

What happened to the Economic Partnership Agreements (EPAs) in Africa?

Few people are still interested in the Economic Partnership Agreement (EPA) between the European Union (EU) and the African, Caribbean and Pacific (ACP) countries and regions. Yet, far from being stopped by the strong protests and opposition, notably from civil society organizations but also from certain states and private sector actors, this agreement continues to be negotiated in some regions while it is being implemented in others.



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The negotiation process has had mixed fortunes in the African Regional Economic Communities. The heterogeneity of the situations, the weakness of the results obtained after nearly 18 years of negotiations, as well as the negative impacts on regional integration in some countries, seem to confirm the threats and dangers that were perceived by civil society at the outset of these negotiations.

Rather than strengthening regional integration, which was one of its objectives, the EPAs have had a disintegrating effect in most African regions. Many non-LDC states (Least Developed Countries), which had started negotiations as part of their regional integration bloc, were forced to sign interim EPAs on their own in order not to lose the benefit of accessing to the EU market. These interim EPAs are being im-

plemented in several countries, with negative effects on regional integration.

West Africa: In this region, the 15 ECOWAS member countries joined with Mauritania to negotiate the Agreement. This was initiated in 2014 before being signed in 2015 by 13 countries, except Nigeria, Mauritania and Gambia. The latter two joined the agreement in September and August 2018, respectively. Nigeria is to date the only country that has not signed. No West African country has ratified it. While the regional EPA has stalled, Côte d'Ivoire had signed an interim EPA in 2008 and ratified it in 2016. The agreement entered into force the same year. Liberalization is effective since December 6, 2019. Since that date, European products covered by tariff liberalization enter Côte d'Ivoire in principle duty free. As for Ghana, it signed and ratified the EPA in 2016. It started

tariff liberalization in 2020.

One of the effects of not implementing a regional EPA is the disruption of the integration process, which has manifested itself through the emergence of five different trade regimes vis-à-vis the EU: (i) Côte d'Ivoire's EPA through which it trades with the EU; (ii) Ghana's EPA which governs trade between Ghana and the EU; (iii) the Everything But Arms (EBA) scheme for the 11 Least Developed Countries (LDCs); (iv) the Generalized System of Preferences (GSP) (simple) for Nigeria; and (v) the Enhanced Generalized System of Preferences (EGSP) for Cape Verde.

Central Africa: This region did not sign the EPA as a region. Instead, Cameroon signed the agreement in 2009 and ratified it in 2014. The agreement has been effective since 2016. However, Cameroon has suspended tariff dismantling since the occurrence of COVID 19 because of the negative impacts on its tax revenues. Discussions between Central Africa as a region and the EU have been suspended for several years now.

The East African Community (EAC): This region initiated the regional EPA in October 2014. However, only Kenya and Rwanda signed it. The other countries, particularly Tanzania, have spoken out against the Agreement. The prospects for the EPA in this region are still uncertain.

SADC: The regional agreement was initiated in 2014. It was signed and approved by SADC (The Southern African Development Community) and EU member states in 2016. It has been under provisional implementation since 2016. Mozambique started implementation in 2018.

Eastern and Southern Africa (ESA): Mauritius, Seychelles, Madagascar and Zimbabwe signed an interim EPA with the EU in 2009. The agreement was provisionally applied from 2012. The Union of Comoros joined in 2019. Negotiations to expand the scope of the Agreement are underway. ▸



Participatory governance of corridors at the center of a consultation in Tambacounda

A multi-stakeholder dialogue focused on corridor governance was held on April 8 and 9, 2021 in Tambacounda (border between Senegal and Mali). The meeting was initiated by Enda CACID. It was organized as part of initiatives to address multifaceted challenges and ensure that long trade on regional corridors and cross-border micro-trade are done without hassle. The dialogue was attended by about 30 people (from Senegal and Mali) ; including transporters, traders, local elected officials, civil society actors, media, representatives of the defense and security forces, among others.



Despite the many constraints still hindering the construction of a dense and structured regional market, regional corridors has the possibility to foster the integration and economic development of the ECOWAS region.

In West Africa, three countries are without a coastline, including Mali. To this end, the Dakar-Bamako Corridor, which is nearly 1400 km long, represents an opportunity for this country to participate in regional and world trade. It is a strategic axis of trade between Mali and Senegal. Improving traffic on the Corridor is a priority for both countries. According to statistics, Mali remains Senegal's leading client in terms of exports and transit of goods. More than 1,000 trucks travel along the corridor every day.

The following points summarize the issues that emerged from the presentations and discussions:

- All participants were unanimous on the importance of the Dakar-Bamako corridor and recognized the central role it plays in trade facilitation. They invited public agencies to work together with stakeholders to achieve harmonization of standards and regulations.

- On the other hand, achieving effective governance of multinational transport corridors requires intense preparation and massive effort. Senegal and Mali should not only recognize the need to cooperate, but also commit to combining their resources, if necessary. In order to address such issues, Senegal and Mali need to use various tools such as signing bilateral/multilateral agreements, establishing joint committees and expert or senior management roundtables, and setting up dedicated secretariats and other executive bodies such as boards of directors/management to govern the transnational transport corridors. This could help achieve an effective and well-functioning governance structure and implement a one-stop-shop concept.

Principales recommandations

After reviewing the issues and challenges related to corridor governance, participants adopted the following recommendations:

- Install an ECOWAS Citizens' House Office (MCC) on the Dakar-Bamako corridor to provide information to users and respond to their requests and needs;
- Provide an ECOWAS driver's license;
- Upgrade the road infrastructure on the Dakar-Bamako corridor;
- Install parking lots and stations on the

Dakar-Bamako corridor;

- Promote dialogue between local cross-border communities in order to strengthen bottom-up integration mechanisms and the implementation of joint co-development projects;
- Integrate training modules related to community texts into the training curricula of the defense and security forces (police, gendarmerie, water and forestry, customs) at their training schools;
- Strengthen inter-corporate dialogue on the corridor;
- Translating community texts into local languages in partnership with the media;
- The ECOWAS should help member countries to implement biometric identity cards;
- Develop a guide for the cross-border trader and carrier to familiarize them with cross-border trade and transport procedures;
- Capacity building of stakeholders on trade agreements in the ECOWAS region;
- Setting up primary social services (restaurants, toilets, etc.) along the borders;
- Provide the border administrations with the necessary infrastructure and logistics (water, electricity, telephone, transportation, etc.) and improve their working conditions. ▸

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Bridging the gap through sport. Through its "ECOWAS Citizens' House" project, Enda CACID has made this assertion its own by initiating over the past few years a sports event called the "Sub-regional Integration Tournament" along the borders, with teams from Senegal, Guinea-Bissau and Gambia. The objective throughout this event is to mobilize actors around issues related to the free movement of people and goods

Bringing the peoples of ECOWAS closer together through sport: a soccer tournament between Senegalese, Bissau-Guinean and Gambian cross-border communities

A popular cross on a 1400m distance and an aerobics session took place this Thursday, May 27 in Ouagadougou, on the sidelines of the joint celebration of Africa Day and the 46th anniversary of ECOWAS.

Since its installation in August 2015, the "ECOWAS Citizens' House" has included in its main missions, the promotion of good neighborliness between the Senegalese, Bissau-Guinean and Gambian cross-border communities. The initiative has become a tool for bringing people together.

As in previous years, this year's tournament has brought together sixteen (16) teams divided into four (4) pools from three (3) countries (Senegal, Guinea-Bissau and Gambia) ; and the final game took place on Friday, May 28, 2021, a day that coincides with the forty-sixth (46th) anniversary of ECOWAS.

The expected results go beyond a simple project of strengthening ties between communities living along the borders. It is to mobilize the actors of the sport around the issues of integration including the free movement of people and goods but also the adoption by citizens of the texts that organize it in the ECOWAS area.

The ECOWAS Citizens' House acts as close as possible to the realities of the citizens. Through sports and particularly soccer, the MCC has been able to put this initiative of popular animation and social mobilization in the sports agenda of cross-border communities.

Sport as a channel for transmitting messages has always been strongly used by



the ECOWAS Citizens' House to materialize the cultural mix between cross-border communities and peoples. This makes it possible to make the border virtual and to play a determining role in the anticipation of potential conflicts.

The organization of the Sub-regional Integration Tournament by the ECOWAS Citizens' House is of a multi-actor and solemn nature. Indeed, the involvement of administrative authorities and other integration actors such as defense and security forces, traders, and transporters, helps create a framework for dialogue and exchange during a soccer match, thus laying the foundations for fluidity of mobility on both sides of the borders, which will facilitate trade between the three countries.

The Integration Tournament was an oppor-

tunity for Enda CACID in partnership with OSIWA (Open Society Initiative for West Africa) to raise awareness on the free movement of people and goods in the ECOWAS region. It should also be noted that the soccer tournament was punctuated by awareness caravans that crisscrossed all the strategic localities located on the three sides of the common borders of Senegal, Gambia and Guinea-Bissau.

As a reminder, the ECOWAS Citizens' House is a project of the African Center for Trade, Integration and Development (Enda CACID). It is located in southern Senegal (Ziguinchor) since August 2015. ▶

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The ECOWAS Citizens' House sets up a toll-free number to accompany citizens on the corridors and borders

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Against the persistence and recurrence of abnormal practices such as road harassment, tariff and non-tariff barriers to trade in goods, illegal levies and payments maintained by some actors along the trade corridors. The “ECOWAS Citizens’ House” has taken important initiatives to assist the populations affected by these practices by setting up an alert and monitoring platform on obstacles to free movement. A toll-free number has been set up to provide better assistance to the population.

**Users of the Dakar
Banjul-Bissau and Dakar
Bamako corridors now have a
place where to complain**

The efforts made by ECOWAS Heads of Government to build a united and prosperous community guaranteeing all its citizens access to all the opportunities offered by the market have for a long time been annihilated by the persistence of harassment of all kinds on the corridors and at border posts. These harassments are rarely the subject of complaints, prosecutions, let alone sanctions, because the victims do not know where to complain. To support these populations, Enda CACID, through its ECOWAS Citizens’ House project, has set up a toll-free number to provide better assistance to victims of these abnormal

practices on the Dakar-Banjul-Bissau and Dakar-Bamako corridors. Since its installation, the toll-free number has been widely popularized among transporters, travelers, truckers and traders who now have a space where they can complain and benefit from assistance, guidance and necessary advice.

Assistance and mediation successfully conducted

The installation of the toll-free number has been well received by users who are victims of abnormal practices along the corridors and who now have a space to complain. For better assistance to com-

plainants and prompt processing of complaints, a team of five people has been set up around the toll-free number with the mission of managing/answering calls, collecting complaints, assisting, guiding and advising complainants and, if necessary, mediating. In this respect, this team has been contacted several times by users (transporters, travelers, truckers, traders) for assistance with various problems they encounter with the police, customs, gendarmerie and water and forestry control agents. In total, 43 mediation cases were successfully handled by the team. The table below gives a detailed indication of the cases handled. ▶

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The nature of the problem	Number of cases handled	The control teams involved
Multiple payments for the same ticket	6	Police - Gendarmerie
Counseling and guidance	9	
Confiscation of travel documents for refusal to pay for a pass	8	Border Police
Confiscation of the car's papers	20	Gendarmerie - Police
Overall number of cases handled	43	



FCFA

ECO



The highly anticipated and desired future currency of ECOWAS has finally been officially named "ECO". The decision was finally made at the Conference of Heads of State and Government held on 29 June 2019 in Abuja (Nigeria). However, the introduction of the first ECO banknotes is still subject to calendar adjustments. Lack of consensus among the 15 member states is behind the difficult creation of a currency full of suspense.

From CFA to ECO: 2027, the culmination of a long and complex process

ECOWAS is one of the eight regional economic communities (RECs) formally recognized by the African Union (AU) as the pillars of continental integration. It has all the assets for its economic and social development in the light of the following statistics:

- A market of 367 million consumers (5% of the world's population; 3rd "country" in the world, after China and India and ahead of the United States)
- A surface area of 5,120,945 km² (3.4% of the planet's land area; 7th largest country in the world, ahead of India and behind Australia)

- A GDP of \$551 billion (20th largest economy in the world)
- Foreign trade of US\$ 144.4 billion in 2016 (1.1% of world trade). However, intra-community trade is very low. Only 10.6% of exports and 7.8% of imports are conducted between ECOWAS members.
- Exceptional agricultural, hydraulic and mining resources (among the most important in the world).

Yet, ECOWAS is still struggling to get off the ground, both economically and monetarily, due to the weak political commitment of its leaders, divergent economic priorities and lack of economic convergence. Since

the Lagos Treaty of May 28, 1975, which established ECOWAS, the 15 member states have been divided into two monetary zones, namely the West African Monetary Union (WAMU), created on May 12, 1962, Benin, Burkina Faso Ivory Coast, Guinea-Bissau, Mali, Niger, Senegal, and Togo, and the West African Monetary Zone (WAMZ), created on April 20, 2000, with Gambia, Ghana, Guinea, Liberia, Nigeria, and Sierra Leone. Cape Verde, although a member of ECOWAS, is not part of either of these two currency areas.

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There are currently eight different currencies, mostly non-convertible, circulating in the ECOWAS region. In addition to the CFA franc used by the eight WAMU member states, the seven other West African countries each have their own currency (Cedi, Dalasi, Liberian Dollar, Cape Verde Escudo, Guinean Franc, Leone, Naira). Two currencies are pegged to the euro at a fixed parity, namely the CFA Franc (monetary cooperation agreement with France, December 1973) and the Cape Verdean Escudo (monetary cooperation agreement with Portugal, March 1998). Eventually, by 2020 at the latest, all eight currencies will have to disappear and be replaced by the ECO. There are two types of exchange rate regimes in place in the ECOWAS region: a fixed exchange rate regime in the WAMU zone and Cape Verde with a peg to the euro, and a flexible regime in the WAMZ countries.

Chronicle of a future "ECO" currency full of suspense

One is tempted to say that the effectiveness of the "ECO" is on the horizon. Three or even four decades of waiting, with no less than four false alarms, a very particular process, always announced, each time postponed. The key dates of an interminable soap opera.

1983: The idea of creating a monetary union was first put forward on January 1, 1983, on the sidelines of a summit of heads of state in Conakry.

1999: In Lomé, ECOWAS leaders adopted a Fast Track strategy to relaunch it. The first convergence criteria set the inflation rate threshold at 5%.

2000: ECOWAS leaders opted for a two-tiered approach by grouping countries that are not members of the CFA Franc (Gambia, Ghana, Guinea, Liberia, Nigeria, Sierra Leone) in a second monetary zone, the WAMZ with a central bank and a common currency before later merging with the WAEMU.

From 2009 to 2015: The introduction of the ECO currency was initially planned within ECOWAS for December 2009, but its introduction was initially postponed to January 2015. The currency was to remain a com-

mon currency for some time, before the disappearance of national currencies in 2020. However, the project was reported to be at a standstill in September 2014.

2018: In 2018, discussions resumed with the intention to launch it in 2020. To this end, The Commission initiated a regional competition to propose a name and a logo for the currency. On December 12, 2018, members selected in the jury of the competition met in Niamey to analyze the 126 proposals received for the selection of the logo and name of the future currency

2019: On June 29, 2019, ECOWAS leaders formally adopted the name "ECO" for their single currency project, which they hope to create as early as 2020.

A year ago, French President Emmanuel Macron and Ivorian President Alassane Ouattara announced the end of the CFA franc in the eight countries of the West African Economic and Monetary Union (WAEMU).

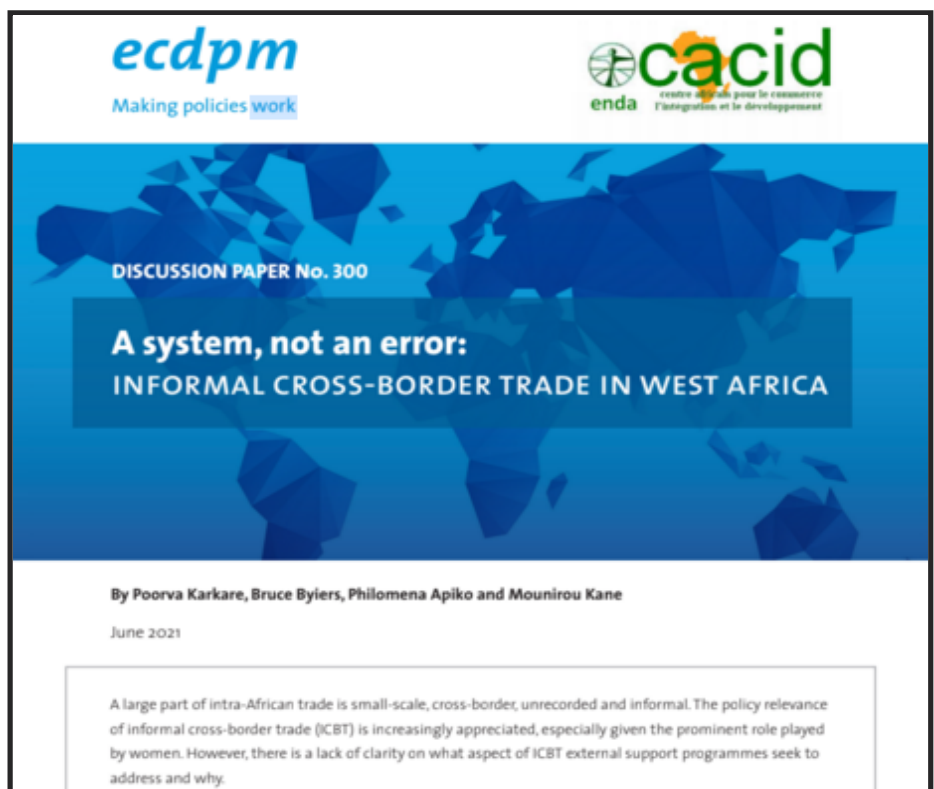
The ECO is there and after?

In addition to the symbolic change in the name of the currency, the advent of the eco should change two things: first, France will no longer participate in the institutions governing the West African Economic and Monetary Union (WAEMU), and second, the

Central Bank of West African States (BCEAO) will no longer have to deposit half of its foreign exchange reserves at the Bank De France. An obligation that was perceived as a humiliating dependence on France by detractors of the CFA franc. One thing has not changed, though: the indexing of the currency to the euro, which brings stability to the economies of the countries in the zone, but also makes them dependent on the monetary policy of the European Central Bank. The new common currency concerns Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo. The idea of a larger ECO is regularly raised, as other countries such as Ghana and especially Nigeria, the continent's economic heavyweight, which accounts for 70% of the West African sub-region's GDP, will have to be included. "The ECO does not exist yet. We are still using the CFA franc. COVID-19 has forced states to review their priorities, but the epidemic is not the only reason for this slow implementation. What is blocking the process is a purely political problem. There is disagreement among the leaders in french-speaking Africa.

However, in the margins of the 59th Summit of Heads of State and Government of the region held this Saturday, June 19 in Accra (Ghana), the member countries agreed to launch their common currency (ECO) in 2027. ▶

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Focus on the AfCFTA: A status report on negotiations and implementation

Trade under the African Free Trade Area (AfCFTA) officially began on January 1, 2021. This start-up is done at the same time as ongoing negotiations on outstanding issues. Six months after the start of trade under this framework agreement, which provides comprehensive coverage of trade in goods, services, investment, competition policy, intellectual property rights, and e-commerce, as well as a dispute settlement mechanism. So, it is important to give an overview of everything that has been accomplished.

As a reminder, the AfCFTA agreement was divided into two phases of negotiations before a third phase was added. The first phase covered Trade in Goods, Trade in Services and dispute Settlement; the second phase covered Competition, Investment and Intellectual Property Rights. Given the importance of electronic commerce, a third phase covering electronic commerce has been added and negotiations will take place in conjunction with those of phase 2. 54 of the 55 African countries have signed the AfCFTA agreement so far, including the 15 ECOWAS member states. There are also 37 ratifications of the agreement, including 10 ECOWAS member states.

The Schedules of Tariff Concessions and Rules of Origin are still an issue and it is important to finalize them to optimize trade under the AfCFTA.

In a document entitled Memorandum on the Status of the African Continental Free Trade Area (AfCFTA) from negotiations of the ECOWAS Trade Experts in a meeting held on May 28, 2021 via video conference ; it is noted that as of April 30, 2021, 41 tariff offers were received from States/non-States Parties; and the agreed rules of origin stand at 86% after the States Parties/non-States Parties have agreed on Chapter 3 on Fisheries.

Outstanding issues on rules of origin now include sugar, the edible oil and automobile sectors. As a result, nine negotiating parties have submitted an offer that meets at least the 90% threshold of the AfCFTA Secretariat. In addition to ECOWAS, these are the CAEMC, (the Central African Economic and monetary Community) RD Congo, Egypt, Madagascar, Malawi, Zambia, Seychelles and Mauritius.

Given the complexity of the situation, two options are currently being considered for the implementation of tariff offers. These are to insert 100% / ABC offers as sche-

dules of tariff concessions in the AfCFTA Agreement (Annex 1 of the Protocol on Trade in Goods) and to adopt Category A commitments, for implementation at the national level. These options figure prominently in the resolutions of the last Council of the Ministers meeting.

On the subject of services, the submission of the Schedule of Specific Commitments on Trade in Services, as of 30 April 2021, is 33 schedules. These were the initial offers of 12 State Parties/non-State Parties and two (2) Regional Economic Communities, namely the EAC and ECOWAS.

The document also shows that negotiations on issues of phase II of the AfCFTA (competition, investment and intellectual

property rights) and phase III (electronic commerce) have begun with the establishment of the required institutional structures. Thus, the 5th Council of Ministers established some committees for all issues of phase II and III, including investment, competition policy, intellectual Property Rights, Digital Trade and Women and Youth in Trade, to facilitate the negotiations.

In order to take into account the aspirations of the private sector, the linchpin of this initiative, the second edition of the Intra-African Trade Fair (IATF2021) is scheduled to be held from December 8 to 14, 2021, in Kigali, Rwanda. ▸

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ECOWAS 59th Ordinary Summit: What to remember

The 59th Ordinary Summit of the Conference of Heads of State and Government of the Economic Community of West African States (ECOWAS) was held in Accra, Ghana, on Saturday 19 June 2021. Two topics related to the deepening of regional integration, namely The institutional reform project of the Organization, and economic issues was among the five major themes that dominated the preparatory work of this Session, . The governance of the Commission has thus shifted to a Results-Based Management mode. The present 15-member Commission (13 Commissioners plus 1 Chairman and 1 Vice-Chairman) will be reduced to 7 members (5 Commissioners plus 1 Chairman and 1 Vice-Chairman) as of March 2022. In parallel to this decision, West African leaders also agreed to launch in 2027 the delayed ECOWAS regional single currency ECO, as part of its monetary union which has been postponed several times. Another strong act taken by the heads of state is a memorandum of understanding signed between Senegal and Guinea for the reopening of their borders closed since September 27, 2020. ▸



Les Président Macky Sall (Sénégal) et Alpha Condé (Guinée) « renouent aux frontières ».

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ECOWAS Launches Capacity Building Program on the AfCFTA for the Private Sector

Trade within the framework of the Continental Free Trade Area began on January 1, 2021. To achieve the objectives assigned to this vast continental free trade area, it is important to equip the actors to succeed in raising the level of intra-African trade as desired by the AfCFTA. With this in mind, ECOWAS, one of the RECs associated with this continental initiative, has chosen to launch a private sector capacity building program with one of its partners, the UNDP.

Successful implementation of the AfCFTA requires ownership and understanding of the issues at stake by all stakeholders, especially the private sector, which is at the heart of the expectations surrounding this continental initiative. From the outset of this process, the Heads of State and Government committed to “undertake extensive national sensitization campaigns to ensure that all stakeholders, especially ordinary citizens and businessmen across Africa, take ownership of the AfCFTA.

To facilitate this, ECOWAS held a virtual meeting on the African Continental Free Trade Area (AfCFTA) for ECOWAS Institutions and Specialized Agencies on July 21, 2020. The main objective of the meeting was “to improve understanding of the AfCFTA within ECOWAS so that ECOWAS Institutions and Specialized Agencies can best contribute to the negotiations and implementation of the Agreement”.

It is this understanding that underpins ECOWAS’ desire to strengthen the private sector through a program that targets producers, traders and service providers to maximize business opportunities under the AfCFTA.

Through training of trainers, the program intends to build on strategic axes based on priority value chains, the regional strategy, the ECOWAS approach and priorities. In addition, issues related to the identification of applicable tariffs, regulations and institutions, completion of trade formalities, compliance with

standards and certification requirements will be taught.

It is worth recalling that the Agreement establishing the AfCFTA was signed during the 10th Extraordinary Summit of the Assembly of the African Union (AU) in Kigali - Rwanda on March 21, 2018. The AfCFTA will bring together 55 African countries with a combined population of 1.2 billion people and a combined GDP of over US\$3.4 billion. ▶

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Agenda régional



■ **June 22-26 in Ouagadougou 2021 :** Update and validation of trade surveillance indicators

■ **November 20 and 21, 2021 in Djerba Island (Tunisia) :** Summit of the Francophonie

■ **30-11 to 3 December 2021 in Geneva (Switzerland) :** The 12th World Conference of the WTO (CM12)

■ **December 8-14, 2021 in Kigali (Rwanda) :** Intra-African Trade Fair (IATF)

■ **December 18, 2021 in Abuja (Nigeria) :** ECOWAS Summit of Heads of State and Government

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