

ECONOMIC COMMUNITY OF WEST AFRICAN STATES

NINTH SESSION OF THE COUNCIL OF MINISTERS

FREETOWN, 24 - 27 MAY, 1981

FINAL REPORT

The Council of Ministers held its Ninth Session at the Bintumani Conference Centre in Freetown, Sierra Leone, from the 24th to 27th May, 1981. All Member States were represented. The Mano River Union, the CEAO, the Federation of West African Chambers of Commerce, West African Clearing House, GATT, FAO, ADB, ECA, UNCTAD and UNIDO were represented as observers at the meeting. The list of participants is attached to this report.

I. Opening Session

Dr. Sama S. BANYA, the Sierra Leone Minister of Finance, Development and Economic Planning welcomed his colleagues and all delegates to Freetown on behalf of the Head of State, His Excellency Dr. Siaka STEVENS, President of the Republic of Sierra Leone. He reminded his colleagues that the Community had reached a stage of implementing the Work Programme that had been agreed upon at the Dakar 1979 Summit aimed at creating the necessary framework for the development of intra-community trade. In this regard, the work of the Community since the Council meeting in November, 1980 in Lome was devoted to the consolidation of the achievements of the Community and the adoption of the necessary measures in connection with the Priority Work Programme. He outlined briefly the activities of the various institutions of the Community whose reports

were being submitted to Council for consideration. He urged Council to take concrete measures not only to aid the Trade Liberalisation Programme, but also measures to arrest the food shortages problem, measures to reduce the strain on the balance of payments of Member States and finally, survival measures to find new sources of energy for the sub-region. Finally, he thanked the Executive Secretary and all his staff for their dedication and sense of duty in the discharge of their duties. A copy of the speech is attached.

The outgoing Chairman of the Council of Ministers and Togolese Minister of Planning and Administrative Reform, Honourable Koudjolou DOGO thanked Minister BANYA. He expressed his deep gratitude to the President, the Government and People of Sierra Leone for the warm and traditional welcome extended to the delegates. He stressed that in these times of crisis it is up to each nation to recognise the merits of Community solidarity and to seek the necessary resources for the development of the sub-region. ECOWAS represents the spring-board for the economic emancipation of the Community, he said. (Copy of speech is attached).

II. Election of Officers

Sierra Leone was unanimously elected Chairman of the Council of Ministers while Benin and Ghana were elected as Rapporteurs.

The Minister of Finance, Mr. Isidore Amoussou of the People's Republic of Benin, on behalf of his colleagues thanked the President and People of Sierra Leone for their warm welcome to delegates. He also congratulated Dr. Banya on his election as Chairman.

III. Adoption of Agenda

The following Agenda submitted by the Executive Secretary was adopted by Council :

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III. Adoption of Agenda

The following Agenda submitted by the Executive Secretary was adopted by Council :

1. Report of the Executive Secretary
2. Report of the Financial Controller
3. Reports of Technical and Specialised Commissions :
 - i) the Trade, Customs, Immigration, Monetary and Payments Commission
 - ii) the Industry, Agriculture and Natural Resources Commission
 - iii) the Transport, Telecommunications and Energy Commission
 - iv) the Committee of Finance Experts
 - v) the Committee of Governors of ECOWAS Central Banks
4. Report of the Board of Directors of ECOWAS Fund
5. External Auditor's Report
6. Report of the Meeting of the Mass Media
7. Appointment of Statutory Appointees
8. Implementation of Decisions and Fulfilment of Member States' Obligations to the Community
9. Implementation of the General Convention on Privileges and Immunities
10. Preparation of the Agenda of the Authority's meeting
11. Date of next meeting of Council
12. Any other matters

IV. Statements by Observer Institutions

Council heard statements from the following organisations which attended the meeting as observers: United Nations Economic Commission for Africa (ECA), United Nations Conference on Trade and Development (UNCTAD), United Nations Industrial Development Organisation (UNIDO), Federation of West African Chambers of Commerce (WACC), Mano River Union (MRU), Economic Community of West Africa (CEAO), and African Development Bank (ADB). All these institutions pointed out areas of interest common to ECOWAS and these institutions and expressed their willingness to cooperate fully with the Community. Copies of these statements are attached to this Report.

V. (i) Consideration of Executive Secretary's Report

The Executive Secretary presented his Annual Report covering the activities of the Community for the period June 1980 to May 1981. Council took note of the Executive Secretary's Report and decided to discuss the various points when the relevant items on the Council's Agenda came up.

(ii) Confirmation of Appointment of New Financial Controller

The Executive Secretary informed Council that following the withdrawal of Alhaji Fatai O. LAWAL by his Government as Financial Controller, the Federal Government of Nigeria had nominated Mr. Isaac O. ADEYALE as the new Financial Controller. Council confirmed the appointment of Mr. Adeyale. The new Financial Controller took the oath of office and expressed his gratitude to Council for the opportunity given to him to serve the West African sub-region.

VI. Consideration of Financial Controller's Report

The Financial Controller presented his Report which covered work accomplished by him since he assumed office in March 1981. Council took note of the Financial Controller's Report and came to the following decisions after some discussion:

(i) Non-Delivery of Mercedes Benz Car

Council took note of the undertaking by both the current Chairman of Council and the Liberian Minister in charge of ECOWAS matters to continue their efforts to recover the amount or the vehicle from the former Managing Director of the ECOWAS Fund, Mr. Romeo HORTON. Council cautioned the Executive Secretariat to avoid incurring excessive expenses in its efforts.

(ii) Placement of Funds

Council noted that the placement of the funds of the Community should take into account the profitability of yield and the security of funds.

(iii) Staffing

Council requested the Executive Secretary to ensure that qualified personnel are recruited into the Finance and other Departments of the Community institutions. Council took note of the decision of the Executive Secretary to assess, with the assistance of other Statutory appointees, the performance of all the professionals with a view to confirming or terminating their appointments.

VII. Discussion of the Reports of the Technical and Specialised Commissions

(i) Discussion of the Report of the Trade, Customs, Immigration, Monetary and Payments Commission

After a general introduction of the Report by the Chairman of the Commission, the following conclusions were arrived at:-

(a) Trade Liberalisation in respect of Handicrafts

The Nigerian delegation having withdrawn its reservation on this item, Council adopted the whole report as earlier adopted by the Commission at its Eighth meeting held in November 1980 in Lome, namely the definition of traditional handicrafts, a list of handicraft products and a liberalisation scheme for handicrafts.

(b) Classification of Import Duties and Taxes and Internal Indirect Taxes

Council took note of the Commission's proposal and requested Member States to use the classification thus adopted and communicate to the Executive Secretariat the nomenclature of their duties and taxes as well as the legal documents defining them. Council further requested Member States to prepare these documents as well as the nomenclature by 31 July 1981 for collection by the Executive Secretariat during the first week of August 1981.

(c) Cmmunity Rules of Origin on Fish Products

Following the reservations expressed by Benin, Cape Verde, Nigeria and Liberia, the Council decided to refer the matter to the Experts for a reconsideration which should take into account the concerns of these States. The Member States concerned were requested to send their observations and proposals in writing to the Executive Secretariat.

(d) Cooperation with other Economic Organisations in the Sub-Region : Report of the Third Meeting of the Chief Executives of ECOWAS, CEAO and MRU, held in Lome from 9 to 10 March 1981

Points of Agreement

Council took note of the points on which the Chief Executives of the three Organisations had agreed :

- rules of origin
- customs and statistical nomenclature
- common statistical standards
- customs documents (customs declaration, certificate of origin, certificate of movement)

Having noted that the preferential fiscal regime applied to unprocessed products and traditional handicrafts is the same in ECOWAS as in CEAO, the Council decided to implement the provisions relating to these points of agreement. Senegal, however, was of the view that no such agreement on the rules of origin had been reached among the three Organisations.

Problem regarding the Request for Derogation by CEAO and MRU in respect of the Implementation of the Provisions of Article 20 of ECOWAS Treaty

After a lengthy discussion and the submission of several additional documents providing further information, Council decided to set up a select Ministerial Committee to

study the request of the CEAO and MRU Member States, taking into account the additional documents and information with a view to finding a solution to the ECOWAS Treaty. After consultations, the Committee was set up as follows : Nigeria, Cape Verde, Benin, Senegal, Mali, the current Chairman of the Council of Ministers (Sierra Leone) and the out-going Chairman (Togo).

(e) Definition of the Concept of Community Citizenship

The reservations expressed by Nigeria and Mauritania during the meeting of the Commission were withdrawn. Niger, however, maintained its reservation and Liberia which was not present at the Commission's meeting expressed reservation on the whole document.

Council therefore decided to defer consideration of the matter to the November 1981 meeting. Niger and Liberia were invited to submit in writing as early as possible, their observations and suggestions to the Executive Secretariat.

(f) Measures taken by Member States for the implementation of the Protocol relating to the Free Movement of Persons, the Right of Residence and Establishment

During the consideration of this item, Council realised that a number of States had not as yet ratified the said Protocol and therefore recommended to the Authority of Heads of State and Government to make an urgent appeal to States concerned to speed up the ratification process of this important Protocol.

The Head of the Liberian delegation informed Council that his country was one of the first Member States to have ratified the Protocol and that this ratification was still valid. However, he explained that it has not been possible for Liberia to implement fully the provisions of the said Protocol due to national security and defence problems. He hoped that in the not too distant future, the situation would improve to enable Liberia fulfil its obligations under the Protocol.

(ii) Industry, Agriculture and Natural Resources Commission

In the light of the various interventions relating to the two main items considered by the said Commission, i.e.

- (a) the legal status of Community enterprises, and
- (b) the definition of a Common Agricultural Policy,

Council decided :

- that the document relating to the legal status of Community enterprises be submitted for further studies since most of the Member States made reservations on certain aspects of this document. The result of the said study shall be examined by the Industry, Agriculture and Natural Resources Commission and the Trade, Customs, Immigration, Monetary and Payments matters in view of the fiscal and customs implications of the document.
- Council further decided that Member States who reserved their positions must forward their observation in writing to the Secretariat before 31st July, 1981.
- Council accepted the report of the Commission on the Common Agricultural Policy but decided that there was no need for a separate Agricultural Commission or the creation of a Special Fund for Agriculture. Council was of the opinion that the ECOWAS Fund was better placed to perform the functions of the proposed Agricultural Fund.

(iii) Report of the Transport, Telecommunications and Energy Commission

After consideration of the Report of the Transport Sub-Commission, Council deferred approval on:

- (a) Establishment of an ECOWAS Inter-State Road Vehicle Insurance Scheme, and

- (b) Convention relating to Inter-State Road Transport to its next meeting to allow for in-depth study by Member States.

Council approved all the recommendations relating to the harmonisation of Highway Legislation in the Community, but modified the proposal relating to the administrative framework in order to introduce flexibility in assigning responsibilities within each Member State for the various functions to be performed in respect of road transport.

Postal Programme

The Executive Secretary informed Council that the Postal Development Programme which Council approved in November 1980 would be submitted to Authority for its endorsement.

Energy Programme

Council approved the Report of the Energy Sub-Commission. The Report dwelt on the short-term "survival" measures as well as long-term energy development programme for the Community.

- (iv) Report of the Committee of Finance Experts

1. Revision of Salaries and Post Adjustment Scheme

Council approved the recommendation by the Finance Experts relating to the interim award of a Post Adjustment of 10% on the salaries of staff in Lomé and 18% on those of the staff in Lagos. The Council also instructed the Committee of Finance Experts to carry out further studies with a view to making new proposals on the salaries of ECOWAS staff. Council further directed that the award should take effect from 1st June 1981.

2. ECOWAS Tender Board

Council approved the establishment of an ECOWAS Tender Board whose Members shall be :

Chairman of the appropriate technical commission	- Chairman
Executive Secretary	- Member
Managing Director of ECOWAS Fund	- "
Financial Controller	- "
Scheduled Officer concerned	- "
The "Host" country, i.e. the country in which the project is sited as well as representatives of the other Member States involved in the project	- "
Outgoing Chairman of the appropriate Technical Commission	- "

3. ECOWAS Financial Regulations

The Council adopted the Financial Regulations after effecting amendments to Article 026. It was decided to delete paragraph 2 of the said Article which was repeated under Article 32.

4. ECOWAS Budget Nomenclature

Council adopted a common Budget Nomenclature for the institutions of the Community after making amendments. Council decided to provide for :

- (a) a column for the preceding year's budget
- (b) a column for the state of execution of the said budget
- (c) a column for the budgetary proposals to be made
- (d) a column indicating the differences between the amount sought and the appropriations made for the preceding year.

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(ii) Placement of Funds

Council noted that the placement of the funds of the Community should take into account the profitability of yield and the security of funds.

observed that in future the report should be submitted to Council through the Executive Secretariat in ample time. Furthermore, Council decided that staff matters were within the purview of the Executive Secretary's responsibility and not the responsibility of the External Auditor who should avoid interfering in staff matters.

(viii) Report of the Meeting of the Mass Media

The report of the mass media meeting was presented by its Chairman who drew the attention of Council to the importance of publicising the activities of ECOWAS and the dissemination of accurate information on Member States. After some discussion, Council took note of the desire of journalists within the sub-region to form themselves into a Federation. Council decided that the proposed Federation need not be an institution of the Community.

(ix) Appointment of Statutory Appointees

The Chairman of Council drew the attention of Honourable Ministers to the need for the appointment of Statutory members of staff of the Community after the expiration of the terms of office of the incumbents. Council decided to renew the appointments of the following officials for another term :

Dr. James NTI (from Ghana) as Deputy Executive Secretary
(Administration)

Dr. Dakhoun Toumany SAKHO (from Guinea) as Deputy
Executive Secretary (Economic Affairs)

Mr. Souradjou Ibrahim (from Bénin) as Deputy Managing
Director; and

Mr. Isaac O. Adeyale (from Nigeria) as Financial Controller

Council agreed to recommend to the Authority the renewal for another term of the appointments of Dr. Aboubakar Diaby-Ouattara (from Ivory Coast) as Executive Secretary and Messrs. R. A. Dillsworth and Co. (Sierra Leone) as the External Auditors of the Community.

(x) Implementation of Decisions and Fulfilment of Member States' Obligations to the Community

The Deputy Executive Secretary (Administration) introduced the document and spoke about the difficulties the Secretariat and the Fund face because of the non-payment of Members' contributions to the operational and capital budgets of the institutions of the Community. He also spoke of the slow pace at which decisions and protocols of the Community are implemented. The Chairman appealed to his colleagues to make every effort to fulfil their financial and other Community obligations. He expressed the hope that by the next meeting of Council in November 1981 the payments situation would have improved considerably.

(xi) Implementation of the General Convention on Privileges and Immunities

The Deputy Executive Secretary (Administration) introduced the document delineating the categories of staff to be issued with ECOWAS Laissez-passer. Council endorsed the recommendation.

(xii) Preparation of the Agenda of the Authority's Meeting

Council decided to propose the following provisional agenda to the Authority for the Freetown May 1981 ECOWAS Summit:

1. Report of the Executive Secretary
2. Report of the Council of Ministers
3. Protocol relating to Mutual Defence Assistance
4. Appointment of Executive Secretary and the External Auditor
5. Venue of next Summit
6. Any other matters
7. Signing of documents.

(xiii) Date of next meeting of Council

Council decided to hold its 10th Session in Freetown, Sierra Leone from November 21 - 23, 1981.


(xiv) Any Other Matters

No issue was raised under this item.

The Executive Secretary thanked Council for the confidence placed in him and his colleagues and pledged to work harder in the interest of the Community.

Done at Freetown, this 27th day of May 1981

FOR THE COUNCIL


CHAIRMAN
HON. DR. S. S. BANYA

ECONOMIC COMMUNITY OF WEST AFRICAN STATES

9TH SESSION OF THE COUNCIL OF MINISTERS

FREETOWN, 24 - 27 MAY, 1981

VOTE OF THANKS

The ECOWAS Council of Ministers meeting in Freetown from the 24th to the 27th May, 1981 expresses its sincere gratitude to His Excellency Dr. Siaka STEVENS, President of the Republic of Sierra Leone, the Government and people of Sierra Leone for the warm welcome accorded the different delegations during their stay in Freetown. The Council expresses its appreciation and thanks to the Sierra Leone Government for the excellent facilities put at the disposal of the Council for the success of its deliberations.

DONE IN FREETOWN, 27TH MAY, 1981

THE COUNCIL

