EU-ECOWAS EPA: Regional Integration, Trade Facilitation and Development in West Africa

Olumuyiwa B. ***Alaba***

Trade Policy Research and Training Programme (TPRTP)
Department of Economics
University of Ibadan
Ibadan, Nigeria

E-Mail: olumuyiwa_alaba@yahoo.co.uk

A Draft Paper for presentation at the GTAP conference, United Nations Economic Commission for Africa (UNECA), Addis Ababa, Ethiopia, May, 2006.

I Introduction

The concept of non-reciprocity has been central to European Union (EU) member-countries' trade relationship with the Economic Community of West African States (ECOWAS) community members. Between the Yaounde and the Lome I-IV conventions which ended in 2000, the EU offered preferential market access to the West African exports, without requiring the group to reciprocate those preferences to the EU. However, in June 2000, the EU (15 member-countries at that time) and the 77 African, Caribbean and Pacific (ACP) countries (which includes West Africa) under the Cotonou partnership agreements (CPA), a successor of Lome IV, commenced negotiations of a new arrangement titled economic partnership agreement (EPA). The implementation of the EPA currently being negotiated is scheduled to begin in 2008, with a transitory period of 12 years, through to 2020. The EPA seeks to establish a new framework on which the relationship between the ACP countries and the EU shall be based. The proposed EPA suggests a clear departure from the previous non-reciprocal preferential trade arrangements enjoyed by the ACPs in the past. However, the CPA also promises priority attention to development and poverty reduction in the ACP countries.

The CPA is to usher in a framework drastically different from Lome Conventions in three respects. First, it involves a reciprocal relationship between the EU and ACP countries. Second, the CPA is to be institutionalized in a series of economic partnership agreements (EPAs), each of which will be structured as a free trade agreement (FTA) between the EU and a group of ACP countries. Finally, the EPA will be negotiated separately between the EU on the one hand, and a number of ACP regions on the other hand (Oyejide, 2004). One key opportunity the negotiating structure of the EPA provides

for the ECOWAS is the deepening of its integration process, which the sub-regional group has struggled to perfect in the past years.

The main thrust of trade negotiations (whether bilateral, regional or multilateral) is to fashion trade arrangements and trade policies, which ensure mutually beneficial market access among countries involved. Given the complexities and intensive lobbies involved in trade negotiations, coalition building becomes an important element of the process, to build necessary clout for advancing common interest. Formation regional groups is key to building such clout, which advances positions that ensure maximization of benefits associated with the emerging trade arrangements.

The paper attempts to motivate the need to consolidate regional integration and trade facilitation in West Africa. It equally tries to justify the need for ECOWAS to take initiatives on issues relating to development and the need for development assistance in building capacity for mutually beneficial trade with the EU.

II EU-ECOWAS EPA: Objective and Content

The overall negotiating mandate of the EPA is to work out modalities that ensure full conformity of regional trade agreements between the ACP and EU with relevant World Trade Organization (WTO) provisions. The principle of EPA introduces a number of changes to the traditional trade relationship between the EU and the ACP countries. While the mandate is to ensure that the achievements of the Lomé and Cotonou Conventions are maintained, it is equally clear that EU-ACP trade relationships will have to change considerably to become WTO-compatible. Under the evolving arrangement the non-reciprocal agreements under Lome will give way to a new policy direction under the EPA. The new proposal suggests that unilateral elimination of tariffs and quantitative

restrictions which existed under the general system of preference (GSP) in Lome. These are to be replaced with reciprocal free trading arrangement for substantially all trade happening between the ECOWAS and the EU. The core mandates of the CPA include working out modalities to ensure:

- gradual liberalization of ECOWAS countries trade vis-à-vis the EU in conformity with the WTO guidelines. This process will cause ECOWAS bloc of the ACP to reduce or, as appropriate eliminate tariffs, including the reduction or elimination of tariff peaks, high tariffs, and tariff escalations on a comprehensive group of products;
- developing and least-developed countries obtain further reductions of tariff escalation in EU markets;
- dismantling of non-tariff barriers to trade and a substantial lowering of trade-distorting policies in return for preference erosion;
- take fully into account the special developmental needs and interests of the ECOWAS sub-region, including special differential treatment to be agreed upon.

In principle the EPA should be flexible (within the limit of WTO-compatibility) in establishing the duration of transitional periods, product coverage, and the degree of asymmetry in the timetable for dismantling various market access barriers.

However, unlike in the WTO, the precise extent to which products can be excluded from liberalization is yet unclear but forms part of the negotiations. However, there is little doubt that not all products will be involved in the reciprocal liberalization proposal. Although the term “substantially all” has not been defined, the EU has long stated its thinking on the phrase in WTO committees. The EU suggests quantitative

interpretation of the phrase in relation to the proportion of trade covered rather than "qualitative" interpretations preferred by some WTO members (Stevens and Kennan, 2005). Interpretations of the phrase under Article XXIV of the WTO states 80% to 90% of all trades between parties. A presentation (Maerten, 2004) indicated that ECOWAS countries might be expected to liberalize 81 percent of its trade with the EU.

III Importance of EU to External Trade in ECOWAS States

Importance of the EU to ECOWAS is obvious. EU remains the most important West Africa's trading partner. However, other regions of the world are equally ascending into greater prominence on the external trade profile of West Africa. Table 1 shows the dominance of EU in respect of ECOWAS export to the rest of the world between 1996 and 2001. Structure of ECOWAS import equally shows the importance of the EU to West African trade position. Table 2 shows that over 40% of ECOWAS import is from the EU, while the structure revealed on tables 1 and 2 may not be unconnected with various trade preferences being enjoyed by ECOWAS under Lome I-IV and the EBA initiatives of the EU under the CPA. Increasing relevance of the North America (comprising of United States and Canada) may also be explained by the introduction of the African Growth and Opportunity Act (AGOA) by the United States, for which some of the ECOWAS countries are beneficiaries.

The magnitude of intra-ECOWAS trade compared with rest of the world (Table 1 and 2) suggests that regional integration process is still far from the ideal in West Africa. While more than 70% of the EU total trade happens within the community, intra-community trade in ECOWAS remains far less than 15%. The above shows that the existing arrangement requires intensive reform. An area which requires immediate

attention is the dismantling existing barrier to intra-regional trade as a basis for motivating various forms of trade facilitation processes.

IV Regional Integration and Trade Performance

An important concern which should motivate integration is the benefits derivable from regional and global integration arrangements. One of the benefits is the growth effect which has been found significant (Oyejide et al., 2003). International evidences suggest that regional integration is capable of providing mutual benefits to all countries involved. For instance Herenkson et al. (1996), finds that belonging to the EU is growth-enhancing through efficiency effect. Specifically, Coe and Moghadam (1993), indicates that about 0.3 percentage point of the growth experienced in France during the 1980s could be ascribed to its membership of the EU. The Cecchini Report (1988) also identifies that between 2.5% and 6.5% increase in EU countries' income could be explained by the 1992 internal market arrangement.

In West Africa, lessons relating to intra-regional integration commitment 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 (see Quattara, 1999). In particular, single currency has been and remains the cornerstone of the UEMOA. This is probably due to the preparedness to yield their economic policy matters to strong, independent regional organization. The integrating experience has shown clearly the importance of regionalism for rapid integration into the global economy (Oyejide et al., 2003).

Regional Integration and Trade Performance in the EU

Integration is an important factor in explaining economic performance in the EU. Unlike the ECOWAS model, in which all countries came together at once to form an economic arrangement, only six countries initiated the current EU arrangement, while other countries joined at different points of history. Regional integration in EU seems the best model of regional integration arrangement (RIA) around the world, with members showing high level of commitment to the Union on ascension. Trade in individual EU economies experienced remarkable expansion after each of the countries ascended to EU membership. Table 3 presents exports of good and services of members of the EU 15 since 1970. The United Kingdom (UK) and Denmark ascended to EU membership in 1973. On the average, exports as a proportion of the gross domestic products of both countries witnessed progressive expansion afterwards. Export as a percentage of GDP in the UK increased from 18.5% and 22.3% respectively in 1965 and 1970 to 25% in 1975. It stabilized above 28% in 1995 and 2000. Austria, Spain and Sweden witnessed progressive expansion of export after ascension into EU community in 1995. Austria's export in GDP experienced dramatic increase from a trend between 30% and less than 40% in 1970 -1995 to over 50% after joining the EU in 1995. The other 1995 entrants, Finland and Sweden, also experienced similar remarkable expansion (table 3). Exports in total national outputs for Greece, Spain and Portugal have been mixed but clearly larger than the pre-1975 trend.

Formation of the EU and ascension of members into the community may have opened opportunities to member countries to access larger import markets. Table 4 reveals that trend in imports for most of the member countries increased after joining the

community. Austria is classical case in respect of relationship between export trend (table 3) and import considered as proportion of GDP. Austria's import in GDP increased from less than 40% before joining the union in 1996 to over 50% from 2000.

Import as a percentage of GDP also show considerable increase Denmark, Finland, Spain, Portugal, Sweden and the United Kingdom (table 4). Expansion in import as percentage of GDP suggests that consumers in member countries have greater opportunities to access resources from other economies. Expansion of market opportunities in respect of exports explains increase in the capacity of member countries to import. Although export as a capacity to import witnessed progressive increase from 1960, there are remarkable changes on ascension to of countries to EU membership (see table A1).

Regional Integration and ECOWAS Trade Performance

The treaty, which established ECOWAS in 1975, defines a clear state that its mission is to promote cooperation and integration within the West African sub-region. The mechanism of achieving this mission is given by the treaty signed on the 28th of May, 1975. These include removal of customs duties and taxes having equivalent effect; establishing a common external tariff; harmonization of economic and financial policies; and creation of a single monetary zone in the sub-region. However, unlike the EU arrangement commitment to various protocol meant to facilitate the achievement of the vision of ECOWAS has been very low and implementation targets have never been met. This explains dismal trend in intra-community trade (Tables 1 and 2). Unlike the EU countries experience in respect of increase in external trade after joining the EU, export content of West African countries GDP have not shown any enviable trend. Export in

GDP for larger proportion of members declined between 1975 and 2003 (Niger, Senegal, Togo and Sierra Leone), other stagnated (for example Benin) within that period. Only the countries in the "developing category" recorded a relatively significant expansion in their export market (Table 5).

Import records for many of the countries also sharply contrasts the EU experience. Records suggest that imports as proportion of GDP dropped for many countries in the sub-region between 1975 and 2003 (Benin, Burkina Faso, Cote d'Ivoire, Togo and Niger). Table 6 shows that export as ratio of GDP stagnated in Senegal, while it increased significantly in Ghana, Sierra Leone and Nigeria. Comparison of trend in export in GDP suggests that export earnings from many of the West African countries fell very short of the budget required to pay for their imports. This trend is confirmed by the index of export as capacity to import on table A2.

V Impediments to Integration, Trade Flows and Export Supply Response Capacity in West Africa

Granted that regional integration in West Africa is anchored primarily on trade, any process, which impedes both intra and extra-regional trade constitute an obstacle to integration and trade development in the sub-region. Regional integration process has being a subject of concern within and beyond the sub-region itself. Despite all the efforts put into integration of ECOWAS economies, trend intra-regional trade in West Africa remains very low. Intra-ECOWAS export and import (Tables 1 and 2) shows dismal performance between 1996 and 2001. On the average intra-ECOWAS trade is only about 11% of trade with non-ECOWAS countries (WTO, 2005). For instance, in 2000, only about 6% of Nigeria's exports (mainly oil) were traded with ECOWAS members (mainly

to Ghana and Cote d'Ivoire). On the import side, less than 2% of Nigeria's imports originated from ECOWAS states (mainly Benin, Ghana and Cote d'Ivoire). However, ECOWAS possesses large enough a market for member-countries to dominate, and from there launch out as a strong competitive force to other regions of the world. Commitment to regional integration based on the EU experiment enhances both intra-regional and extra-regional flow of trade, while trade facilitation is equally germane to advancing strong regional integration arrangement.

Two sets of barriers to regional integration, trade facilitation and development are identified in this paper. The first is the barrier associated with tariff policies and the second relates to barriers created by various non-tariff barriers (NTBs) including ones facilitated by various institutions of governance.

a. Tariff Barriers to Trade Flows

Tariff policies in West Africa have over the years anchored on two basic objectives. The first relates to revenue generation by the governments, and the second justification is the need to protect domestic industries and producers. These may explain high tariffs regimes in the sub-region in the past years. However, trade regimes for goods (i.e. agricultural and non-agricultural products) in West Africa have, on the average, undergone substantial liberalization since the early 1980s. The tariff rates which were initially very high have declined sharply overtime. In particular, the simple average mfn applied tariff rate for ECOWAS countries fell by 66% from an average of 38% in 1980-84 to 13% in 2000-2004. The tariff reduction rate over this period was exceptionally high in a number of countries, including Guinea (91%), Benin (75%) and Mauritania (61%). The average tariff in both 1980-84 and 2000-2004 periods obviously hide large intra-

country and inter-country variations, although both also declined over time. In the case of the latter, the average tariff rate ranged from 18% (Senegal) to 76% (Guinea) during 1980-84; this range shrank to between 6.5% (Guinea) and 29.1% (Nigeria) during 2000-2004 (Oyejide, 2005).

Inability of the governments in the sub-region to explore veritable alternatives to tariff revenue has continued to impose serious constraints on both intra- and extra-community flow of trade. Nearly a quarter of government revenue of ECOWAS countries depends on import duties. More than one-third and a quarter of Gambia and Cape Verde's total revenue respectively accrue from import duties. Import duties share in total government revenue are 18%, and 17.8% for Benin and Senegal respectively. Nigeria and Cote d'Ivoire have the least shares of 4.7% and 8.2% respectively. The above is compounded by the fact that many of the West African countries are operating huge fiscal deficit. For instance, all countries except Cote d'Ivoire had fiscal deficits in 2001 (Adenikinju and Alaba, 2004). The fear in many countries is that the loss of fiscal revenue from import liberalization might further compound the precarious fiscal positions of these various countries. However, theoretical literature suggests that liberalization could have positive influence if countries respond positively to market opportunities made possible by reciprocal free trade opportunities across the world. Loss of revenue would be compensated for through efficiency gain and increase in market share expected of liberalizing countries.

ECOWAS have for many years struggled to motivate process leading to uniform tariffs policy in West Africa. The ECOWAS have attempted to establish a common external tariff (CET of 0%, 5%, 10% and 20%) similar to those already in place by

UEMOA bloc of West Africa. However, the above have not been respected by many non-UEMOA members of the community. Only the UEMOA members have operated within the MFN applied and final bound tariff rates agreed by ECOWAS members. Simple average tariff on all products ranges from 6.5% in Guinea to 29.1% in Nigeria in 2000-2004 period (table 7).

Between the mid-1980s and early 1990s, virtually all West African countries implemented unilateral trade liberalization programmes under various structural adjustment programmes (SAP) supported by the World Bank and the IMF. These are largely responsible for the sharp drop in tariff rates. Liberalization under various programmes of structural adjustment have been supplemented by regional harmonization and reduction associated with the adoption and implementation of a common external tariff (CET) of four rates (ranging from zero to twenty percent) in the UEMOA. Extra commitment at regional level by UEMOA explains existence of virtually the same simple average applied mfn overall and sectoral tariff rates (table 7). However, it is worthy of note that a number of non-UEMOA countries also have fairly low tariffs. Guinea has the most liberal tariff regime in West with a simple average of 6.5% in the range of zero to seven percent. Both Gambia and Mauritania also have tariff structures that are similar to those of the UEMOA member states, in terms of the simple average and tariff range. Table 7 also shows that Nigeria is an outlier in the group in terms of simple average tariff rates – with overall average (29.1%), which is more than twice the regional average. The UEMOA component of the sub-region has the lowest maximum rates of between 7% and 20%, which is the maximum acceptable rate for that sub-component of ECOWAS which

is already a monetary union. The non-UEMOA countries have the highest maximum rates of between 30% in Sierra Leone and 233% in Ghana (table 7).

Level of tariff bindings across the sub-region gives a clearer picture of constraints imposed by tariff policy on free flows of trade (specifically imports). When compared with the EU's experience, Intra-ECOWAS trade preferences are not effective and the MFN rates among the community's members are still very high. Both the average tariff rates and the level binding are important elements, which determine the flow of trade that ensures consolidated regional integration arrangement and trade development in the sub-region. Binding coverage is deliberately low and not harmonized for most West African countries largely due to its potentials for larger revenue inflow from tariffs (table 8).

On the average, only four countries (Senegal, Sierra Leone, Niger and Guinea-Bissau have binding coverage of about 100% out of all the countries in West Africa. However, binding coverage were low in most other countries ranging from 14.3% percent in Ghana to about 39% in Benin, Burkina Faso, Guinea and Mauritania between 2000 and 2004.

Achievement of formidable RIA and facilitation of international trade partly depends on further reduction in tariff and respect for implementation schedule agreed by the community. As at December 2004, process which was meant to translate into free trade area (FTA) had lagged far behind the original schedule. By that date only seven of the fifteen members (Benin, Burkina Faso, Cote d'Ivoire, Ghana, Guinea, Senegal and Togo) have met requirements for FTA. Nigeria and the rest of the community members still lagged behind in regional integration efforts by the end of 2004.

b. Non-tariff Barriers to Trade Flows

Non-tariff barriers (NTBs) constitute the most significant hindrances to integration, trade and more importantly export supply response capacity of West Africa. The NTBs include government instruments, such as, import prohibition and quota restrictions. NTBs can be classified into official (operationalized by the government) and unofficial barriers. Government motivated NTBs have been maintained by more than half of ECOWAS states as an instrument trade control. Import prohibitions and quota restrictions have featured regularly in West African countries' trade policy processes. A major contradiction to the principles on which ECOWAS was established is the extension of these tools to intra-regional trade. For instance, Nigeria still maintains import prohibitions on some products, including those originating from ECOWAS member States. Unofficial NTBs, which directly impedes trade facilitation include bureaucracy, corruption in customs processes, slow port operations, poor roads and communication infrastructures, wastage and thefts at ports, poor storage conditions, harassment by police and other personnel at numerous road blocks within the region, and inter-country payment difficulties (World Bank, 2001 and WTO, 2005).

This paper categorizes existing NTBs into two major groups, namely; institutional (including administrative and procedural) barriers and those created by deficient infrastructure.

Institutional Barriers

It is increasingly being recognized that governments motivated tariffs, quotas and other trade policies are only one element of the overall barriers to trade. Efforts at improving trade-related institutional (including administrative and procedural) processes may have higher payoff than reciprocal reductions in overt trade policy barriers.

Evidence have shown that logistical, institutional and regulatory barriers are often more costly and generate no offsetting revenue (World Bank, 2005). An important area of institutional process, which impedes trade facilitation, relates to technical requirements including sanitary and phytosanitary measures and other technical regulations and standards coordinated through Custom Valuation.

At the moment, barriers motivated by policies are subject of extensive focus at the on-going EPA and the WTO negotiations. However, as these traditional trade barriers begin to diminish, and disappear ultimately, cumbersome trade regulations and procedures may remain a potent source of barrier to trade development. According to the United Nations Conference of Trade and Development (UNCTAD), the estimated burden of trade documentation requirements and compliance with official import/export regulations averages 10% of the value of the world trade. This cost of compliance represents a substantial burden on trade, capable of exceeding the cost of tariff duties as a percentage of the total value of goods (Ogunkola and Agah, 2003).

Significant efforts by governments across West Africa to improve efficiency, transparency and accountability through computerization of custom processes have not lead to remarkable results when compared with the EU. Despite substantial investment in customs process, one of which is the adoption of the UNCTAD-based ASYCUDA programme, human barriers to trade have remained very significant. Human barriers are mechanism of “instituting” illegal multiple fees and charges at various stages of discharging cargo and land borders. On the average, overall delays at African customs remain longer than the rest of the world: 12 days in countries south of the Sahara,

compared to 7 days in Latin America, 5.5 days in Central and East Asia, and slightly more than 4 days in Central and East Europe, adding a tremendous cost to importers each passing day at custom's warehouse (Economic Commission for Africa, (ECA); 2004).

Apart from illegal charges at border points and various ports (airports and seaports), several (mostly illegal) checkpoints are mounted right from the border points (table 9). This contributes significantly to the costs of doing business in the sub-region.

As shown in the table above, there are approximately 7 checkpoints per 100km on the highway between Lagos and Abidjan, 3 per 100km between Cotonou and Niamey; 2 per 100km between Accra and Ouagadougou; 3 per 100km between Abidjan and Ouagadougou; and 6 per 100km between Niamey and Ouagadougou (ECOWAS, 2003 and Anadi, 2005). Also, the implementation of the protocol on free movement of peoples and goods suffer serious abuses by officials and agents of member states' governments. (Alvis 2004) indicates that crossing a border in (West) Africa can be equivalent to the cost of more than 1,000 miles of inland transportation compared to an equivalent of 100 miles in Western Europe (World Bank, 2005).

Lack of commitment of national governments to integration through trade facilitations is reflected in their attitudes to numerous (uncontrolled) check points still existing along the community's highways contrary to the provisions of various protocols. Thousands of traders and other travelers often reports gruesome experiences along the community highways with long queues of vehicles and goods from one end of the highway to the other. Even a short distance of about 30 kilometres between Badagry in

Nigeria and the Nigeria – Benin Republic Border post [Seme post] there were well over 21 checkpoints all engaged in the illicit business of extortion (Amadi, 2005).

Infrastructural Barriers

Trade-related infrastructures are important instruments for stimulating deepening integration by facilitating production of exportables and free flow of both intra- and extra- community trade. The EU experience shows that there is direct relationship between infrastructure quality and volume of trade. Good roads and telecommunication links have contributed to increase in intra-regional trade and growth in the EU. In West Africa however, disproportionate arrangements of existing roads and railway links, air and sea transport and poor communication and disappointing power supply have all combined to heavily weigh down the intra-ECOWAS efforts at free flows of trade, ability to respond to trade opportunities and economic integration.

State of infrastructure in West Africa is reflected in higher direct transport costs and longer delivery time. The EU model shows that an improvement in infrastructure can make a significant difference to the cost of production and trading. Investment in modest road and communication network in the EU is responsible for reduction in cost of doing business in the community. Reducing transaction costs is one important factor for a firm (and a country) to remain competitive in international markets. Limoa and Venables (2001) shows that improvement in transport infrastructure such that a country moves from an average range among 64 countries considered, to being among the top 25 per cent of those countries would reduce transport costs by an amount equivalent to 481 kilometres of overland travel and 3,989 kilometres of travel by sea. It would also increase

trade volumes by 68 per cent, which is equivalent to being 2,500 kilometres closer to other countries (ECA, 2005).

ECOWAS member-countries have made visible efforts[1] to achieve an integrated transport and communication infrastructure within the community. In progress, are intra-community highways construction, improvements in the telecommunications system under the framework of the INTELCOM 1[2] AND 11[3], and sustainable power in form of the envisaged West African power pool. These however, are still at its planning stage; greater practical efforts are still required for ECOWAS to achieve a practical integration rather than rhetoric.

Despite the lessons from the EU model, the West African region as a whole still lags behind in investing in modern information and communication technology (ICT), and therefore recorded low performance in the harmonization of the ECOWAS RIA and trade facilitation(domestic as well as international). Telecommunications services are inadequate, inefficient and very expensive. In addition, availability of mobile cellular phones is very limited, prohibitively expensive, and non-existence in most rural areas. Africa has the lowest internet diffusion in the world. Indicators of infrastructure

[1] ECOWAS developed a programme of integrated regional network roads and rail ways in 1980. Under the programme, two major transnational Community highways were designed and implemented – the trans-coastal high way linking Lagos, Nigeria with Nouackchott, Mauritania [4,676km], 83% completed and the trans-Sahelian highway linking Dakar, Senegal with N'Djamena, Chad [4,633km], and so far 87% completed.

[2] INTELCOM 1 is programme on telecommunications linking member states with telephone, telex and fax facilities.

[3]INTELCOM 11 intends to update and expand existing network as well as the envisaged trans-coastal gas pipeline linking Nigeria, Benin Republic, Togo and Ghana.

availability and its efficiency for West Africa shows a dismal trend compare to the EU (Table 10).

Table 10 shows that telephone mainlines per thousand persons rank lowest in West Africa in relation to the EU. Availability of telephone mainlines per thousand which is three digits per thousand (greater than 500 per 1000 in many cases) in Europe is mostly single digit, as low as less than two lines per thousand persons in a country like Niger. This has severe consequences for costs of doing business in West Africa. Given such a critically low trend in availability of telephone lines, and communication facilities in general, more resources is often expended on transport services and energy required to service available alternatives. Internet access and internet use is perhaps worse off. While the EU countries witnessed sporadic increase in internet access and users between 1990 and 2003, ECOWAS countries, except few ones like Senegal, shows a trend too low to compare with the EU (see table 11).

VI Addressing Barrier to Trade Facilitation and Development in West Africa

The primary concern in addressing trade development and related problem in West Africa should focus, first, addressing obvious export supply response capacity constraints inherent in the sub-region. Studies have shown that foreign market access is perhaps not the major impediment to the slow performance of the West African manufacturing and trade in general; a weak domestic supply response capacity is perhaps the major obstacle confronting ECOWAS States (Oyejide, et al., 2004). Lack capacity to produce and compete usually pushes the private sector producers to put severe pressure

on governments to impose barriers on imports from more efficient foreign firms, thus preventing them from competition.

Domestic supply response capacity has been constrained by, among other factors, poor quality and quantity of infrastructure, poor and unstable macroeconomic environment, and poor technological capabilities of the local manufacturing sector. Deficient infrastructure, apart from its negative effect on production, has direct repercussions for export flows and openness in general. It is capable of increasing shipment costs, therefore impeding exports as well as imports. Trade-related infrastructure serves twin purposes of addressing export response capacity as well as trade facilitation. Adenikinju, et al (2002) examine manufacturing productivity growth in 4 African countries – Senegal, Cote d'Ivoire, Cameroon and Nigeria. They find that investment in human capital and infrastructure seems crucial to improving competition. Also, building trade capacity in the form of adequate infrastructure and a more highly skilled worked force helps the economy to respond better to trade reforms.

In addressing these various impediments, important trade-related infrastructure include electricity, roads, telecommunication and related infrastructure, which is in a very poor state in West Africa. It is highly imperative to encourage bi-lateral, sub-regional and continental initiatives at enhancing the effectiveness of communications to promote intra-African trade and regional integration. The African Telecommunications Union (ATU), established in 1999 and similar sub-regional initiatives should be encourage through significant incentives to foster the rapid development of information and communication technology in Africa with primary purpose of ensuring improved services, access, and interconnections between African countries. ATU has a wide range of objectives that are

consistent with regional integration objective of ECOWAS. The objectives cover important trade and development issues, which includes joint capacity building, regional policy convergence, financing of joint projects, exchange of information and standardization of tariffs and technology. These are laudable objectives that should be assisted. Also, given the low level of internet use in West Africa, programmes similar to that of the Regional African Satellite Communications Organization (RASCOM) in the sub-region should be encouraged. RASCOM was created in the early 1990s by African telecommunications ministers, and has as its primary objective, extension of affordable telecommunications services to the entire population of Africa, by setting up telecommunications infrastructure based on satellite technology. It also aims at establishing direct links between African countries

Equally very crucial in addressing domestic export response capacity constraints is power (electricity) supply. State of power supply determines ease and cost of production. It equally determines efficiency and cost associated with maintaining other trade related infrastructures, such as ICT facilities. The need for significant investment in power generation and transmission is obvious in the sub-region. Available evidences shows that power supply is a major problem in West Africa. Among major problems relating to infrastructure in West Africa, power supply is the most problematic. Indicated by power transmission and distribution loss as a ratio of total power generated, the sub-region is the least efficient in Africa (table 12).

A survey conducted in 1998 on constraints to manufacturing sector performance in Nigeria shows that 90 per cent of the respondents identified infrastructure as the most important constraint to manufacturing sector in Nigeria (Adenikinju, 2003b).

Overwhelming proportion of the firms included in the survey regarded power and voltage fluctuations as major obstacles to their operations. Eighty-three of the respondents ranked electricity as their number one problem. This is followed by problems associated with road network and third, by telecommunications. Small-scale firms also ranked electricity as more of a problem (85.3%) compared to large firms (80.4%). Most Nigerian firms have to make significant investment in private provision of generators as insurance against uncertainties associated with poor publicly provided electricity. Evidence from Senegal also cited electricity supply as by far the most frequently encountered problem (Adenikinju, et al 2002, Adenikinju, 2002). The need for back up alternatives in respect of power supply contributed significantly to cost of doing business and lack of competitiveness in external markets. For most EU countries power transmission and distribution loss only range between 4% and 9% of total generation compared with as high as 30% in some ECOWAS States (Alaba, 2005). Addressing poor states of electricity supply should be a priority concern to the sub-region. Poor transport and road facilities[4] should also be address, in addition to conscious effort by government and the private sectors to reduce numerous human barriers on the existing highways.

Further country-level evidences in respect of Senegal and Cote d'Ivoire indicated that transport (cost, availability and quality) is also a very significant problem that requires urgent attention. Producers in Senegal consider poor quality of roads and other transportation networks as greater obstacles to exports within Africa than outside it. Also, the modal structure of the transport system is heavily in favour of road to the neglect of cheaper rail and water systems. The rail system is particularly important for the industrial sector to be able to move heavy materials, goods and services from and to the ports and

[4] Table A3 compares road network in EU and ECOWAS countries

other parts of the country. Other critical factors in addressing trade development include harmonization and simplification of international payment systems similar to the EU model. Documentary payment system, which is the most popular international payment system in Africa, is characterized by cumbersome and complex procedures. The basis of the system is a series of checks in which the progress of goods towards the buyer is pinned to the progress of payment to the seller. The process is time consuming, requires physical movement of documents between different banking establishments in two different countries and is not well understood and badly managed by many users. Indeed, it has been reported that half of all requests for payment are rejected on grounds of documentary inconsistencies. In addition, the system is vulnerable to fraud.

Credible community-wide insurance scheme is equally required to build investors confidence. Existing regional insurance scheme should be strengthened to guarantee compensation in event of risk. Customs security is one of the major difficulties in freight transit. This has to be ensured by the establishment of a financial guarantee and mechanism that ensure that goods in transit, which does not originate from a RIA do not enter the transit country market without the necessary taxes and customs duties being paid. Guarantee payments represent a high cost for transport operators and thus cost of movement of goods and persons. In Africa, however, no sub regional organization has managed to put in place a satisfactory system. Customs services in Cote d'Ivoire and Senegal, for example, require bank guarantees. Burkina Faso, Benin and Niger have all instituted guarantee funds, with the guarantee being cumulative (paid in each of the countries transited) and non-reimbursable (ECA, 2005).

Effort at addressing trade facilitation should encourage processes that would harmonize multiple currencies and exchange rate arrangements. Most of the non-UEMOA members of ECOWAS have fragmented exchange rate arrangements. However, it should be realized that monetary unions can generate potential large benefits for West African countries through increased trade flows, and economic growth. Monetary integration implies a medium to long-term move towards forms of fixed exchange rates, leading to eventual adoption of common currency. Multiplicity of currencies increases international trade costs as businessmen are confronted with the cost of changing from one currency to another. The EU single currency has been identified as one of the contributing factors to the low cost of trade related and general transport operations in Europe. Countries in the sub-region should increase commitment to ensuring functional ECOWAS clearing house to promote intra-community trade. Added to that, well-developed financial markets and institutions are required to facilitate the exchange of goods and services, mobilization of resources and advancement of economic integration. Regional development bank should be mobilized to provide finance to facilitate trade, to undertake projects at the national and regional levels, and to assist poorer members in each region.

VII Aid for Trade and Development

Many of the ECOWAS countries, developing and least developed alike, requires trade-related external assistance, in form of aid, in meeting various needs associated with promotion of regional integration, trade facilitation and trade development in the sub-region. The aid and trade interaction is not new for the ACP and EU relationship. It is an issue, which is not only relevant in respect of ACP-EU partnership, but to other trade-

related negotiations, most notably the WTO Doha Round. The ACP-EU relationships between Lome and Cotonou have always been that of comprehensive non-reciprocal partnership. However, the new relationship under EPA has significant implications for the future development of West African partners. This has been recognized by both partners in the negotiations. However, three years after the start of EPA negotiations (in September 2002), one would have expected an emerging consensus between the parties on the practical way forward to integrate the development dimension into EPAs. Yet, sharp differences still prevail on the approach to development in these negotiations, creating suspicions and doubts among the parties. Contrary to the expectations of the ACPs, European Commission's (EC) position is that EPAs will foster development, mainly through trade liberalization and the creation of the right policy framework to attract investment. By creating free trade areas with the EU, the ACP regions will benefit from the standard gains from trade: increased market access to the EU, reduced prices of EU imports for ACP consumers, and associated competitive effects should foster economic growth and hence development (Bilal and Rampa, 2005).

A sensitive issue to the ACP is that the new wave of liberalization despite potential long term gains for developing countries will come at high short term adjustment costs, including implementation and restructuring costs, and loss of fiscal revenues, policy space for national development strategies, and preference margins. It is particularly argued that without removing supply-side constraints and improving the competitiveness of the ACPs, internal trade-related reforms and improved market access abroad will not automatically translate into economic development and poverty reduction (Oyejide, 2006). For EPA to be mutually beneficial to both partners increased access to

the EU market will have to be accompanied by a comprehensive programme of aid for trade (AFT). The AFT should focus at helping developing countries to take advantage of new export opportunities by building up their capacity to trade, and assisting them to cope with preference erosion and adjustment costs which may accompany trade liberalization.

The sharp disparity in trade performance and general economic development between the EU and West Africa justifies the need for the AFT. In concrete term, AFT should not be seen as means of enticing low-income countries to make ambitious commitments, but as a genuine trade related development assistance to these countries. The EU should sincerely identify with the development needs of the ACPs, and in collaboration with the latter fashion-out process of offering development assistance which serves twin-purpose of improved trade performance, and socio-economic development in general. One may not have to look too far before identifying element of such development assistance which is capable of serving the dual targets.

The main problem identified earlier, which works to limit supply response capacity of the ACPs include availability and efficiency of infrastructure, specifically energy and communication. Added to this is lack of capacity to effectively participate in trade negotiations due largely to usual lack of understanding of issues relating to trade policy, plus technical backwardness in terms of actual production for export in developing countries. Aid in form of technical and financial assistance to improve infrastructure, as well as capacity building for the ACPs will serve multiple purposes. It should improve efficiency in production; assist developing countries to effectively acquire necessary technology; encourage trade facilitation; propel process of

consolidating regional integration; improve competitiveness; and contribute significantly to other non-trade and associated concerns relating to development in the ACPs, including West Africa.

VIII Concluding Comments

First and foremost, the need for trade and institutional reform is an obvious pre-requisite for achievement of deepening integration, trade facilitation and trade development in West Africa. Administrative and procedural process associated with customs operations must evolve efficient region-wide regulatory framework to reduce the number of customs documents and eliminate human barriers created in this process. Road-blocks on transit roads, which degenerates into excessive human barriers is an indication of lack of trust among national authorities, which implies redundant inspections and poor facilitation of transit cargo clearance. Added to these, the EU's need to lend a helping hand based on its classic experience of regional integration to support the process of consolidating regional integration in ECOWAS countries, as this may enhance the negotiating capacity of these countries in reaching mutually beneficial EPA with the EU.

An important aspect of this paper is the justification of aid for trade and development. With obvious capacity deficiencies in production; technology acquisition and transfer; trade negotiation and trade policy-making, the EU should consider substantial technical and financial assistance to the development of infrastructure and human resources need of the sub-region in order to remove capacity constraints and

stimulate competitiveness. Gains from trade should not be justified by theoretical trade liberalization and efficiency gain route, as it is obvious that trade liberalization may lead to net loss and high adjustment cost to the developing countries. AFT is therefore an important channel of ensuring that developing countries acquire necessary capacity and competitive clout before facing the hitherto devastating EU competition.

AFT, which has capacity building at institutional level and for private sector stakeholders is important to achieving unhindered flow of trade. This should therefore be the guiding principles in motivating ECOWAS positions as it enters into EPA negotiations with the EU.

References

Adenikinju, A. (2003), "African Imperatives In The New World Trade Order Country Case Study Of The Manufacturing Sector: Nigeria". Final Report Submitted to the AERC, Nairobi, Kenya.

Adenikinju, A.F. (2003b), "Electric Infrastructure Failures in Nigeria: A Survey-based Analysis of the Costs and Adjustment Responses" Energy Policy. Vol.31 pp. 1519-1530.

Adenikinju F.A and O.B Alaba (2004), 'EU-ECOWAS EPAs: Implication for Non-Agricultural Market Access for ECOWAS Countries", Paper Prepared for ILEAP, Canada and TPRTP, Ibadan.

Alaba O.B. (2005), Negotiations on Non-Agricultural Market Access: West Africa's Positions in WTO, EPA and AGOA, A draft report submitted to ILEAP, Canada

Economic Commission for Africa (2005), Trade Facilitation to promote Intra-African Trade, report of Committee on Regional Cooperation and Integration

Coe, D.T and R. Moghadam (1993), "Capital and Trade as Engines of Growth in France", *IMF staff paper*s, vol 40(3).

ECOWAS (2003a) ECOWAS Social and Economic Indicators

ECOWAS (2003b), ECOWAS Handbook of International Trade.

Herenkson et al, (1996), "regionalism versus multilateralism" CEPR Discusion Ppaer Series No. 1525.

Oyejide T.A (2003), "The Mechanism of Trade Policy Reform in Developing Countries: a Literature Survey", mimeograph.

Oyejide, T.A. (2004), "African in the Negotiation of Economic Partnership Agreements with the European Union". Paper Prepared for the AERC Collaborative Research Project on "African Imperatives in the New World Order – Dissemination Workshop", 16-17 November, 2004, Dar es Salaam, Tanzania.

Oyejide T.A. (2005), Negotiations and aid for trade: West African perspectives and priorities, A draft report submitted to ILEAP, Canada

Oyejide T.A and D. Njikeu(2002), African Pre-Conditions and Positive Agenda for New Round of Multilateral trade Negoatiations", Special Paper 40, AERC Nairobi.

Oyejide T.A, A.S. Bankole, O. Alaba and A. Adewuyi (2005), Strengthening investment instruments for ACP countries: The demand and supply sides of the investment equation within the ECOWAS region in relation to ACP-EU arrangements, A report submitted to the Commonwealth Secretariat (May).

Oyejide T.A, E. Ogunkola, A. Adnikinju, A. Bankole and O.B. Alaba (2003), Nigeria's trade policy overview assessment and impediments to integration into world trade, A final report submitted to the World Bank, Washington.

Quatarra, A.D. (1999), Regional Integration in Africa: An important step toward global integration. First conference of ministers of economy and finance of French speaking countries.

Stevens C. and J. Kennan (2005), "Preparing for Economic Partnership Agreements", Institute of development Studies (March).

World Bank (2005), World Development Indicator, WDI, Washington, D.C.

World Trade Organization (2005), World Trade Report

-Appendix-

Table 1

ECOWAS Trade Structure 1996-2001 (as a % Total ECOWAS Exports Value)

Countries/Years	1996	1997	1998	1999	2000	2001
Intra-ECOWAS	**10.86**	**12.66**	**14.59**	**10.08**	**8.40**	**9.25**
Other African Countries	14.69	16.20	18.53	13.59	9.59	8.70
European Union	**41.80**	**38.47**	**42.51**	**31.54**	**28.81**	**31.44**
Northern America	23.06	25.81	19.47	26.11	36.69	31.00
Asia	8.79	11.16	7.52	19.02	17.12	14.68

Source: ECOWAS Handbook of International Trade 2003

Table 2

ECOWAS Trade Structure 1996-2001 (as a % Total ECOWAS Imports Value)

Countries/Years	1996	1997	1998	1999	2000	2001
Intra-ECOWAS	**11.25**	**10.93**	**10.54**	**12.44**	**16.79**	**13.61**
Other African Countries	13.94	13.02	13.01	15.29	19.60	na
European Union	**47.73**	**46.30**	**50.09**	**51.68**	**48.31**	**45.50**
Northern America	12.46	11.77	10.98	11.26	8.73	9.59
Asia	16.23	19.15	17.88	19.19	21.89	20.89

Source: ECOWAS Handbook of International Trade2003

Table 3

Exports of goods and services (% of GDP)

EU Members	Austria	Denmark	Finland	Greece	Portugal	Spain	Sweden	United Kingdom
Years of ascension	**1995**	**1973**	**1995**	**1981**	**1986**	**1986**	**1995**	**1973**
1960	23.6	30.7	21.4	8.8	15.5	8.4	22.4	20.2
1965	24.4	28.5	19.3	8.6	23.7	8.3	21.3	18.5
1970	30.2	27.2	24.5	9.6	21.6	12.6	23.5	22.3
1975	30.9	**29.3**	22.7	17.3	18.0	12.8	27.5	**25.4**
1980	36.0	**32.2**	31.6	23.6	24.2	14.8	29.1	**27.1**
1985	39.8	**36.4**	28.8	**19.7**	33.0	21.6	34.9	**28.8**
1990	39.6	**35.8**	22.7	**18.1**	**32.9**	**16.3**	29.7	**24.0**
1995	**36.8**	**35.5**	**36.7**	**17.6**	**30.2**	**22.6**	**39.3**	**28.3**
2000	**50.3**	**44.1**	**43.0**	**25.6**	**31.5**	**30.1**	**46.1**	**28.1**
2003	**51.8**	**43.5**	**37.0**	**19.8**		**27.9**	**43.7**	**25.1**

Source: World Development Indicator, WDI, 2005.

Table 4
Imports of goods and services (% of GDP)

EU Members	Austria	Denmark	Finland	Greece	Portugal	Spain	Sweden	United Kingdom
Years of ascension	**1995**	**1973**	**1995**	**1981**	**1986**	**1986**	**1995**	**1973**
1960	24.5	31.8	22.6	15.2	20.3	7.0	22.8	21.6
1965	25.1	29.9	21.4	18.5	27.0	13.4	21.9	19.4
1970	29.4	30.1	26.2	16.7	26.5	13.6	23.9	21.5
1975	30.5	**30.1**	28.9	23.3	28.1	16.6	27.4	**27.1**
1980	38.1	**33.3**	33.0	27.8	36.0	17.2	30.7	**24.9**
1985	39.6	**36.1**	28.1	**26.7**	35.5	19.9	33.1	**27.8**
1990	38.4	**30.8**	24.3	**27.9**	**39.5**	**19.7**	29.1	**26.6**
1995	**37.6**	**31.4**	**28.8**	**24.9**	**36.4**	**22.8**	**32.5**	**28.8**
2000	**50.9**	**38.1**	**33.7**	**34.1**	**42.8**	**32.4**	**40.3**	**30.1**
2003	**50.3**	**36.9**	**30.0**	**28.0**	..	**29.7**	**37.1**	**28.1**

Source: World Development Indicator, WDI, 2005.

Table 5
Exports of goods and services (% of GDP)

Country	Benin	Burkina Faso	Cote d'Ivoire	Niger	Senegal	Togo	Ghana	Sierra Leone	Nigeria
1960	6.1	4.9	34.2	7.1	18.9	31.1	28.2		9.2
1965	7.3	4.7	36.8	9.5	19.7	32.0	17.1	28.9	10.9
1970	15.2	5.5	35.8	10.8	26.4	49.6	21.3	31.0	8.4
1975	**14.5**	**7.3**	**36.7**	**19.2**	**35.4**	**43.4**	**19.4**	**25.1**	**18.3**
1980	**15.8**	**9.0**	**35.0**	**24.6**	**26.9**	**51.1**	**8.5**	**22.9**	**29.4**
1985	**23.7**	**9.6**	**46.8**	**20.7**	**28.6**	**48.4**	**10.7**	**14.8**	**16.1**
1990	**14.3**	**11.3**	**31.7**	**15.0**	**25.4**	**33.5**	**16.9**	**22.4**	**43.4**
1995	**20.2**	**12.4**	**41.8**	**17.2**	**34.5**	**32.4**	**24.5**	**17.4**	**44.3**
2000	**15.2**	**9.1**	**39.7**	**17.8**	**29.9**	**30.7**	**49.0**	**17.3**	**53.3**
2003	**14.0**	**8.5**	**46.7**	**16.0**	**28.4**	**33.8**	**40.3**	**22.4**	**50.0**

Source: World Development Indicator, WDI, 2005.

Table 6
Imports of goods and services (% of GDP)

Country	Benin	Burkina Faso	Cote d'Ivoire	Niger	Senegal	Togo	Ghana	Sierra Leone	Nigeria
1960	12.1	15.8	22.9	7.4	16.2	31.5	35.4		16.9
1965	14.9	11.4	30.1	14.0	19.3	31.1	26.7	31.3	16.0
1970	24.5	16.1	29.1	18.1	30.0	38.8	22.7	29.3	11.2
1975	33.4	30.2	36.6	31.0	39.8	53.7	18.4	34.5	22.8
1980	37.3	31.3	41.2	38.1	43.6	56.4	9.2	38.2	19.2
1985	36.6	32.0	32.4	32.8	42.0	57.1	13.6	16.6	12.4
1990	26.3	24.3	27.1	22.0	30.3	45.3	25.9	23.8	28.8
1995	33.0	27.1	34.4	24.3	40.1	37.4	32.9	24.8	42.2
2000	28.1	25.3	32.8	25.7	39.8	50.7	67.5	33.3	37.5
2003	26.8	23.4	33.8	25.2	40.5	47.4	52.2	49.5	40.9

Source: World Development Indicator, WDI, 2005.

Table 7
MFN Applied Tariffs for West Africa (2000-2004)

	Simple Average			Maximum		
Country	All	Agric	Non-Agric	All	Agric	Non-Agric
Benin	12.0	14.3	11.6	20	20	20
Burkina Faso	12.0	14.0	11.7	20	20	20
Cote d' Ivoire	12.0	14.3	11.6	20	20	20
Gambia	12.8	14.9	12.5	18	18	18
Ghana	13.1	17.3	12.5	233	20	233
Guinea	6.5	6.6	6.4	7	7	7
Guinea-Bissau	12.0	14.3	11.6	20	20	20
Mali	12.0	14.3	11.6	20	20	20
Mauritania	10.6	12.4	10.3	20	20	20
Niger	12.0	14.3	11.6	20	20	20
Nigeria	29.1	50.4	25.6	150	150	100
Senegal	12.0	14.3	11.6	20	20	20
Sierra Leone	13.7	16.4	13.3	30	30	30
Togo	12.0	14.3	11.6	20	20	20

Source: adapted from Oyejide, 2005 and Alaba,2005.

Table 8
Final mfn Bound Tariffs (%)
West African Countries

	Binding Coverage			Maximum		
Country	All	Agric	Non-Agric	All	Agric	Non-Agric
Benin	39.4	100	30.1	100	100	60
Burkina Faso	39.2	100	29.9	100	100	100
Cote d' Ivoire	33.1	100	22.9	64	64	25
Gambia	13.7	100	0.5	110	110	110
Ghana	14.3	100	1.2	99	99	99
Guinea	38.9	100	29.6	75	75	40
Guinea-Bissau	97.7	100	97.4	50	40	50
Mali	40.6	100	31.6	75	75	60
Mauritania	39.3	100	30.1	75	75	75
Niger	96.8	100	96.3	200	200	200
Nigeria	19.3	100	6.9	150	150	150
Senegal	100	100	100	30	30	30
Sierra Leone	100	100	100	80	80	80
Togo	14.0	100	0.9	80	80	80

Source: WTO, World Trade Report 2005

Table 9.

Checkpoints along Intra-ECOWAS Highways

High Ways	Distance	Checkpoints	Checkpoints/Security Posts per 100km
Lagos – Abidjan	992Km	69	7
Cotonou – Niamey	1036Km	34	3
Lome – Ouagadougou	989Km	34	4
Accra – Ouagadougou	972Km	15	2
Abidjan – Ouagadougou	1122Km	37	3
Niamey – Ouagadougou	529Km	20	4

Source: ECOWAS official site 2003

Table 10

Telephone Mainlines Per 1000 persons

West Africa						
Country	1980	1985	1990	1995	2000	2002
Benin	2.5	2.7	3.2	5.2	8.1	9.2
Ghana	3.5	3.0	2.9	3.7	11.7	12.7
Niger	1.1	1.2	1.2	1.5	1.9	1.9
Nigeria	..	2.5	3.0	3.9	4.4	5.8
Senegal	3.3	3.5	6.0	9.8	21.6	22.3
EU						
Belgium	248.0	307.6	392.6	462.6	516.6	494.4
Denmark	434.3	497.3	566.9	610.8	714.7	688.6
Germany	331.9	416.1	440.8	513.3	610.5	650.9
Italy	230.7	304.5	387.6	433.3	473.9	480.7
Luxembourg	361.5	413.3	481.1	571.0	754.8	796.8
Sweden	580.0	627.8	680.8	680.4	757.6	735.7

Source: Extracted from Alaba, 2005.

Table 11

Internet Users per 1,000 people

Years	1985	1990	1995	2000	2003
ECOWAS					
Benin				2.4	10.0
Ghana			0.0	1.5	12.7
Niger				0.4	
Nigeria				0.7	6.1
Senegal			0.0	4.2	21.7
European Union					
Belgium			9.9	292.3	385.6
Denmark		1.0	38.3	392.1	
Germany		1.4	18.3	301.5	472.5
Italy		0.2	5.2	230.4	336.7
Luxembourg			15.9	228.1	376.5
Sweden		5.8	50.9	455.8	

Source: World Development Indicator, 2005

Table 12
Infrastructure Performance in Africa (mean for 1996-00)

INDICATORS	WEST AFRICA	CENTRAL AFRICA	NORTH AFRICA	EAST AFRICA	SOUTHERN AFRICA
Electricity Transmission and Distribution Losses (% of Total	31.1	20.0	15.7	15.4	16.3
Telephone Lines/1000 people	13.1	9.8	48.3	48.6	32.4
Paved Road as % of Total Roads	24.4	13.9	55.5	35.3	25.0

Source: World Bank (2002).

Table A1. Export as a Capacity to Import(1990=100)

	Austria	Denmark	Finland	Greece	Portugal	Spain	Sweden	United Kingdom
1960	15	21	21	9	11	6	26	28
1965	22	30	28	14	23	11	36	33
1970	36	41	43	25	31	26	53	47
1975	47	48	47	47	28	34	61	51
1980	65	56	69	81	40	45	64	70
1985	79	71	81	76	54	60	82	82
1990	100	100	100	100	100	100	100	100
1995	115	117	146	130	133	166	135	128
2000	176	178	225	230	179	269	192	188
2003	203	200	225	216		307	199	198

Source: World development Indicator, 2005

Table A2. Export as a Capacity to Import(1990=100)

	Benin	Burkina Faso	Cote d'Ivoire	Senegal	Togo	Gambia	Ghana	Sierra Leone	Nigeria
1960	24		31	67	23		243		12
1965	33	26	43	77	33		248		18
1970	85	28	82	70	61	91	247	352	28
1975	81	33	70	77	47	89	228	161	81
1980	129	49	105	59	108	112	174	137	276
1985	144	55	143	71	101	73	79	102	140
1990	100	100	100	100	100	100	100	100	100
1995	127	90	179	103	72	91	149	82	81
2000	130	79	156	97	69	111	241	19	157
2003	142	121	179	89	89	105	285	45	185

Source: World development Indicator, 2005

Table A3 Paved Road as Percentage of Total Roads

Country Name	1990	1995
West Africa		
Benin	20	20
Ghana	19.6	24.9
Niger	29	7.9
Nigeria	30	18.8
Senegal	27.2	28.5
European Union		
Belgium	..	80.7
Denmark	100	100
Germany	99	99
Italy	100	100
Luxembourg	99.1	99
Sweden	71	76.2

Source: World development Indicator, 2005