

Communauté Economique  
Des Etats de l'Afrique de l'Ouest



Economic Community  
of West African States

**Fifty-fifth Ordinary Session of the ECOWAS  
Council of Ministers**

**Niamey, 7 – 8 January 2006**

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**Presentation of the 2005 ECOWAS Annual Report  
By Dr Mohamed Ibn Chambas  
ECOWAS Executive Secretary**

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**Niamey, January 2006**

It is my pleasure to present to Council the evolution of the Community over the past year. The Annual Report before Council covers areas in the life of the Community such as the regional economy, implementation of the Community Work Programme, topical issues like regional peace and security, over-indebtedness and the challenge of meeting the millennium development goals, the functioning of the Community institutions, and financing the integration process.

### **The Regional Economy**

Thanks to favourable commodity prices and, more significantly, the pursuit of creditable reform policies, the West African economy grew by more than 5% in 2004, and growth is expected to have been of the same magnitude in 2005. However, drought conditions, food crises and the continued unstable political situation in parts of the region militate against the higher growth rate, of at least 7%, that each economy should have been recording, in order to meet the goal of halving extreme poverty by 2015. Indeed, the result of the evaluation carried out last year clearly showed that all Member States run the risk of not achieving most of the eight MDGs on schedule. That is why I am appealing for greater commitment to the regional approach to economic development, as a means for *achieving the MDGs in West Africa*, the theme for the 2005 Annual Report.

The policies of Member States are pointed in the right direction. However, we need to re-double our efforts in West Africa if the region is to develop into a middle-income economy and if our people are to escape the poverty trap. The way for West Africa is the regional approach to economic development. The decision has already been made by the ECOWAS Authority to approach both poverty reduction and the NEPAD development agenda from a regional perspective. There are two challenges facing us in this regard. First, we need to complete the process of blending the three initiatives of regional integration, PRSP and NEPAD. Secondly, all Member States need to make a full and sustained commitment to the effective application of such a comprehensive

regional approach to economic development. These are precisely the pre-occupations that the current Community Work Programme seeks to address.

### **Functioning of the Community**

The past year has been devoted to enhancing the capacity of the Community to implement the regional programmes more effectively. This has involved better programming of activities, improving the technical and organisational capacities of both Community institutions and Member States, and mobilising additional resources for programme implementation.

**Medium-term development framework.** Combining the time-frame of the action plans, adopted at the continental level, for NEPAD implementation with the evolution of the integration process, the Community is formulating a comprehensive medium-term development framework. This is being based on sectoral plans of action that the appropriate ECOWAS ministers and the authorities concerned have already adopted in such areas as the establishment of the ECOWAS customs union (2008), the second regional currency (2009), regional food security component of the ECOWAS agricultural policy (ECOWAP-under ECOWAS/FAO collaboration), the West African Power Pool (WAPP), regional infrastructural development (ADB-coordinated NEPAD action plan). Even the regional peace and security initiatives are incorporated in this regional medium-term framework; the establishment of the regional stand-by forces, the early warning system, the entrenchment of democracy, and control of trans-border criminality (small arms, drug and child trafficking, money laundering). Since specific items on the agenda of this session of Council relate to these programmes, I shall avoid dwelling on details at this stage of your proceedings.

**Enhancement of institutional capacities.** This has been approached from different angles. The year witnessed progress on broad issues such as transforming the Executive Secretariat into a Commission, enhancement of the powers of the Community Court of Justice, consolidating the resource base of the ECOWAS Bank for Investment and Development (EBID), and specifying the

coordinating role and functions of ECOWAS national units. There was also much progress on the more specific programmes of modernising and rationalising the financial and administrative procedures of the Executive Secretariat, the formulation of an organisation chart of the Court and of the Parliament, establishment of internet connectivity between ECOWAS institutions and key focal points in Member States.

### **Resource mobilisation.**

Working relations were also improved, not only among the ECOWAS institutions but also with the major development partners. For instance, the idea of establishing a project development and implementation unit (PDIU) was pursued with much vigour; it involves the Secretariat and EBID and it has attracted new adherents from the donor community. Relations with our development partners were strengthened: with the EU which traditionally operates a regional indicative programme with ECOWAS and UEMOA, USAID, which has adopted and operates a West Africa regional programme, and the World Bank which operates a regional integration assistance strategy for West Africa. The ADB has joined this selected group by defining a clear strategy for its assistance interventions in the West African integration process. Similarly, the FAO and the Sahel and West Africa Club (OECD/SWAC) are strengthening their working relations with the Community in the key areas of agriculture, environment and long-term strategic development perspectives. I must also point out the cordial relations that exist between ECOWAS and UEMOA institutions; we have no choice than to deepen the process of convergence of the parallel regional integration initiatives adopted by the two West African bodies.

I wish to draw attention to other examples of the quality of the partnership that ECOWAS is developing. With regard to the Community levy, I am happy to report that collaboration with Member States has improved considerably and the proceeds for 2005 exceeded the estimates we made on the basis of the 2004 performance by Member States. We are only left with ensuring full compliance by the few remaining countries, and also working out the details of the utilisation

and management of the 4.5% of the proceeds retained for integration requirements at the national level. Concerning relations with development partners, honourable members of Council will recall the fruitful interactions in April and September that ECOWAS ministers had in Washington DC with the Bretton Woods institutions and other donors regarding the incorporation of regional decisions and initiatives into the national development agenda.

The annual ECOWAS/Donor coordination meeting in November, which was attended by more than 25 donor agencies, confirmed the conclusions reached and commitments made earlier in Washington. There is general agreement on establishing regional priorities, on the one hand, and close coordination and harmonisation of donor interventions on the other hand. This is exemplified by the progress made towards the creation of a pool fund; it involves agreement on specific programmes or areas of assistance and then contribution of resources by donors into a common pool which will be managed by ECOWAS along some internationally-approved guidelines. The successful political dialogue that ECOWAS has been holding with the EU is another confirmation of the fruitful collaboration and cordial relations between the Community and its development partners.

#### **Incorporation of regional dimension in national agenda**

The West African option of a regional approach, and the current stage that we have reached in deepening the integration process, make it very necessary for a firm commitment to the ECOWAS programmes. This is because each ECOWAS initiative touches on priority concerns and each Member State must necessarily be fully engaged. If I may cite a few examples to illustrate this important point. The economic partnership agreement (EPA) negotiations will, to a very large extent, determine the development prospects of West Africa, since they touch on the trade, fiscal, investment and development policies of our countries. The ECOWAS free trade area and common external tariff have far-reaching implications for the trade and fiscal policies of governments, as well as the investment and production patterns of the real sector of the national

economies. The establishment of a single regional currency replaces national autonomy on monetary issues with common fiscal and monetary rules and regulations. The ECOWAS agricultural policy (ECOWAP) addresses the core issue of regional food security through enhanced agricultural productivity and competitiveness, development of intra-regional trade in agricultural goods, and improved market access. It is for these reasons that I am inviting Honourable Ministers, that is, each Council member, to assess the level of implementation of ECOWAS programmes at the national level, and the degree of involvement of each country in ECOWAS affairs.

The Executive Secretariat, following its monitoring of Member States participation in the integration process, has found it necessary to propose various measures to improve compliance: we have produced guidelines for the implementation of the different ECOWAS programmes. Additionally, another Secretariat effort in this same direction has led to the definition of the mission, role and functions of the ECOWAS national units; that is, to clarify and facilitate the coordinating role of the ECOWAS ministries. It would be appreciated, for example, that each Community act or decision assigns specific responsibilities and obligations that must be met at the national level – ratifications, national legislation, adoption of specific administrative and regulatory procedures, modification of existing national texts and documents, establishment of national or sectoral implementation committees and other institutional arrangements, financial and technical requirements that are to be fulfilled.

It has been found that, because these basic measures have not been adopted on a systematic basis, most regional policies and decisions have not been applied and become effective at the national level. These are some of the problems that the ECOWAS Secretariat counts on the officials of the ECOWAS ministries to identify and resolve. I should therefore appreciate the additional measures that each Honourable ECOWAS Minister would adopt at the national level to ensure the effective implementation of such regional integration policies and programmes. Together, the ECOWAS institutions and the ECOWAS

ministries must strive to enhance the environment for applying the Community acts and decisions in Member States.

### **Regional peace and security**

Another ECOWAS preoccupation with enhancing the environment for economic development and integration is the maintenance of regional peace and security. The Community remained fully engaged during the year with the issues of political stability and the entrenchment of democratic practices. West Africa continues to experience political instability, in spite of the considerable progress that has been made by individual countries and by the region on a collective basis. First and foremost, we should all applaud the successful presidential elections in Burkina Faso and warmly congratulate President Blaise Compaore on his re-election. The Community also extends its appreciation to all Liberians on the peaceful elections that saw Mrs Ellen Johnson-Sirleaf emerge as the first democratically elected female President on our continent.

ECOWAS has been unrelenting in the pursuit of the Ivorian peace process. It is my expectation that the positive reception of the announcement of a new interim government led by Prime Minister Charles Konan Banny would enable Côte d'Ivoire to continue steadily toward the scheduled elections during the year and the completion of peace plan. In spite of the initial constitutional problems and unrest that erupted after the death of President Eyadema, political normalcy has been largely restored in Togo, following the presidential elections that brought His Excellency Faure Gnassingbe to power. Steady progress is being made with regard to the various reforms that are to stabilise the political situation in Togo. In a similar vein, it has been possible to resolve the election-related problems in Guinea Bissau. I wish to express very deep gratitude to our Heads of State and the ECOWAS Mediators and representatives who facilitated the various ECOWAS peace plans.

The way should now be clear for the pursuit of sound re-construction programmes in each of the Member States emerging from civil conflict. The

challenging task of peace-building and post-conflict re-construction must be a collective regional effort, driven by the entire political leadership of the individual countries concerned and strongly supported by the international donor community. It is in this respect that a number of ECOWAS initiatives have been conceived. I have in mind such ECOWAS-sponsored infrastructural programmes as in the Mano River Basin and in the Sene-gambian area. This is a manifestation of the peace and development strategy that has been adopted to pursue the West African integration process.

In effect, regional integration should be seen as an all-encompassing process, which involves the political class, the government apparatus, the business community, the civil society and the ordinary citizen. This necessitates careful prioritisation, planning and organisation, effective mobilisation of the different stakeholders. It is, therefore, no coincidence that both the civil society and the organised private sector should seek to meet alongside the current ECOWAS statutory meetings and submit appropriate recommendations to the ECOWAS decision-making organs for enhancing the effectiveness of regional integration in the development process.

**Community work programme.** Concerning the 2006 budget, I am happy to point out that the Community institutions have embarked on streamlining and modernising the budgeting process. It is our aim to complete this budget reform process in 2007; in 2008 budget there would be a comprehensive work programme for all the Community institutions with one consolidated budget.

This session of Council is to approve the 2006 work programme and budget of the Community, as well as prepare the session of the next ECOWAS Authority. Over the next two days, Council will deal with two types of issues, namely routine matters that are to be noted by Council and new aspects of the Community work programme that call for some deliberation and specific decisions. Some of the latter set of items are:



- Completion of the establishment of the ECOWAS customs union;
- Establishment of the project development and implementation unit (PDIU) and implementation of the West African component of the NEPAD infrastructural plan of action;
- Approval of the plan of action for ECOWAP (regional food security, agricultural productivity and trade in agricultural goods);
- Time-frame for the monetary integration programme;
- Outstanding issues on the economic partnership agreement;
- Transformation of the Executive Secretariat into a Commission;
- Appointment of ECOWAS Statutory Officers;
- Issues to be submitted for approval and adoption by the Authority.

I am certain that, under the able leadership of Honourable Aïchatou Mindaoudou, very useful Council decisions would be made, including the important recommendations that should be submitted to guide the deliberations of our Heads of State and Government when they meet a few days hence.