

## The African Continental Free Trade Area (CFTA) is heading towards implementation with the twenty-second (22nd) ratification



This 21st century Africa is resolutely focused on an ideal of integration and economic development. By ratifying the agreement on the creation of the African Free Trade Area (CFTA), on April, 2<sup>nd</sup>, 2019, Gambia has just helped us pass the minimum threshold of ratifications required to implement this agreement, which gives body to what will now be the largest market in the world. It is however necessary to take into account the many challenges that still stand in the way and to ensure the involvement of all countries and all stakeholders to the achievement of the objectives of the African Continental Free Trade Area at the time of its implementation. The expected benefits could be obtained only if the threats are diminished and neutralized.

Enda CACID is working hard, through training, advocacy and information activities, to make the CFTA a development agreement. To benefit the many, the agreement must take into account the needs and concerns of African producers, large and medium-sized enterprises, including cross-border informal traders and the poorest people.

While the continent was still celebrating the first anniversary of the signing of the agreement on March 21st, 2018 in Kigali by the 44 countries, the construction of the African Common Market has just taken a new and very important step in its evolution as the Gambian Parliament approved the free trade agreement of the continent this Tuesday, April 02, 2019. Gambia thus becomes the 22nd State to ratify the agreement and gives the continent the minimum threshold required by the provisions of the agreement for the entry into force.

Under Article 23 of the Agreement Establishing the CFTA dealing with the "entry into force" provision, paragraphs one and two state the following:

1

*This Agreement and the Protocols on Trade in Goods, Trade in Services, Dispute Settlement Rules and Procedures shall enter into force thirty (30) days after the deposit of the twenty-second (22nd) instrument of ratification.*

2

*The Protocols on Investment, Intellectual Property Rights, Competition Policy and any other instrument deemed necessary under this Agreement shall enter into force thirty (30) days after the deposit of the twenty-second (22nd) instrument of ratification.*

This is it ! The CFTA is now a reality. It is laying the foundations for the construction of the common market expected to intensify intra-African trade and facilitate the creation of value chains which is expected to increase by 52% by 2022; thanks, among

other things, to the elimination of customs duties on 90% of trade. The ratification of the CFTA by Gambia has been greeted with great joy on the continent, as evidenced by the comment of the African Union Commissioner for Trade and Industry, Ambassador Albert Muchanga : "good news !". The Gambian parliament has approved the ratification of the CFTA, which allows us to respect the minimum threshold. " The CFTA market is emerging and is ready for its operational phase in July 2019" ; he adds.

To date, 52 countries have signed the agreement for 22 ratifications. We have our own unique challenges. The negotiating process has not been very inclusive in many countries because important actors like the private sector and civil society have been left behind in some cases. In addition, despite mutual agreement on questions that have so far remained unresolved in the context of tariff liberalization dubbed the "Cairo Package" ; negotiations on the aspects and the modalities of its application will have to continue, in particular on the rules of origin, the tariff concessions, the payment and payment modalities, the non-tariff barriers as well as the commercial information.

Moreover, noticeably, Nigeria, the continent's largest economy, has not yet joined the agreement. It is the same for Benin and Eritrea.

The implementation phase could be complex and difficult for many states who do not have the requisite capacities to meet the commitments at the same time as they implement other agreements such as those of the WTO, regional economic communities and bilateral agreements.

We must therefore anticipate these challenges in order to reduce their effects. This requires strengthening our capacity for analysis, research and the involvement of all actors in the implementation.

Of the 22 countries that have ratified the CFTA, only 16 countries have deposited their instruments of ratification with the AU Commission. ■

### Annex: List of 22 countries that have ratified the CFTA Agreement

1. Kenya	12. Mali
2. Ghana	13. Senegal
3. Rwanda	14. Namibia
4. Niger	15. Republic of Congo
5. Chad	16. Togo
6. Eswatini	17. Mauritania
7. Guinea	18. Djibouti
8. Uganda	19. Egypt
9. Ivory Coast	20. Zimbabwe
10. South Africa	21. Ethiopia
11. Sierra Leone	22. Gambia

# Is ECOWAS single currency on the home stretch?



## THE RENDEZ-VOUS OF 2020:

Several countries have already expressed their willingness.



The fifty-fourth (54th) ordinary session of the Summit of Heads of State and Government of ECOWAS, held on 22 December 2018 in Abuja, Nigeria, has given a new impetus to the program of creation of the single currency of the community. Heads of State welcomed the progress made by the Commission in the implementation of the directives and recommendations for the creation of the Monetary Union in 2020.

These results were achieved thanks to the impetus given by the Presidential Task Force on the Currency, the Ministerial Committee for the Single Currency Program and the Committee of Governors of Central Banks of ECOWAS States. As part of the implementation of the road map, two new decisions were taken by the Conference of Heads of State. On the one hand, the finalization of the impact studies undertaken in order to sub-

mit the results to the next Conference of Heads of State scheduled for July 2019 and on the other hand, to set up multidisciplinary working groups in the fields of design, graphic design, history, sociology, economics in order to finalize the choice of the name and the signs and symbols of the future regional currency.

To stepping up the construction of ECOWAS monetary union is partly explained by the renewed interest of the entire regional community in the common currency. Translating into action the political will they expressed, the Heads of State set up a Presidential Task Force whose aim is to accelerate the project of the monetary union launched since 1987.

On the occasion of the fifth meeting of this Task Force held in February 2018 in Accra (Ghana), the four heads of State, who animate it, have adopted a new roadmap to lead them towards the start of the currency over a two years horizon. Learning from past delays and the technical, economic and institutional constraints that can hinder the implementation of the currency, they have opted for a gradual and progressive approach. In other words, by 2020, countries that are ready and able to meet the agreed convergence criteria will adopt and market the currency. They will be joined gradually by others.

That roadmap to be established is under the political impetus of the Presidential Task Force and the Ministerial Committee and the technical impetus of the West African Monetary Agency (WAMA). West African Monetary institute (WAMI), the ECOWAS Commission and the Central Banks of the Member States. The convergence criteria have been simplified and reduced from 11 to 6 to facilitate adoption. Several countries have already expressed their willingness not to miss the rendez-vous of 2020. No one knows if it can be maintained. But the current pace and the strong mobilization of all actors and regional integration activists for this currency could offer the opportunity to leave the CFA Franc so decried from above and put an end to the coexistence between the CFA underway in the eight WAEMU countries, and seven other currencies, including Nigeria, Ghana, Liberia, Guinea, Gambia, Sierra Leone, and Cape Verde. ■





Fifth meeting of the Task Force on the common currency project in Ghana on february 21st.

## ECOWAS Task Force on the Trade Liberalization Scheme (ETLS) draws up a progress report



The ECOWAS Trade Liberalization Scheme (ETLS) Task Force presented a memorandum to the Eighty-first (81st) Session of the ECOWAS Council of Ministers held in Abuja, Nigeria in December. This memorandum takes stock of its action since its creation on 25 November 2015 with the aim of informing the Council of Ministers on the state of execution of the mission of the ECOWAS Trade Liberalization Scheme Task Force (TF / ETLS) and to invite the Council of Ministers to adopt the proposals for innovative actions formulated by the Task Force for the sustainable lifting of all barriers to intra-regional trade. After its installation in May 2016 by the President of Burkina Faso, the Task Force conducted several activities in the field including advocacy missions conducted in the fifteen member states, assessment and evaluation meeting held in Niamey in October 2017, unannounced missions on the borders of Ghana and Togo, including Aflao and Kodjoviakope; and an annual evaluation and perspective review in November 2018 in Abuja.

The Task Force conducted two monitoring missions in Senegal and Benin In December 2018. These missions, which should cover all Member States, are intended to assess the level of implementation of the recommendations from the Advocacy Missions and recorded in the Aide Memoires by each Member State. The Task Force conducts its activities through an open, inclusive and

transparent methodology. This approach consists of meetings with the political authorities of these Member States to present the team and to seek political support for the implementation at the national level of the ECOWAS Trade Liberalization Scheme (ETLS), free movement of persons, and the right of residence and establishment. The discussions also concern state and non-state actors (private sector and civil society) concerned by intra-regional barriers to trade identified at borders and corridors.

The tasks of the Task Force end with the signing of an Aide-Mémoire between the Member State represented by the Minister in charge of Regional Integration and the Chairman of the Task Force. The Aide Memoire is a document embodying the commitments made by the said Member State to eliminate in a sustainable manner the barriers to intra-regional trade identified during the mission. ■

### MISSIONS:

The Task Force conducts its activities through an open, inclusive and transparent methodology.



## ALISA, the project that connects the 15 countries of ECOWAS customs



**E**COWAS states members have launched the project called ALISA, March 23 in Abidjan, to secure and facilitate transactions and trade in the subregion.

It consists of an interface with the existing customs systems in the area. The data collected will be shared from a centralized regional customs database. A set of measures which will lead to the increase in customs revenue, thanks to a more efficient delivery of services for the 15 countries of ECOWAS.

The Interconnection of Customs Information Systems

is one of the components of the actions undertaken by ECOWAS to smooth the flow of goods on the seaports in the different road corridors of West Africa. It's available in digital format to the Customs offices checking cargo in transit from one State to another.

According to Tèi Konzi, the Commissioner for Customs, Trade and Free Movement of the ECOWAS Commission and Jean-Claude Kassi Brou, representative of the president of the institution: *"Interconnection allows transit and destination customs officers to receive transit information before the arrival of the goods"*.

As a reminder, the interconnection of customs IT systems has been designed by ECOWAS with the technical support of UNCTAD. ■

### Benin

#### The Abidjan-Lagos Corridor organization after 16 years of existence: time for assessment



**A** high-level meeting of infrastructure, transport and health ministers of the Abidjan-Lagos corridor countries was held on Thursday, March 28, 2019 in Benin. It is an organization that brings together five West African countries including Côte d'Ivoire, Ghana, Togo, Benin and Nigeria. This meeting was part of the progress report of the sixteen (16) years of existence of the member countries of the Corridor Abidjan-Lagos organization (ALCO). Prospects have emerged for tackling the challenges of cross-border health, road safety (more than 300 000 people die each year on the roads according to the WHO), data production to facilitate the free movement of people and goods, the construction of a highway Abidjan-Lagos.

It should be noted that the next meeting of this five-member organization will be held in March 2020 in Abuja, Nigeria. ■

“Interconnection allows transit and destination customs officers to receive transit information before the arrival of the goods.”



*Under the leadership of the Rwandan Head of State, the African Union has adopted reforms since July 2016 to gain autonomy and efficiency.*

## Institutional reforms of the African Union: efficiency and autonomy as a management mode



Under the leadership of the Rwandan Head of State, the African Union has adopted reforms since July 2016 to gain autonomy and efficiency.

This is the first time an extraordinary summit of heads of state has met to discuss reform. The new mode of appointment and governance should coincide with the new team to be elected in January-February 2021 in his hometown at Kigali.

At this date the organization chart would be as follows:

- 8** Commissioners instead of ten (10):
- 1** President
- 1** Vice President
- 6** Commissioners

### Gender parity will have to be respected

If a woman is president, a man will be vice-president, vice-versa and the same scheme will be respected when it comes to commissioners as well.

The balance between the five (5) regions (north, west, center, south, east) will also be taken into account. However, the method of appointment must comply with the requirements of private recruitment. Each region will propose a candidate and the assembly of 55 member states will decide the winner. With regard to the positions of President and Vice-President, the road leading to the presidency of the commission will be marked by online CV, profession of faith, televised debate and a final grand oral in the presence of the leaders. The objective of this management is to reinstate the hierarchy and to save money. The president and vice-president are budget-coordinators and may terminate the mandate of the commissioners, as they also may lose their mandate from the states. It must also be remembered that it was agreed to go from two (2) to one (1) summit per year, on the sidelines of Heads of State Summit in Nouakchott, in July 2018. So there will be an executive council between ministers, followed by a coordination meeting between the AU and the RECs in the summer of 2019 in Niamey.



But the heart of the reforms is concerns the funding of the AU. Until then, more than 80% of the budget of this institution depended on foreign partners, such as the European Union. Hence the idea of introducing a 0.2% tax on imported products. To date, 24 countries have agreed to adopt it.

This method of financing is applied gradually. All with a heavier sanction system against states that fail to pay their dues.

As a reminder, it is on the margins of the 11th Extraordinary Summit of the African Union that these reforms were recorded. It's on The new AU Chairman-in-Office, Egyptian Abdel Fattah al-Sissi to continue the momentum or change course now. ■

More than  
**80%** of the budget of UA  
depended on foreign partners

### SOLUTIONS:

Tax on  
imported  
products:

**0,2%**

## Egypt takes over the Presidency of the African Union



Rwandan Paul Kagame handed over his seat as acting president of the African Union (AU) to his Egyptian counterpart Abdel Fattah al-Sissi, during the opening session of the 32nd summit in Addis Ababa. South Africa has been designated to take over in 2020.

The composition of the new AU office is as follows: besides Abdel Fattah al-Sissi, the president, it will be composed of Cyril Ramaphosa (South Africa, 1st vice-president), Félix Tshisekedi (DRC, 2nd vice-president), Mahamadou Issoufou (Niger, 3rd



vice-president) and Paul Kagame (Rwanda, 4th vice-president and rapporteur). ■



Enda CACID through its project "House of Citizens of ECOWAS" organized a series of activities (March 13 and 21) for traders from Gambia and local elected officials of Senegal. The capacity building is part of the implementation of the program "Promoting Regional Integration through Regional Intra-Trade Support and Free Movement of Goods and People in West Africa".

### Local elected officials and merchants from Senegal and Gambia getting a training on integration

Left to the margins of regional integration processes for a long time, local politicians and truck drivers are major players in intra-regional trade now. The trade-related obstacles, partly resulting from the lack of knowledge of the texts governing transport and regional trade, have justified Enda CACID's initiative on capacity building for stakeholders (traders, road hauliers, local elected officials, security agents). These meetings served as a framework for training and raising awareness among the various actors in the field of cross-border transport and trade on the opportunities offered by regional integration but also the challenges to be met. The actors (traders, road hauliers) also denounced their difficult cohabitation with the security agents. The multitude of checkpoints and the payment of incidentals such as the abnormal tax of 1000F CFA called "pass" imposed on citizens on the border between

Senegal and Gambia For example.

Recommendations have been formulated to better disseminate the Community texts to stakeholders :


- Duplicate in Gambia and Guinea Bissau the concept of "House of Citizens of ECOWAS"
- Reduce the numerous checkpoints on major corridors to ensure the smooth flow of trade and facilitate the free movement of people.
- Support and accompany the MCC in its actions and missions among others.

As a reminder, the "House of Citizens of ECOWAS" project has taken new steps through a number of activities related to the dissemination of community texts, namely capacity building, training and mediations at borders or with users after two years of operation. ■








*Enda CACID has initiated since 2016 a project called "Young Leaders for Integration and Development". This project brings together young high school students and students from ECOWAS countries. It also aims to strengthen community citizenship of committed young people, imbued with ethics and committed to the perpetual search for new knowledge and expertise in regional integration processes and in the development of their local communities.*

## Dakar: JeLID Clubs to Train Leaders in Regional Integration

**T**his vision of the founding leaders of a united, integrated, prosperous and peaceful African continent is very much alive today as it was when the Organization of African Unity (OAU) was created in 1963. While major projects are being carried out in the construction of regional integration, some obstacles still remain in certain areas of intervention of ECOWAS, especially the non-involvement and consideration of young people in the development and promotion of integration policies. Thus the summit of the EU / Africa Heads of State of Abidjan, December 2017, put "investment in youth" on the agenda. An urgent challenge for Africa whose young people under 25 represent half of the population and will represent 75% of them in 2050. While proposals have been formulated, particularly on youth training

**« Africa must unite or perish »**  
 said Kwame Nkrumah. **1963**

and the migration issue, no decision has been taken yet despite the "absolute priority" reaffirmed by African and European leaders. Africa will have 38 of the 40 youngest countries in the world, with a population whose median age will be less than 25 years (Source: United Nations Population Division, 2015). The latest Economic Outlook report also indicates that between 2015 and 2030, 29 million people will join the labor market in Africa each year. West Africa follows this same path.

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## Dakar: JeLID Clubs to Train Leaders in Regional Integration

By 2050, Nigeria will reach 400 million people, countries such as Burkina, Mali or Niger will see their population more than double. A key question for the states is how to turn this demographic dividend into an opportunity for development at the national, regional and continental levels.

A challenge that needs to be corrected by youth training programs in the region. It is on the basis of this observation that Enda CACID initiated since 2016 a project called "Young Leaders for Integration and Development" (JeLID). This project consists of training and capacity building for youth in the field of regional integration.

Initiated since 2015, this project aims to strengthen the community citizenship of committed young people, imbued with ethics and committed to the perpetual search for new knowledge and expertise in regional integration processes and in the

development of their local communities. This program brings together young high school students and university students located in the border towns of Senegal. It should also be noted that over the past two years, the JeLID Project has been deployed in 38 high schools, universities and institutes with 346 school students and university students trained in 11 Senegalese cities and 9 JeLID clubs created.

In its implementation phase, the project materialized by:

- Transversal training on integration and youth leadership in the ECOWAS zone so that they can master the challenges of integration and put in place actions for its effectiveness,
- School and university structures similar to clubs to allow the perpetuation of peer awareness actions
- The creation of a national network of students conscious of the question of integration. ■

### The President of the Task Force visits the ECOWAS House of Citizens in Ziguinchor



General Salou Djibo, President of the Task Force on the ETLs will visit the ECOWAS house of citizens in Ziguinchor (Southern Senegal) on Monday, April 22, 2019. This visit of the Task Force aims to meet stakeholders from Senegal, Gambia and Guinea Bissau active on the Dakar-Banjul-Bissau corridor. He will discuss

with them the challenges related to free movement on this corridor, the impacts of the House and the practical experiences that can be drawn to reproduce this innovative concept in other areas of ECOWAS as well.

In addition to the Chairman of the Task Force, the delegation will be composed of Moustapha Gnankambary, Permanent Secretary of the ECOWAS Task Force on Customs Service; Dr. Cheikh Tidiane Diéye, Executive Director of the African Center for Trade, Integration and Development (Enda CACID), Mr. Ken Ukaoha and Ousseini Diallo, Members of the Task Force. As a reminder, the President of Burkina Faso officially installed the members of the Task Force on May 20, 2016 during a ceremony organized for this purpose, in the presence of the then ECOWAS commission chairman. ■



Général Salou Djibo, président de ladite Task Force.

### Regional Agenda

- **Dakar (Senegal) 22 April 2019:** Work visit of the President of the ETLs Task Force
- **Rabat (Morocco) 16-18 April 2019:** Fifth Session of the African Regional Forum on Sustainable Development
- **Niamey (Niger) July 2019:** Coordination Summit of the African Union (AU)
- **Niamey (Niger) July 2019:** Anniversary Summit for the signing of the treaty establishing the Continental Free Trade Area (CFTA)
- **Malabo (Republic of Equatorial Guinea) June 11 to 14, 2019:** Annual Meetings of the African Development Bank Group
- **Abuja (Nigeria) March 2020:** Meeting of the member countries of the Abidjan-Lagos corridor organization



ADDRESS - Dakar - 73, Rue Carnot  
BP: 6879 (Dakar-Etoile)  
Phone: +221 33 821 70 37  
Email: info@endacacid.org  
Site web: www.endacacid.org

Publishing director: Dr Cheikh Tidiane DIEYE  
Project Manager: Ndèye NIANG  
Coordinator: Souleymane BARRO

Design:  
Alioune KASSE

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