openness)**

Ghana's Merchandise Trade to GDP Ratio (%)		
Year	Ghana	ECOWAS Average
1970	44.02	52.64
1975	37.78	61.83
1980	17.62	68.68
1985	24.24	65.78
1990	42.73	62.63
1995	57.42	59.70
2000	116.05	67.55
2005	98.17	73.60
2006	65.92	80.59
2007	65.35	75.70
2008	69.51	79.34
2009	71.59	66.70
2010	70.63	70.33
2011	89.16	79.26

Source: World Bank's World Development Indicators

iii. Popular Consumer Goods Traded between Ghana and Other ECOWAS Countries

Popular consumer goods in the ECOWAS region were selected by choosing the items that were traded the most, between member countries. The selection assumption was that the volume of trade in any country is determined by the demand and supply of the products being selected. High demand is perceived to be directly related with profits, and therefore private business rule out the products with no or low demand. It is assumed that higher volumes of trade of a particular product, relates to its higher demand and supply in the region.

Tables 4.3 and 4.4, list some selected popular goods in 2-digit HS classification. These are traded between citizens of Ghana and with those of other ECOWAS Member countries. The value of exports of these popular goods from Ghana to other ECOWAS countries amounted to approximately US\$930,152,573 in 2013. While the value of Ghanaian imports from other ECOWAS countries amounted to approximately US\$687,243,784.

Table 4.3: Ghana's Export Traded Items with Other ECOWAS Members in 2013

HS 2-Digit	Commodity/Item	Export Value (US\$)
33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	242,973,297
44	Wood and articles of wood; wood charcoal	186,833,179
39	Plastics and articles thereof	72,928,849
29	Organic chemicals	52,497,704
22	Beverages, spirits and vinegar	50,262,506
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	48,234,119
73	Articles of iron or steel	31,895,640
25	Salt; sulphur; earths and stone; plastering materials, lime and cement	31,806,525
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	31,581,506
31	Fertilisers	29,372,579
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	27,546,674
76	Aluminium and articles thereof	24,482,449
72	Iron and steel	21,617,575
38	Miscellaneous chemical products	17,553,670
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	15,073,639
19	Preparations of cereals, flour, starch or milk; pastry cooks' products	12,985,042
20	Preparations of vegetables, fruit, nuts or other parts of plants	11,172,491
4	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	10,685,431
52	Cotton	10,649,698
	TOTAL	930,152,573

Table 4.4: Ghana's Import Traded Items with Other ECOWAS Members in 2013

HS 2-Digits	Commodity/Items	Import Value (US\$)
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	328,584,837
25	Salt; sulphur; earths and stone; plastering materials; lime and cement	91,302,266
3	Fish and crustaceans; molluscs and other aquatic invertebrates	81,132,210
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	18,445,595
07	Edible vegetables and certain roots and tubers	12,750,365
22	Beverages, spirits and vinegar	12,452,632
21	Miscellaneous edible preparations	11,292,405
72	Iron and steel	9,551,496
17	Sugars and sugar confectionery	8,141,596
23	Residues and waste from the food industries; prepared animal fodder	7,416,308
33	Essential oils and resinoids; perfumery; cosmetic or toilet preparations	7,404,768
34	Soap, organic surface-active agents; washing preparations; lubricating preparations; artificial waxes, prepared waxes; polishing or scouring preparations; candles and similar articles; modelling pastes; dental waxes and dental preparations with a basis of plaster	7,060,520
52	Cotton	7,055,836
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers; and parts and accessories of such articles	6,853,115
38	Miscellaneous chemical products	6,787,480
39	Plastics and articles thereof	6,048,743
73	Articles of iron or steel	5,827,695
82	Tools; implements; cutlery; spoons and forks of metal base; and other parts thereof of base metal	5,514,434
01	Live animals	5,403,969
61	Articles of apparel and clothing accessories; and knitted or crocheted	4,790,781
76	Aluminium and articles thereof	4,596,168
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, or of radioactive elements or of isotopes	3,992,762
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	3,625,576

63	Other made up textile articles; sets; worn clothing and worn textile articles; rags	3,099,082
19	Preparations of cereals, flour, starch or milk; pastry cooks' products	2,938,891
24	Tobacco and manufactured tobacco substitutes	2,861,946
41	Raw hides and skins (other than furskins) and leather	2,806,696
62	Articles of apparel and clothing accessories, not knitted or crocheted	2,541,515
67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	2,376,446
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; and prefabricated buildings	2,209,892
64	Footwear, gaiters and the like; and parts of such articles	2,011,284
40	Rubber and articles thereof	1,617,900
20	Preparations of vegetables, fruit, nuts or other parts of plants	1,441,029
48	Paper and paperboard; and articles of paper pulp, of paper or of paperboard	1,371,500
49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans	1,346,317
04	Dairy produce; birds' eggs; natural honey; and edible products of animal origin, not elsewhere specified or included	1,281,273
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	1,267,840
55	Man-made staple fibres	1,071,852
10	Cereals	968,764
	TOTAL	687,243,784

iv. Inflation Rate

ECOWAS convergence criteria were established to achieve harmonisation of economic and financial policies for a single regional currency. This was done with an objective that member countries achieve minimum end year inflation rate of less than 5 percent by 2020. Ghana has not been able to meet this criterion since the inception of ECOWAS. In 2010 and 2011, Ghana recorded inflation rates of 10.7 percent and 8.7 percent respectively.

Ghana's inflation rate has always been far higher than the regional average which makes it impossible to converge with other member states, such as Benin, Burkina Faso, The Gambia, Mali, Niger and Togo who have been able to meet this target of less than 5 percent inflation rate. Table 4.5 presents the historical inflation rates of Ghana from 1970 to 2011 compared with ECOWAS average over the same period.

Table 4.5: Ghana's Annual Inflation Rates Compared With ECOWAS Average

Annual Inflation Rates Of Ghana		
Year	Ghana	ECOWAS Average
1970	3.03	4.15
1975	29.82	22.34
1980	50.07	15.64
1985	10.31	7.56
1990	37.26	9.12
1995	59.46	25.23
2000	25.19	4.57
2005	15.12	8.72
2006	10.92	6.08
2007	10.73	5.84
2008	16.52	10.69
2009	19.25	4.62
2010	10.71	5.45
2011	8.73	6.87

v. Exchange Rate

Real exchange rate volatility is expected to exert a significant negative impact on ECOWAS regional trade among members. Stable and competitive exchange rate and sound macro-economic fundamentals are required to improve international competitiveness and greater penetration of ECOWAS countries' exports.

Table 4.6: Ghana's Exchange Rate Indicators 1992-2011

Ghana's Exchange Rate and REER					
Year	Exchange rate (GHC/US\$)	REER (2005 = 100)	Year	Exchange rate (GHC/US\$)	REER (2005 = 100)
1992	0.052	141.83	2002	0.844	92.56
1993	0.082	123.92	2003	0.885	92.79
1994	0.105	100.38	2004	0.905	91.49
1995	0.145	115.96	2005	0.913	100.00
1996	0.175	125.99	2006	0.924	105.26
1997	0.227	133.30	2007	0.970	104.54
1998	0.233	142.26	2008	1.214	99.51
1999	0.354	140.50	2009	1.419	91.56
2000	0.705	91.94	2010	1.474	97.63
2001	0.732	92.96	2011	1.551	92.73

Source: World Bank, World Development Indicators

vi. Infrastructural Performance and Development

For ensuring economic development by regional integration, it is important to make trade easy between countries the ECOWAS countries. This would help in benefitting businesses and eventually the consumers. Lack of Infrastructure is one of the factors that impede West African cross border trade. According to the World Bank, inadequate infrastructure among others,⁶ lead to extra costs and delays for traders, stifling trade potential. Studies show that exporters in developing countries gain more from a 10 percent reduction trading costs, rather than from a similar reduction in the tariffs on their products in global markets.⁶⁰ According to Portugal-Perez and Wilson (2011), good, efficient infrastructure and a healthy business environment are positively linked to export performance.

Ghana' infrastructure is more advanced as compared to other low-income African countries. The availability of facilities like water to rural areas, electricity and Global System for Mobile Communications (GSM) signals is impressive. A large share of the road network is in good or fair condition. Institutional reforms have been adopted in the Information Communication Technology (ICT), ports, roads, and water supply sectors. One of the most pressing challenge for Ghana, lies in the power sector, where outmoded transmission and distribution assets, rapid growth in demand, and periodic hydrological shocks leads to high reliance on expensive oil based methods of power generation. Infrastructure contributed just over one percentage point to Ghana's annual per capital GDP growth during the 2000s. Raising the country's infrastructure endowment to that of the region's middle-income countries could boost the annual growth rate by more than 2.7 percentage points.⁶¹

The performance of Ghana's infrastructure has been improving over time as compared to the ECOWAS regional average. In the World Bank global competitiveness index of 2013, Ghana was ranked 109th with a score of 3.0, which was an improvement from its 110th position (with a score of 2.9) in 2012 in terms of infrastructure. The quality of the overall infrastructure though has deteriorated from 86th position with 3.9 points in 2012 to 90th position with 3.8 points in 2013. The road, railways and port infrastructure have improved from 85th with 3.5 points, 104th with 1.7 points and 76th with 4.0 points respectively in 2012 to 70th with 4.1 points, 86th with 2.1 points and 71st with 4.2 points respectively in 2013. The performance of Ghana's infrastructure such as ports, roads, etc. is presented in Table 4.7.

⁶Among others such as excessive document requirements, burdensome customs procedures, inefficient port operations

**Table 4.7: Ghana's Infrastructural Performance
Contribution to its Competitiveness**

Infrastructure Performance Indicators	2013		2012		2011		2010
	Score	Rank	Score	Rank	Score	Rank	Rank
Quality of overall infrastructure	3.8	90	3.9	86	3.7	90	85
Quality of roads	4.1	70	3.5	85	3.4	89	86
Quality of railroad infrastructure	2.1	86	1.7	104	1.4	109	106
Quality of port infrastructure	4.2	71	4.0	76	4.2	66	59
Quality of air transport infrastructure	4.3	79	4.1	97	4.2	87	85
Available airline seat km/week, million	106.5	79	98.6	77	104.3	78	79
Quality of electricity supply	2.7	120	3.0	116	3.0	114	109
Mobile telephone subscriptions/100 pop.*	100.3	92	84.8	103	1.1	124	124
Fixed telephone lines/100 pop	1.1	128	1.1	125	71.5	106	105

Sources: Global Competitiveness Index, 2010, 2011, 2012 and 2013

Ghana's logistics performance and customs procedures are better than those of ECOWAS countries. Ghana is rated 108th out of 155 countries on the Logistics Performance Index 2012 and rated 100th out of 160 countries in 2014. This is an overall improvement of nine places since the previous assessment, which was driven by good rankings in international shipments and logistics quality and competence. Table 4.8 shows the scores of Ghana's logistics performance index on overall performance, quality of trade and transport infrastructure, and efficiency of customs clearance process from 2007 to 2014.

Table 4.8: Ghana Infrastructure: Logistics Performance Index

Ghana Infrastructure: Logistics Performance Index (1=Low, 5=High)						
Indicator/ Year	Overall Logistics Performance		Quality of trade & transport infrastructure		Efficiency of customs clearance process	
	Ghana	ECOWAS Average	Ghana	ECOWAS Average	Ghana	ECOWAS Average
2007	2.160	2.304	2.250	2.071	2.000	2.112
2010	2.470	2.459	2.520	2.134	2.350	2.238
2012	2.510	2.515	2.050	2.358	2.330	2.275
2014	2.627	2.537	2.669	2.304	2.216	2.362

vii. Foreign Direct Investment

With annual GDP growth averaging 10.3 percent between 2010 and 2012, and forecast of average 5.9 percent between 2012 and 2017, Ghana is among the world's fastest-growing countries and a rising star in Africa. Ghana's investor attractiveness is buoyed by its political stability (one of Africa's most stable governments), economic liberalism, abundant natural resources and diverse economy. FDI inflows have flourished in recent years, especially since the commercialisation of oil began in 2007, which is also

responsible for Ghana's attractiveness for investors. FDI; net inflows (percent of GDP) in Ghana was measured at 8.14 percent in 2011 and 7.89 percent in 2012 which reduced to 6.70 percent in 2013, according to the World Bank statistics.

The value of FDI net inflows (BoP, current US\$) in Ghana was US\$3,227mn in 2013. Over the past 22 years, the value for FDI net inflows to Ghana has fluctuated between US\$3,294.52mn in 2011 and US\$22.5mn in 1992 (see Table 4.9).

Table 4.9: Ghana's Foreign Direct Investment Inflows 1992 to 2013

Indicator	FDI, Net Inflows (US\$)		FDI, Net Inflows (% of GDP)	
	Ghana	ECOWAS Total	Ghana	ECOWAS Average
1992	22,500,000	827,631,492	0.35	0.39
1993	125,000,000	1,479,521,957	2.09	(1.47)
1994	233,000,000	2,417,680,342	4.28	2.42
1995	106,500,000	1,643,464,850	1.65	1.77
1996	120,000,000	2,047,609,847	1.73	(4.05)
1997	81,800,000	2,619,148,274	1.19	6.69
1998	167,400,000	1,971,397,390	2.24	5.08
1999	243,700,000	2,192,033,913	3.16	6.10
2000	165,900,000	1,923,301,049	3.33	2.62
2001	89,320,000	1,875,130,222	1.68	1.76
2002	58,930,000	2,614,380,065	0.96	1.79
2003	136,751,000	3,137,787,065	1.79	7.84
2004	139,270,000	2,986,921,603	1.57	3.63
2005	144,970,000	6,414,868,881	1.35	4.15
2006	636,010,000	7,005,258,844	3.12	4.88
2007	1,383,177,930	9,642,126,274	5.59	5.45
2008	2,714,916,344	13,526,804,391	9.52	6.29
2009	2,372,540,000	13,730,843,077	9.13	4.90
2010	2,527,350,000	11,687,103,818	7.86	6.52
2011	3,222,240,000	18,191,791,706	8.14	12.89
2012	3,294,520,000	14,529,327,971	7.89	6.79
2013	3,227,000,000	12,384,570,075	6.70	5.35

viii. Institutions, Legal and Political Stability

The role of institutions often goes beyond the legal framework. Government's attitude towards liberalisation and free markets is equally important to boost the 'Ease of doing Business'. Excessive bureaucracy, overregulation, rent-seeking, lack of transparency in undertakings and public contracts, inability to provide appropriate services to

businesses and political dependence of the judicial system, impose significant economic costs on businesses and slow the process of economic development.

The strength of Ghana’s public institutions is improving *vis-à-vis* West African regional standards. The country displays strong governance indicators as compared to other ECOWAS counterparts. It is considered strong with relatively high government efficiency with a rank of 57 in World Bank Global Competitiveness Index.

Ghana has been a stable democracy since 1992 and is considered a regional model for political and economic reform. Political stability adds tremendous value to Ghana’s business environment. In addition, some of the country’s competitive factors include the independent judicial services for enforcement of public contracts through the establishment of the commercial courts, comparable with high court standards, efficiency of legal framework in settling disputes, and institutions’ strength in protecting investors. However, despite its political stability and favourable business environment, the issue of security needs more attention.

Table 4.10: Ghana Legal and Institutions Competitiveness Scores (1-7)

World Bank Institution Pillar	2013		2012		2011	
	Score	Rank	Score	Rank	Score	Rank
Property rights	4.2	72	3.9	91	4.0	82
Intellectual property protection	3.9	56	3.1	93	3.1	88
Public trust in politicians	2.9	74	2.6	76	2.9	64
Judicial independence	4.4	50	4.1	58	4.1	59
Wastefulness of government spending	3.4	57	3.3	69	3.4	59
Burden of government regulation	3.5	73	3.4	66	3.6	41
Efficiency of legal framework in settling disputes	4.1	50	4.0	50	4.2	43
Efficiency of legal framework in challenging regulations	3.5	65	3.5	78	3.8	62
Transparency of government policymaking	4.1	74	4.0	90	4.2	76
Reliability of police services	4.5	56	4.6	55	4.5	58
Strength of auditing and reporting standards	4.5	78	4.4	79	4.7	65
Efficacy of corporate boards	4.4	91	4.4	77	4.7	57
Protection of minority shareholders’ interests	4.4	54	4.4	51	4.5	54
Strength of investor protection, 0–10 (best)*	6.0	41	6.0	39	6.0	36

4.2.2 Senegal: Regional Integration and Economic Performance

Macro-economic indicators

The impact of Senegal’s engagement in ECOWAS stands to have similar benefits on a macro-economic level as Ghana. It stands to increase country’s economic growth by increase in trade, stable inflation rate, more FDI etc. To analyse the impact of ECOWAS integration process on Senegal, the macro-economic variables are compared with ECOWAS average over time.

Senegal has maintained a stable macro-economic environment, with its regional currency, the CFA franc, pegged to the Euro thus making it easy to integrate with its francophone counterparts in West Africa. It is to be noted that Senegal is already a member of WAEMU and this membership, thus can help in meeting most of the requirements for ECOWAS integration. Senegal has ratified and applied 83 percent of both ECOWAS and WAEMU protocols, which aim to integrate financial markets across the region, enabling capital to flow more readily between national economies and increasing availability of credit to SMEs.

i. Economic Growth

In Table 4.11, some Senegalese economic growth indicators have been represented for comparison with ECOWAS regional averages. Senegal's real GDP growth has always been closer to the ECOWAS regional averages except in 1975 where it recorded 7.54 percent as against ECOWAS regional average of 2.0 percent.

Senegal's per capita income has been increasing consistently and always higher than regional average since the inception of ECOWAS in 1975. The per capita income in 1970 was US\$250.19, which moved to 1,033.91 and 1119.36 in 2010 and 2011 making Senegal one of the low middle income countries in the World. The significant stride made by Senegal was due to its membership in the WAEMU.

Table 4.11: Senegal's Economic Growth Compared with ECOWAS Average

Senegal's Economic Growth Indicators										
Year	GDP at Constant (2000) US\$mn		GDP at Current US\$mn		Real GDP growth (%)		GDP per capita (Current US\$)		GDP per capita growth (%)	
	Senegal	ECOWAS (Ave.)	Senegal	ECOWAS (Ave.)	Senegal	ECOWAS (Ave.)	Senegal	ECOWAS (Ave.)	Senegal	ECOWAS (Ave.)
1970	2,260.21	2,763.34	1,024.83	1,552.51	8.56	7.42	250.19	165.69	5.15	4.63
1975	2,540.30	3,430.89	2,235.75	3,254.87	7.54	2.00	467.19	281.62	4.53	(0.77)
1980	2,675.67	3,818.31	3,503.28	6,681.54	(3.31)	(0.23)	647.07	474.27	(5.72)	(2.98)
1985	3,075.61	3,544.40	2,962.20	3,655.89	3.28	3.31	475.29	312.75	0.29	0.55
1990	3,454.26	4,105.12	5,716.64	4,468.95	(0.68)	(1.22)	789.42	425.57	(3.61)	(3.74)
1995	3,827.42	4,600.54	4,878.72	4,458.93	5.36	3.51	582.94	418.95	2.52	0.83
2000	4,679.60	5,483.07	4,679.60	5,483.07	3.20	4.51	492.29	378.97	0.59	1.70
2005	5,877.28	6,980.44	8,699.02	11,714.44	5.63	4.59	800.14	581.25	2.80	1.91
2010	6,966.09	9,213.27	12,855.30	22,850.18	4.13	5.50	1,033.91	895.07	1.40	2.84
2011	7,149.43	9,753.99	14,291.46	4,872.96	2.63	4.21	1,119.36	982.89	(0.05)	1.63

Source: Ghana Statistical Service and World Development Indicators/World Bank

ii. Trade: Imports and Export⁷

Senegal is a founding member of two groups in West Africa, the WAEMU and ECOWAS, with the third group being the AEC. Due to its membership with the WAEMU, it has aggressively eliminated or reduced its import quotas, tariffs and import licensing requirements and this has enabled the country to perform well in terms of West Africa regional standards.

⁷ Senegalese trade with rest of West Africa

Senegal devalued its currency (CFA franc) by 100 percent in 1994 and implemented the CET as part of the requirements of the WAEMU (known as CEDEAO) reform process in order to support free trade as well as converging economic policies and performances of its members and forming a customs union in the West African region.

The period before the formation of ECOWAS, Senegal's trade regime experienced negative impacts thus increasing the government cost. According Annabi, Cissé, Cockburn and Decaluwé (2005), the trade policy in Senegal had been marked by two main periods; the post-independence import substitution policy (1960-1980), which was based on high tariff rates and export subsidies and the creation of an offshore zone in Dakar in 1974. It can clearly be observed in Table 4.12 show that ECOWAS has not impacted much on the economic development of Senegal. It can be deduced that the gains achieved by Senegal can be attributed to its association with WAEMU countries.

In 1970, the total trade of Senegal was US\$511.41mn which was above the West African Regional average of US\$490.34mn. The value of total trade in Senegal, even though, doubled from US\$1,486.14mn in 1975 to US\$2,180.96mn in 1980 after the formation of ECOWAS, it however, fell below the ECOWAS average of US\$1,560.15mn in 1975 and US\$3523.92mn in 1980. International trade values of the country have been consistently lower than the regional average since the inception of ECOWAS. Senegal's international trade constituted 14.3 percent and 13.1 percent of ECOWAS total international trade in 1990 and 1995 respectively recording an export value of US\$1,452.63mn in 1990 and US\$1,505.88mn in 1995.

Table 4.12: Senegal's Trade Performance Compared with ECOWAS

Senegal's Trade in Goods and Services Compare to Rest of ECOWAS (US\$m)						
	Senegal		ECOWAS TOTAL		ECOWAS (Ave)	
YEAR	Imports	Exports	Imports	Exports	Imports	Exports
1970	270.81	240.60	3,372.07	3,002.40	259.39	230.95
1975	783.32	702.82	11,161.83	9,120.10	858.60	701.55
1980	1,343.73	837.23	22,839.22	26,495.70	1,631.37	1,892.55
1985	1,162.08	824.44	10,780.67	11,168.23	770.05	797.73
1990	1,839.94	1,452.63	19,511.35	21,603.25	1,393.67	1,543.09
1995	1,821.10	1,505.88	24,658.81	23,572.01	1,761.34	1,683.71
2000	1,741.60	1,306.79	28,619.61	36,425.77	1,907.97	2,428.38
2005	3,693.73	2,340.01	61,881.49	73,046.43	4,420.11	5,217.60
2006	4,033.54	2,398.30	70,058.26	85,654.53	5,389.10	6,588.81
2007	5,400.12	2,871.47	78,347.84	93,675.12	6,026.76	7,205.78
2008	7,018.40	3,497.61	107,849.34	118,777.25	8,296.10	9,136.71
2009	5,496.77	3,116.97	87,125.26	87,224.85	6,701.94	6,709.60
2010	5,529.72	3,186.29	110,093.06	111,624.97	8,468.70	8,586.54
2011	6,322.71	3,502.24	141,285.07	136,603.90	10,868.08	10,507.99

Source: COMTRADE and World Development Indicators/World Bank

As part of WAEMU, Senegal also applies a common external tariff to promote the movement of goods, services and labour across the region. This gives the producers ready access to regional markets in order to expand and diversify their products, thus

helping them form more productive regional value chains. It also promotes free movement of labour for more efficient regional labour markets, providing opportunities for job seekers and improving access to skilled labour for specialised production.

In Table 4.13, Senegal's openness to trade has been presented for comparison with the ECOWAS average, to assess its trade liberalisation and integration with ECOWAS. The value of Senegal's trade in goods and services with rest of the world was about 50 percent of its GDP in 1970 which increased to 66.4 percent in 1975 and 68.2 percent in 1995. On an average Senegal is more liberalised than Ghana. The trade openness ratio of Senegal has always been around the ECOWAS average. This improvement in the economy can further yield results if ECOWAS were to be fully integrated.

Senegal's economic performance continues to benefit from the substantial efforts made since the launching of a macroeconomic stabilisation and structural reform programme in 1994. This has helped to enhance the economy through the strategy to expand investment opportunities consistent with trade policies and practices of Senegalese Government. Senegal's trade policy mainly consists of implementing the common trade policy agreed within the WAEMU, which until now has seemingly produced a modest level of sub-regional economic integration.

Table 4.13: Senegal's Merchandise Trade to GDP Ratio (Trade Openness)

Senegal's Merchandise Trade to GDP Ratio (%)		
Year	Senegal	Average
1970	49.90	52.64
1975	66.47	61.83
1980	62.25	68.68
1985	67.06	65.78
1990	57.60	62.63
1995	68.19	59.70
2000	65.14	67.55
2005	69.36	73.60
2006	68.65	80.59
2007	73.07	75.70
2008	78.56	79.34
2009	67.46	66.70
2010	67.80	70.33
2011	68.75	79.26

iii. Popular Consumer Goods traded between Senegal and Other ECOWAS Countries

The same criterion used in the selection of popular consumer goods in Ghana was used for Senegal. Tables 4.14 and 4.15 show the lists of some selected popular consumer products/goods that Senegal is engaged in trading with other members of ECOWAS including WAEMU counterparts.

Table 4.14 depicts the list of popular consumer goods exported, in 2-digits harmonised system (HS) Code, to the rest of ECOWAS with their US\$ values . The value of Senegal's exports based on the selected popular commodities totalled to about US\$1.03bn in 2013. The value of Senegalese imports based on the selected popular commodities from other member countries of ECOWAS totalled to around US\$896mn.

Table 4.14: Senegal's Export Traded Goods with Other ECOWAS Members in 2013

HS 2-Digit	Commodity Category	Export Value (US\$)
25	Salt; sulphur; earths and stone; plastering materials, lime and cement	179,581,442
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	145,899,930
21	Miscellaneous edible preparations	123,907,178
72	Iron and steel	98,526,363
03	Fish and crustaceans, molluscs and other aquatic invertebrates	62,950,738
19	Preparations of cereals, flour, starch or milk; pastrycooks' products	61,379,152
24	Tobacco and manufactured tobacco substitutes	48,475,717
04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	40,442,791
10	Cereals	38,973,726
33	Essential oils and resinoids ; perfumery, cosmetic or toilet preparations	31,911,855
39	Plastics and articles thereof	27,220,318
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	21,027,113
34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, 'dental waxes' and dental preparations with a basis	11,701,689
38	Miscellaneous chemical products	11,523,735
67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	9,905,308
31	Fertilisers	9,603,840
73	Articles of iron or steel	9,484,639
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	8,700,702
74	Copper and articles thereof	7,283,890
11	Products of the milling industry; malt; starches; inulin; wheat gluten	6,807,691
56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	6,443,137
20	Preparations of vegetables, fruit, nuts or other parts of plants	6,426,610
30	Pharmaceutical products	5,896,524

15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	5,486,984
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings	5,403,233
44	Wood and articles of wood; wood charcoal	5,095,025
18	Cocoa and cocoa preparations	4,945,473
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	4,199,240
09	Coffee, tea, maté and spices	3,609,704
63	Other made up textile articles; sets; worn clothing and worn textile articles; rags	3,175,171
29	Organic chemicals	2,870,866
40	Rubber and articles thereof	2,857,725
17	Sugars and sugar confectionery	2,465,811
46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	2,261,494
22	Beverages, spirits and vinegar	2,056,899
35	Albuminoidal substances; modified starches; glues; enzymes	1,795,990
64	Footwear, gaiters and the like; parts of such articles	1,662,130
70	Glass and glassware	1,425,509
23	Residues and waste from the food industries; prepared animal fodder	1,220,032
07	Edible vegetables and certain roots and tubers	1,191,576
82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	899,835
49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans	893,418
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	619,458
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	533,920
08	Edible fruit and nuts; peel of citrus fruit or melons	529,659
36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	503,222
54	Man-made filaments; strip and the like of man-made textile materials	472,349
83	Miscellaneous articles of base metal	365,387
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	364,254
76	Aluminium and articles thereof	345,504

16	Preparations of meat – fish or of crustaceans, molluscs or other aquatic invertebrates	272,575
02	Meat and edible meat offal	256,885
96	Miscellaneous manufactured articles	245,252
01	Live animals; animal products	226,716
41	Raw hides and skins(other than furskins) and leather	219,812
97	Works of art, collectors' pieces and antiques	217,784
69	Ceramic products	189,843
61	Articles of apparel and clothing accessories, knitted or crocheted	142,652
13	Lac; gums, resins and other vegetable saps and extracts	61,627
68	Articles of stone, plaster, cement, asbestos, mica or similar materials	30,212
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	27,492
95	Toys, games and sports requisites; parts and accessories thereof	27,312
06	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	27,140
62	Articles of apparel and clothing accessories, not knitted or crocheted	26,341
65	Headgear and parts thereof	18,352
52	Cotton	17,016
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use	14,009
37	Photographic or cinematographic goods	13,937
60	Knitted or crocheted fabrics	9,651
57	Carpets and other textile floor coverings	4,610
92	Musical instruments; parts and accessories of such articles	4,118
91	Clocks and watches and parts thereof	3,657
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	3,366
80	Tin and articles thereof	2,267
42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)	2,246
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings	1,873
47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) of paper or paperboard	1,039
TOTAL		1,033,391,740

Table 4.15: Senegal's Import Traded Goods with Other ECOWAS Members In 2013

HS 2-Digit	Commodity/Item	Import Value (US\$)
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	734,000,000.00
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	64,301,807.00
44	Wood and articles of wood; wood charcoal	26,729,054.00
21	Miscellaneous edible preparations	12,949,955.00
08	Edible fruit and nuts; peel of citrus fruit or melons	10,578,155.00
34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and some dental preparations	9,071,606.00
39	Plastics and articles thereof	7,485,837.00
04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	5,429,484.00
19	Preparations of cereals, flour, starch or milk; pastrycooks' products	3,305,355.00
72	Iron and steel	3,057,973.00
17	Sugars and sugar confectionery	2,747,678.00
03	Fish and crustaceans, molluscs and other aquatic invertebrates	2,250,364.00
73	Articles of iron or steel	1,678,940.00
64	Footwear, gaiters and the like; parts of such articles	1,285,370.00
63	Other made up textile articles; sets; worn clothing and worn textile articles; rags	1,244,827.00
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	1,198,564.00
40	Rubber and articles thereof	1,177,592.00
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	1,025,927.00
38	Miscellaneous chemical products	1,006,625.00
33	Essential oils and resinoids; perfumes, cosmetic or toilet preparations	942,637.00
25	Salt; sulphur; earths and stone; plastering materials, lime and cement	549,111.00
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	492,305.00
31	Fertilisers	433,898.00
52	Cotton	384,874.00
56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	331,704.00
20	Preparations of vegetables, fruit, nuts or other parts of plants	324,796.00
09	Coffee, tea, maté and spices	317,595.00
41	Raw hides and skins (other than furskins) and leather	281,507.00
54	Man-made filaments; strip and the like of man-made textile materials	237,658.00

12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	188,953.00
30	Pharmaceutical products	179,738.00
22	Beverages, spirits and vinegar	173,832.00
23	Residues and waste from the food industries; prepared animal fodder	156,786.00
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings	140,055.00
29	Organic chemicals	93,270.00
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	91,433.00
76	Aluminium and articles thereof	74,759.00
36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	65,329.00
11	Products of the milling industry; malt; starches; inulin; wheat gluten	54,784.00
07	Edible vegetables and certain roots and tubers	53,603.00
46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	47,372.00
83	Miscellaneous articles of base metal	40,289.00
49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans	38,684.00
18	Cocoa and cocoa preparations	37,912.00
96	Miscellaneous manufactured articles	37,671.00
55	Man-made staple fibres	32,823.00
82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	23,040.00
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	16,168.00
69	Ceramic products	14,888.00
53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	12,732.00
10	Cereals	12,467.00
61	Articles of apparel and clothing accessories, knitted or crocheted	9,269.00
97	Works of art, collectors' pieces and antiques	8,874.00
58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	8,674.00
06	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	5,278.00
68	Articles of stone, plaster, cement, asbestos, mica or similar materials	4,946.00
70	Glass and glassware	4,048.00
24	Tobacco and manufactured tobacco substitutes	3,513.00
67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	2,343.00

42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)	1,234.00
91	Clocks and watches and parts thereof	764.00
92	Musical instruments; parts and accessories of such articles	588.00
62	Articles of apparel and clothing accessories, not knitted or crocheted	446.00
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use	409.00
57	Carpets and other textile floor coverings	290.00
95	Toys, games and sports requisites; parts and accessories thereof	271.00
35	Albuminoidal substances; modified starches; glues; enzymes	258.00
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	253.00
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	142.00
TOTAL		896,459,386.00

iv. Inflation Rate

Stable and lower Inflation rate as already indicated was one of the pre-requisite for ECOWAS economic and financial harmonisation for regional integration. This is to ensure price stability in the region to guarantee purchasing power. From the trends of historical rates of inflation in Senegal, it can be clearly noticed that inflation rate has been low conforming to the WAEMU rate and also within the acceptable range for ECOWAS convergence of less than 5 percent. Senegal's rates of inflation after the formation of ECOWAS in 1975 have always been below the ECOWAS average and this makes it one of the members meeting the convergence criterion on inflation rate.

In 1990 and 2000, the inflation rates have been as low as 0.33 percent and 0.73 percent respectively. In 2010 and 2011, Senegal recorded inflation rates of 1.25 percent and 3.35 percent respectively and in 2009 the country even recorded a deflation of 1.05 percent (negative inflation). The trends of historical inflation rates of Senegal are shown with ECOWAS average rate of inflation in Table 4.16.

Table 4.16: Senegalese Annual Inflation Rates Compared with ECOWAS Average

Senegal's Annual Inflation Rates Compared with ECOWAS Average		
Year	Senegal	ECOWAS Average
1970	2.81	4.15
1975	31.65	22.34
1980	8.73	15.64
1985	13.00	7.56
1990	0.33	9.12
1995	7.86	25.23
2000	0.73	4.57
2005	1.70	8.72
2006	2.11	6.08
2007	5.85	5.84
2008	5.77	10.69
2009	-1.05	4.62
2010	1.25	5.45
2011	3.38	6.87

Source: World Bank World Development Indicators

v. Exchange Rate

The exchange rate distortions in Senegal have always been less and, to some extent insignificant relative to other African countries. This is probably because the country has never had its own monetary policy like other WAEMU Members (mostly former French colonies in Africa). It is most noticeable from Table 4.17 below that the relative stability of Senegal's real exchange rate is guaranteed even using the US\$, especially after 100 percent devaluation of the CFA in 1994.

Table 4.17: Senegal's Exchange Rate Indicators 1992-2011

Senegalese Exchange Rate (CFA Franc per US\$, end period)			
Year	exchange rate (CFA/US\$)	Year	exchange rate (CFA/US\$)
1992	275.325	2002	625.495
1993	294.775	2003	519.364
1994	534.600	2004	481.578
1995	490.000	2005	556.037
1996	523.700	2006	498.069
1997	598.810	2007	445.593
1998	562.210	2008	471.335
1999	652.953	2009	455.336
2000	704.951	2010	490.912
2001	744.306	2011	506.961

vi. Infrastructural Performance and Development

Generally in the sub-region, a lack of adequate regional infrastructure has been an important constraint on trade. If the major transport, energy and communications infrastructure bottlenecks are addressed, Senegal's private sector would become progressively more competitive. Improved infrastructure would increase access to larger regional markets, allowing producers to lower their costs by developing economies of scale. The resulting increase in trade would create jobs and improve livelihoods.

Senegal's infrastructure is good in terms of ECOWAS regional standards. In the World Bank global competitiveness index, Senegal was ranked 117th out of 148 countries in the world with 2.8 scores out of 7 in 2013, which was an improvement from 124th position out of 144 countries with 2.5 scores out of 7 in 2012 in terms of its infrastructure. However the quality of the overall infrastructure has been falling since 2010 to 2013 from 81st position to 113th position with a score of 3.4.

The road infrastructure quality has improved from 3.2 scores to 3.3 score in 2013, railways quality has gone down from 105th position in the world to 98th position with 1.9 scores in 2013 whilst the port infrastructure and air-transport infrastructure have been improved from 58th with 4.5 score to 47th with 4.8 scores and 77th position with 4.1 scores to 69th position with 4.5 score in 2013 respectively.

The country can rely on a number of comparative advantages to better establish itself as a competitive regional hub in logistics and international subcontracting. The transport infrastructure, in terms of seaports, airports, rails and roads, is quite good and the telecommunications system is of a high quality. These advantages could help make Senegal a "business park" and a regional "campus of excellence". But access to electricity and its cost it is a handicap for the country. Energy is billed at higher tariff rates in kilowatt per hour, almost twice the price as in Côte d'Ivoire, which has similar structures. Further improvement in infrastructure in Senegal has the potential to open up production zones and facilitate product delivery while reducing their costs.

Table 4.18: Senegal's Infrastructural Performance Contribution to its Competitiveness

Infrastructure Indicators	2013		2012		2011		2010
	Score	Rank	Score	Rank	Score	Rank	Rank
Quality of overall infrastructure	3.4	113	3.4	109	3.6	97	81
Quality of roads	3.3	97	3.2	97	3.3	93	91
Quality of railroad infrastructure	1.9	98	1.7	105	1.9	94	89
Quality of port infrastructure	4.8	47	4.5	58	4.5	55	51
Quality of air transport infrastructure	4.5	69	4.4	77	4.1	91	76
Available airline seat km/week, millions	100.8	81	86.9	80	91.6	82	78
Quality of electricity supply	2.3	129	1.8	134	1.7	133	125
Mobile telephone subscriptions/100 pop.*	87.5	111	73.3	113	2.7	116	116
Fixed telephone lines/100 pop	2.6	117	2.7	117	67.1	110	113

Sources: Global Competitiveness Index, 2010, 2011, 2012 and 2013

Senegal's overall logistics performance, quality of trade and transport related infrastructure and efficiency of customs clearance are relatively better as it is around the ECOWAS average performance. Senegal was rated 110th out of 155 countries on the Logistics Performance Index 2012 and rated 101st out of 160 countries in 2014. This shows that there have been improvements from nine places since the previous assessment. The table 4.19 presents Senegal's scores in logistics performance index on overall performance, quality of trade and transport infrastructure, and efficiency of customs clearance process from 2007 to 2014.

Table 4.19: Senegal Infrastructure: Logistics Performance Index

Senegal Infrastructure: Logistics Performance Index (1=Low, 5=High)						
Indicator/ Year	Overall Logistics Performance		Quality of Trade & Transport Infrastructure		Efficiency of Customs Clearance Process	
	Senegal	ECOWAS Average	Senegal	ECOWAS Average	Senegal	ECOWAS Average
2007	2.370	2.304	2.090	2.071	2.380	2.112
2010	2.860	2.459	2.640	2.134	2.450	2.238
2012	2.490	2.515	2.310	2.358	2.460	2.275
2014	2.622	2.537	2.300	2.304	2.611	2.362

vii. Foreign Direct Investment

Senegal's economy recovered in 2012 with growth estimated at 3.7 percent of GDP, up from 2.1 percent in 2011. Projected growth for 2013 and 2014 is 4.3 percent and 5.1 percent respectively.⁶² This shows that Senegal is recovering from its low economic growth rate. The economy of Senegal attracts a lot of foreign investment due to the fact that it has prioritised efforts to improve its business climate and political stability.

However, investors cite high factor costs, bureaucratic hurdles, limited access to financing and a rigid labour market as obstacles to investment. The Government is making efforts to address some of these challenges, streamline bureaucratic procedures and improve Senegal's competitiveness. Though Senegal is keen to diversify its sources of investment, France is the largest source of FDI in the country.

Net FDI inflows as percentage of GDP was 0.36 percent in 1992 which fell to negative 0.01 percent in 1993. However, there was improvement in 1997 (3.77 percent) eventually lowering to 3.39 percent in 2008. The value for net FDI inflows (BoP, current US\$) in Senegal was highest in 2008 amounting to US\$453.903mn.

Table 4.20: Senegalese Foreign Direct Investment Net Inflows 1992-2013

Indicators	FDI, Net Inflows (US\$)		FDI, Net Inflows (% of GDP)	
	Senegal	ECOWAS-Total	Senegal	ECOWAS Average
1992	21,383,360	827,631,492	0.36	0.39
1993	(812,254)	1,479,521,957	(0.01)	(1.47)
1994	66,876,236	2,417,680,342	1.72	2.42
1995	31,673,945	1,643,464,850	0.65	1.77
1996	8,722,469	2,047,609,847	0.17	(4.05)
1997	176,017,459	2,619,148,274	3.77	6.69
1998	70,619,332	1,971,397,390	1.40	5.08
1999	153,246,927	2,192,033,913	2.98	6.10
2000	62,937,490	1,923,301,049	1.34	2.62
2001	31,942,387	1,875,130,222	0.65	1.76
2002	78,052,971	2,614,380,065	1.46	1.79
2003	52,494,810	3,137,787,065	0.77	7.84
2004	77,028,526	2,986,921,603	0.96	3.63
2005	167,877,437	6,414,868,881	1.93	4.15
2006	289,582,834	7,005,258,844	3.09	4.88
2007	350,994,490	9,642,126,274	3.11	5.45
2008	453,902,667	13,526,804,391	3.39	6.29
2009	330,145,121	13,730,843,077	2.58	4.90
2010	266,107,641	11,687,103,818	2.06	6.52
2011	338,218,819	18,191,791,706	2.34	12.89
2012	276,175,403	14,529,327,971	1.97	6.79
2013	298,256,720	12,384,570,075	2.02	5.35

viii. Institutions, Legal and Political Stability

Political stability plays a vital role in regional integration process since a region cannot develop in the midst of conflicts and wars. Political instability in some parts of West Africa is depriving the region of its necessary development.

Senegal offers a stable political environment, relatively robust infrastructure, strong institutions and a favourable geographic position with growing opportunities for businesses and conditions that are favourable to regional integration. While Senegal has a well-developed legal framework for protecting property rights, settlement of commercial disputes is cumbersome and slow. The Government of Senegal has prioritised efforts to fight corruption, increase transparency and improve governance. Senegal compares favourably with most African countries in corruption indicators, but companies report that some corruption persists, particularly at lower levels.

The Senegalese Civil Code provides a framework, based on French law, for enforcing private property rights. The code provides for equality of treatment and non-discrimination against foreign-owned businesses. Senegal maintains a property title and

a land registration system, but application is uneven outside of Senegal's urban areas. Confirming ownership rights on real estate can be difficult, but once established, ownership is protected by law.

The strength of Senegal public institutions has improved from 90th position in the world to 82nd position in 2013/2014 World Bank Global Competitiveness report.

Table 4.21: Senegal Legal and Institutions Competitiveness Scores (1-7)

World Bank Institution Performance	2013		2012		2011	
	Score	Rank	Score	Rank	Score	Rank
Property rights	4.0	80	4.1	78	4.1	77
Intellectual property protection	3.2	96	3.1	95	3.3	82
Public trust in politicians	2.6	87	2.0	123	2.0	114
Judicial independence	3.1	103	2.6	118	2.8	110
Wastefulness of government spending	3.1	78	2.5	115	2.5	118
Burden of government regulation	3.7	51	3.1	91	3.2	72
Efficiency of legal framework in settling disputes	3.9	52	3.7	71	3.3	92
Efficiency of legal framework in challenging regions	3.6	59	3.4	84	3.2	88
Transparency of government policymaking	4.2	63	4.1	84	3.8	103
Reliability of police services	4.5	55	4.4	62	4.1	78
Strength of auditing and reporting standards	4.5	83	4.4	80	4.6	72
Efficacy of corporate boards	4.8	45	4.7	49	4.8	41
Protection of minority shareholders' interests	3.8	96	4.2	69	4.5	51
Strength of investor protection, 0–10 (best)*	3.0	134	3.0	130	3.0	131

4.3 Assessment of Consumer welfare in Ghana and Senegal

Consumer welfare is the benefit that consumers are inferred to gain from consumption of goods and services. While welfare cannot be measured directly, economists often use a measure of real income or purchasing power as a way of measuring welfare in money terms. Because consumer welfare cannot be directly estimated, it is indirectly measured by the welfare changes, for instance change in consumer surplus following a tariff reduction.

The desk study and literature review carried out under this assignment has revealed that an empirical assessment of consumer welfare from regional integration or intra-regional trade in ECOWAS has not been done. In this section, an empirical analysis is undertaken to assess consumer welfare to Ghanaian and Senegalese from taking part in ECOWAS integration process through intra-regional trade due to changes in import prices. The analysis uses a basic method to measure consumer welfare impacts from an increase in imports.

The potential consumer welfare gains for Ghana and Senegal as part of the members of ECOWAS, is calculated as the difference between current import expenditure incurred by each of these countries on the goods and likely import expenditure if the country were to import the same products from ECOWAS trading partners at a lower import price due to removal of trade tariffs.

The consumer welfare gain (or loss) to each of the countries (Ghana and Senegal) in the identified consumption baskets of goods are calculated as follows:

$$\sum CW_{ij} = \sum [P_i^m \cdot Q_i^m - P_i^x \cdot Q_i^m]; i=1, 2, 3... n \text{ and}; j = \text{Ghana and Senegal.}$$

Where $\sum CW_{ij}$ is the Consumer Welfare as a result of the change in import price of good, i , in Ghana or Senegal (j);

P_i^m is the Import price of good/service i into Ghana or Senegal (j) from identified originating countries;

P_i^x is the Export price of good i in Ghana or Senegal to other countries;

Q_i^m is the Import Quantity of good i in Ghana or Senegal from identified originating countries.

The result is presented in Table 4.22. This is done through computation of consumer welfare using the identified consumption baskets of goods that cut across in most of ECOWAS, especially traded goods with Ghana and Senegal.

Table 4.22: Summary of Results on Consumer Welfare Gains/Loss

Country	No. of Product Categories in HS 4-Digits	Consumer Welfare Gain/loss (US\$mn)	Current Value of Import 2013		Percentage of Imports	
			ECOWAS (US\$mn)	ROW ⁸ (US\$mn)	% Consumer Welfare Loss to ECOWAS	% ECOWAS to ROW
Ghana	69	(128.66)	183.62	6,764.92	-1.90%	2.71%
Senegal	68	(11.32)	109.17	3,919.06	-0.29%	2.79%
Total		(139.98)	292.79	10,683.98	-1.31%	2.74%

Source: Authors' computation using Comtrade and UNCTAD database

The consumer welfare loss, represented by import bills, arising from Ghana in the sum of the product category is calculated at US\$128.66mn in 2013. The consumer welfare loss is as a result of limited trade between Ghana and other ECOWAS Members. The total import value of Ghana from other ECOWAS countries based on the selected consumption baskets is US\$183.62mn whilst import value from rest of world amounted to US\$6,764.92mn out of total imports of US\$10,018.23mn.

The welfare loss of consumers in Senegal as a result of non-cooperation on intra-regional trade is estimated at US\$11.32mn. The Senegalese imports from other ECOWAS countries constitutes about 2.8 percent of the import value of the selected consumption baskets from rest of the world, which is about US\$3,919.06mn out of a total import of US\$6,434.22mn.

Consumers in Ghana and Senegal do not benefit much from trade between these two countries and rest of ECOWAS because of low level of intra-ECOWAS-trade leading to limited choices of products, high prices, and low quantity of products. The low intra-ECOWAS-trade may be attributed to high cost of moving goods within the ECOWAS region as compared to shipping into Europe.

⁸ROW means Rest of the World

In addition, the effectiveness of the ETLs due to its cumbersome procedure and low level of accessibility by most firms in the region as well as lack of its implementation and enforcement in some Member States, play a part in lowering intra-ECOWAS trade. The efficiency of the infrastructure and logistics performance in the region also account for the low level of intra-ECOWAS trade. Even though, a number of border check points in some key transit corridors and routes in the regional have reduced, the attitudes of some corrupt officials still impede trade between member states.

4.4 Recommendations and Conclusion

4.4.1: Recommendations

- **Capacity training for CSO's:** CSOs in the countries do not hold a common view of the benefits and importance of the regional integration process. CSOs themselves need capacity building of the meaning of regional integration to the ECOWAS region to strengthen the programmatic and advocacy programmes of CSO's in the country. Through joint advocacy programmes of CSOs in member states, ECOWAS could be lobbied to support public universities in the region to run postgraduate and/or executive courses on Regional Integration. Issues, such as bio-safety, standardisation, competition etc. could be included in these trainings to ensure effective involvement of these groups in discussions on trade and economic issues. This would also help in better understanding the functions and legislations of ECOWAS.
- **Change in perception:** There is a need to mitigate the negative perception of citizens on the effect of free movement of persons and the liberalisation of the business market to neighbouring nations. This can be achieved by organising forums and dialogues by CSO's together with the governments of Ghana and Senegal to educate citizens on the need for a borderless region.
- **Commitment of ECOWAS Member States to the regional integration agenda:** It is highly recommended that each Member State has a Regional Secretariat in their country with representatives elected by the grassroots. They would help in ensuring that the policies and laws of ECOWAS are being implemented effectively at the country level.
- **The ECOWAS Commission to allocate funds to support the activities of CSOs in the region working on integration:** Though most CSOs are NGOs and are not affiliated with any political party, it is the responsibility of ECOWAS and the Member States to allocate funds for their activities that are synergistic to the Commission's agenda.
- If CSOs and citizens advocate for their programmes to be included in the Commission's master plans, there is a possibility to including their feedback in the processes of the Commission. CSOs and Consumer Organisations should urge the governments of member states to create offices and/or departments that focus on sub-regional policies and issues in all levels including district and community levels. These offices should target working with CSO's and citizens to push for regional development and integration.
- CSO's should aim at working together with the government, whilst still maintaining their independence. This will strengthen their visibility and also provide them the platform to attend regional meetings and forums to lobby on issues pertaining to regional integration.

- CSO's should work together with the regulatory authorities in the country, example the Food and Drugs Authority (FDA), Ghana to identify practical ways to harmonise standardisation of goods and foods.
- Annual high level forums could be organised between member states, regional bodies, consumers associations, private sector and CSOs to evaluate the implementation of protocols and conventions. This would help in identifying implementation challenges and also allow a scope of dealing with policy anomalies.
- Consumers associations and civil society stakeholders should take part in meetings by regulatory bodies like the National Consumer Councils, National Committee for International Trade Negotiations (NCITN), to take ownership of legislation and build their capacities on issues of trade negotiations and sub-regional economic integration.
- CSOs must try to create and generate awareness at grassroots on ECOWAS integration issues. There should be greater dissemination of information on consumer rights among consumers and policymakers in charge of sub-regional economic integration.

4.4.2: Conclusion

ECOWAS represents a grand ambition. Dedicated to establishing a single currency and Customs union, with fully integrated economies and open borders, the path ahead for ECOWAS is a challenging one, involving sensitive decisions on issues of economic sovereignty and a significant amount of political will. The progress made by ECOWAS towards regional integration is much less than other regional blocs like the EU, EAC or COMESA.

The main reasons include non-commitment by Member States to implement the various ECOWAS protocols and dual membership of Member States in both ECOWAS and WAEMU regional blocs. The existing barriers to intra-regional trade are also one of the reasons. These barriers include inefficient trading procedures, lack of transport facilities and underdeveloped infrastructure. They lead to better being imported from Europe, the US and other non-ECOWAS markets.

The intra-regional trade volumes are thus reduced. The study has presented that Ghana's imports from other ECOWAS countries constitute only 2.7 percent of its total imports whilst Senegal's imports from ECOWAS members form only 2.8 percent of total imports. This minimal trade among members have caused the consumers in Ghana and Senegal to lose significantly in terms of their welfare (welfare loss of US\$128.66mn and US\$11.32mn respectively in Ghana and Senegal in 2013 alone). Welfare loss by consumers is also seen with a reduction in their purchasing power from price fluctuations caused by high inflation rates and exchange rate fluctuations.

ECOWAS lacks an institutional framework for engaging CSOs. This poses to be a challenge to include different perspectives in policymaking apart from the polity.

The lack of consumer/citizen participation in ECOWAS process could be attributed to the lack of knowledge about the ECOWAS integration among larger masses. The responsibility therefore presently remains on the CSOs and consumer associations to educate and generate awareness among citizens to mobilise their participation.

Harmonisation of standards of consumer goods, quality control (health, hygiene and food standards) and point of origin of these goods are an area of concern for both consumers and producers.

It has to be noted however that ECOWAS has actually been able to achieve progress in many areas. The existence of a vibrant free trade area, free movement of people (common ECOWAS passports), trade facilitation initiatives, such as a uniform and simplified customs declaration form, adoption of a Common External Tariffs and common statistical nomenclature (in line with WCO) are reforms that it has been able to facilitate.

References

- Abbey, Joseph, Executive Director of the Centre for Policy Analysis, at a forum on Regional Integration in West Africa”, Accra. In Modern Ghana News, May 7, 2011, Accessed Online at <http://www.modernghana.com/print/274624/west-african-regional-integration-process-s>.
- Adebuseyi I. Adeniran (2012) - Regional Integration in the ECOWAS Region: Challenges and Opportunities
- Adebuseyi I. Adeniran, 2012
- Adeniran, Adebuseyi I. (2008). “Informal Networking and Social Identity Construction among Ejigbo in South West Nigeria and Ivory Coast” .Ibadan, Nigeria: Department of Sociology, University of Ibadan
- Adeniran, A. I. (2012) Regional Integration in the ECOWAS Region: Challenges and Opportunities.
- Afolayan, A. A. (2004). “Circulatory Migration in West Africa: A Case Study of Ejiabo in South Western Nigeria.” *LHarmattanFrance*,17–66
- Alaba (2006) Trade Policy Research and Training Programme (TPRTP)
- Alaba O. B. (2006) - EU-ECOWAS EPA: Regional Integration, Trade Facilitation and Development in West Africa, A Draft Paper for presentation at the GTAP conference, United Nations Economic Commission for Africa (UNECA), Addis Ababa, Ethiopia, May
- Amadu Sesay and Moshood Omotosho (2011) - The Politics of Regional Integration in West Africa, WACSERIES Vol. 2 Num 2
- Anadi, Sunday Kachima McDonald – 2005 – Regional Integration of Africa: the Case of ECOWAS
- Annual Report of ECOWAS Executive Secretary [1998/1999] “Accelerating the Integration of West African Economies to Face the Challenges of the 21st Century”, ECOWAS Executive Secretariat, Abuja, Nigeria: Chap.111, p.105-110.
- Asante S.K.B., (2012), Challenges and Opportunities of Regional Integration for Developing Economies
- Bamba
- Bassey Ufot Inamete (2001), Foreign Policy Decision Making in Nigeria, Susquehanna University press, Selinsgrove, Pennsylvania
- Canova F. and E. Pappa (2004) - Price Differentials in Monetary Unions: The Role of Fiscal Shocks
- Chang, W. and Winters, A. L. (1999) - How Regional Blocs affect excluded countries: The price effects of MERCOSUR, - Discussion paper series no. 2179, London: Centre for Economic Policy Research
- Charlick, R.B. (1994) “Niger” in Shaw, T.M. and J. E. Okolo (eds) the political economy of foreign policy in ECOWAS

- Dunn, D.E. (1979), *the Foreign Policy of Liberia during the Tubman Era 1944-1971*, Hutchinson Benham; London
- ECDPM, 2006
- ECOWAS (1993) - Revised Treaty, Abuja, ECOWAS Commission
- ECOWAS Revised Treaty, Chap.2, Article 3, ECOWAS Executive Secretariat, Abuja, Nigeria.
- ECOWAS, 2000
- Elbadawi, Ibrahim (1997), "The impact of Regional Trade and Monetary Schemes on Intra-Sub-Saharan African Trade" in Oyejide, T. Ademola, Ibrahim Elbadawi and Paul Collier (eds), *Regional Integration and Trade Liberalization in Sub-Saharan Africa*, Vol I, London: Macmillan
- Essien Abel Essien (2009) A Paper Presented at the ECOWAS-ZEI Academy in Comparative Regional Integration, Centre for European Integration Studies, Bonn, Germany, March 16-28
- Fine, J. and S. Yeo (1997), "Regional Integration in Sub-Saharan Africa : Dead End or a Fresh Start?", in Oyejide, T. Ademola, Ibrahim Elbadawi and Paul Collier (eds), *Regional Integration and Trade Liberalization in Sub-Saharan Africa*, Vol II, London: Macmillan
- Frimpong, AKD - *The Executive And State Institutions As Primary Actors In Articulating Ghana's Integration Policies In West Africa: Challenges And The Way Forward*
- George Owusu (2013) *Factors Shaping Economic Integration and Regional Trade in West Africa* in (Regional Trade and Monetary Integration in West Africa and Europe)
- Iapadre, De Lombaerde, and Mastronardi; Ademola Oyejide 1997; Lyakurwa et al. 1997; Kennes 2003: 156-157; Longo and Sekkat 2001, 2004; Keane et al. 2010; DFID 2011
- International Centre for Trade and Sustainable Development (ICTSD) (2015) - West Africa starts implementing the Common External Tariff 21 January, www.cctsd.org. Accessed on March 09, 2015
- Iyiola, R. O. and Adetunji, A. A., (2014) - *The Effect Of Monetary Policy On Consumer Price Index*
- J.E. Sturm, U. Fritsche, M. Graff, M. Lamla, S. Lein, V. Nitsch, D. Liechti and D. Triet (2009) - *The euro and prices: changeover-related inflation and price convergence in the euro area*
- Jan Cernicky: *What is the good of the ECOWAS?* Accessed on March 12, 2015.
- Kareem, O.I. (2014), *Welfare Impact in Nigeria of the ECOWAS Common External Tariff: A Distributional Effects Analysis*.
- Kofi Oteng Kuffuor, *Institutional Transformation of the ECOWAS regional Integration*
- López, L. H., R. R. Ramos and S. R. Ramos (2009) - *Macro - Regions and Micro-Regional Inequalities: The European Union and the Cohesion Funds*, United Nations University - Comparative Regional Integration Studies, UNU-CRIS Working Papers W-2009/1

- Nassima Debab and Saeed J. Radhi (2011) Effects of Trade Liberalization on Domestic Consumer Prices A Case Study of Gulf Cooperation Council European Journal of Economics, Finance and Administrative Sciences ISSN 1450-2275 Issue 37 (2011)
- Nigel Pain, Isabell Koske and Marte Sollie (2008) – Globalisation and OECD Consumer Price Inflation, OECD Economic Studies No. 44, 2008/1 ISSN 0255-0822
- Njoroge L. Kamau (2010) - The impact of regional integration on economic growth: empirical evidence from COMESA, EAC and SADC trade blocs
- Ogene F. C. – Domestic Foreign Economic Groups and foreign policy in Olusanya, G.O., Ate, B.E. and Olukoshi, A. O. (eds) – Economic Development and Foreign policy in Nigeria (1998), Nigerian Institute of International Affairs, Lagos
- OLAJIDE Aluko (1990) Public opinion and Nigerian policy under the military
- Oyejide, A., B. Nduluand, J. W. Gunning, eds., *Regional Integration and Trade Liberalization in Sub-Saharan Africa, Volume 2* London: Macmillian Press: pp.147-177.
- Pigato, M., C. Farah, K. Itakura, K. Jun, K. Murrell, and T.G. Srinivasan (1997) - South Asia's Integration into the World Economy, The World Bank. Washington DC.
- Sapir, 1996; Gandoy Juste and Díaz Mora, 2000
- Senegal- African Economic Outlook
- UK Office of National Statistic, 2013
- UNCTAD, 2009
- Vivien Foster and Nataliya Pushak (2011) Ghana's Infrastructure: A Continental Perspective, Sustainable Development Department, The World Bank Africa Region, Policy Research Working Paper 5600, March
- World Bank Doing Business 2014

Endnotes

- ¹ Kareem, O.I. (2014) The Welfare Impacts in Nigeria of Common External Tariff: A distributional effect analysis
- ² Anadi, Sunday Kachima McDonald – 2005 – Regional Integration of Africa: the Case of ECOWAS
- ³ George Owusu (2013) Factors Shaping Economic Integration and Regional Trade in West Africa in (Regional Trade and Monetary Integration in West Africa and Europe)
- ⁴ ECOWAS (1993) - Revised Treaty, Abuja, ECOWAS Commission
- ⁵ Adebunsi I. Adeniran, 2012
- ⁶ Alaba
- ⁷ George Owusu (2013) Factors Shaping Economic Integration and Regional Trade in West Africa in (Regional Trade and Monetary Integration in West Africa and Europe)
- ⁸ Bamba
- ⁹ Oyejide, A., B. Nduluand, J. W. Gunning, eds., *Regional Integration and Trade Liberalization in Sub-Saharan Africa, Volume 2* London: Macmillian Press: pp.147-177.
- ¹⁰ Alaba; George Owusu
- ¹¹ Bamba
- ¹² Zannou, 2010
- ¹³ Amadu Sesay and Moshood Omotosho (2011) –The Politics of Regional Integration in West Africa, WACSERIES Vol. 2 Num 2
- ¹⁴ Amadu Sesay and Moshood Omotosho (2011) – The Politics of Regional Integration in West Africa, WACSERIES Vol. 2 Num 2
- ¹⁵ Fine and Yeo (1997)
- ¹⁶ Alaba (2006) Trade Policy Research and Training Programme (TPRTP)
- ¹⁷ Rahman *et al*, 2006; Zannou, 2010
- ¹⁸ Murray, 2011
- ¹⁹ UNCTAD, 2009
- ²⁰ ECDPM, 2006
- ²¹ Annual Report of ECOWAS Executive Secretary [1998/1999] “Accelerating the Integration of West African Economies to Face the Challenges of the 21st Century”, ECOWAS Executive Secretariat, Abuja, Nigeria: Chap.111, p.105-110.
- ²² International Centre for Trade and Sustainable Development (ICTSD) (2015) -West Africa starts implementing the Common External Tariff 21 January, www.ctsd.org. Accessed on March 09, 2015
- ²³ Kareem, O.I. (2014), Welfare Impact in Nigeria of the ECOWAS Common External Tariff: A Distributional Effects Analysis.

²⁴Essien Abel Essien (2009) A Paper Presented at the ECOWAS-ZEI Academy in Comparative Regional Integration, Centre for European Integration Studies, Bonn, Germany, March 16-28

²⁵Asante S.K.B., (2012), Challenges and Opportunities of Regional Integration for Developing Economies

²⁶Iapadre, De Lombaerde, and Mastronardi; AdemolaOyejide 1997; Lyakurwa et al. 1997; Kennes 2003: 156-157; Longo and Sekkat 2001, 2004; Keane *et al.* 2010; DFID 2011

²⁷Adebusuyi I. Adeniran (2012) – Regional Integration in the ECOWAS Region: Challenges and Opportunities

²⁸Afolayan, 2004

²⁹ECOWAS, 2000

³⁰Oyejide *et al.*, 2003

³¹Njoroge L. Kamau (2010) - The impact of regional integration on economic growth: empirical evidence from COMESA, EAC and SADC trade blocs

³²see Quattara, 1999

³³Oyejide *et al.*, 2003

³⁴ UK Office of National Statistic, 2013

³⁵Canova F. and E. Pappa (2004) - Price Differentials in Monetary Unions: The Role of Fiscal Shocks

³⁶Iyiola, R. O. and Adetunji, A. A., (2014) - The Effect Of Monetary Policy On Consumer Price Index

³⁷J.E. Sturm, U. Fritsche, M. Graff, M. Lamla, S. Lein, V. Nitsch, D. Liechti and D. Triet (2009) – The Euro and prices: changeover-related inflation and price convergence in the euro area

³⁸Canova F. and E. Pappa (2004) - Price Differentials in Monetary Unions: The Role of Fiscal Shocks

³⁹Nassima Debab and Saeed J. Radhi (2011) Effects of Trade Liberalization on Domestic Consumer Prices A Case Study of Gulf Cooperation Council European Journal of Economics, Finance and Administrative Sciences ISSN 1450-2275 Issue 37 (2011)

⁴⁰Nigel Pain, Isabell Koske and Marte Sollie (2008) – Globalisation and OECD Consumer Price Inflation, OECD Economic Studies No. 44, 2008/1 ISSN 0255-0822

⁴¹Anadi, Sunday Kachima McDonald - 005 – Regional Integration of Africa: the Csa of ECOWAS

⁴²Amadu Sesay & Moshood Omotosho (2011) –The Politics of Regional Integration in West Africa - WACSERIES Vol. 2 Num 2

⁴³Abbey, Joseph – Executive Director of the Centre for Policy Analysis, at a forum on “Regional Integration in West Africa”, Accra. In Modern Ghana News, May 07, 2011, Accessed online at <http://www.modernghana.com/print/274624/west-african-regional-integration-process-s>.

-
- ⁴⁴Amadu Sesay & Moshood Omotosho (2011) - The Politics of Regional Integration in West Africa – WACSERIES Vol. 2 Num 2
- ⁴⁵Anadi, Sunday Kachima McDonald
- ⁴⁶López, L. H., R. R. Ramos and S. R. Ramos (2009) - Macro - Regions and Micro-Regional Inequalities: The European Union and the Cohesion Funds, United Nations University - Comparative Regional Integration Studies, UNU-CRIS Working Papers W-2009/1
- ⁴⁷Chang, W. and Winters, A. L (1999) – How Regional Blocs affect excluded countries: The price effects of MERCOSUR – Discussion paper series no. 2179, London: Centre for Economic Policy Research
- ⁴⁸Pigato, M., C. Farah, K Itakura, K. Jun, K. Murrell, and T.G. Srinivasan (1997) - South Asia's Integration into the World Economy, The World Bank. Washington DC.
- ⁴⁹Adeniran, 2008
- ⁵⁰Adeniran, 2012
- ⁵¹Jan Cernicky: What is the good of the ECOWAS? Accessed on March 12, 2015.
- ⁵² Frimpong, AKD – The Executive And State Institutions As Primary Actors In Articulating Ghana's Integration Policies In West Africa: Challenges And The Way Forward
- ⁵³ Kofi Oteng Kuffuor, Institutional Transformation of the ECOWAS regional Integration
- ⁵⁴Charlick, R. B. (1994) "Niger" in Shaw, T. M. and J. E. Okolo (eds) the political economy of foreign policy in ECOWAS
- ⁵⁵OLAJIDE Aluko (1990) Public opinion and Nigerian policy under the military
- ⁵⁶Ogene F. C. – Domestic Foreign Economic Groups and foreign policy in Olusanya, G.O., Ate, B.E. and Olukoshi, A.O. (eds) – Economic Development and Foreign policy in Nigeria (1998), Nigerian Institute of International Affairs, Lagos
- ⁵⁷Bassey Ufot Inamete (2001), Foreign Policy Decision Making in Nigeria, Susquehanna University press, Selinsgrove, Pennsylvania
- ⁵⁸Dunn, D.E. (1979), the Foreign Policy of Liberia during the Tubman Era 1944-1971, Hutchinson Benham; London
- ⁵⁹Alaba O. B. (2006) - EU-ECOWAS EPA: Regional Integration, Trade Facilitation and Development in West Africa, A Draft Paper for presentation at the GTAP Conference, United Nations Economic Commission for Africa (UNECA), Addis Ababa, Ethiopia, May
- ⁶⁰World Bank Doing Business 2014
- ⁶¹Vivien Foster and Nataliya Pushak (2011) Ghana's Infrastructure: A Continental Perspective, Sustainable Development Department, The World Bank Africa Region, Policy Research Working Paper 5600, March
- ⁶²Senegal- African Economic Outlook



CUTS International Accra

30 Oroko Avenue, P O BOX AN 6156, Accra North-Ghana

Ph: +233.302.245652, Email: accra@cuts.org

Web: cuts-international.org/arc/accra