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INTRODUCTION

I have the pleasure to present once again the Annual Report on the activities of our Community since the last main Statutory meetings in Conakry in May, 1983.

A number of epoch-making events have taken place in the sub-region since these statutory meetings. First, the Community lost one of its pillars, a true son and patriot in the person of President Ahmed Sekou TOURE who died suddenly in March 1984 in the United States of America. As Chairman of the Authority of Heads of State and Government, he had brought into Community affairs a renewed sense of urgency in tackling the immense and difficult problems plaguing the sub-region. He lost no time, after the Authority decision last May to create a single monetary zone for the sub-region, in setting up the apparatus to achieve this objective. The ECOWAS Committee of Central Bank Governors has just discussed in detail and has approved the necessary steps to be taken by the Community in this regard. The Community and indeed the entire African continent, has lost a stalwart of African independence and a freedom fighter. May his soul rest in peace.

The last six months saw changes in government in Nigeria and Guinea and despite such upheavals, I am happy to state that the sub-region continued to live on in relative calm.

The past decade has proved to be a difficult period for the economies of our Member States and during the last twelve months there was no marked improvement. Our Member States are still undergoing varying degrees of economic strains which will

require a collective effort at the mobilisation of maximum resources, both human and capital, to correct. Being aware of the enormous socio-economic problems of the sub-region the Secretariat will put before Council a proposal to assist Member States to get out of the economic difficulties they are facing.

It is my pleasure to record the continued ready cooperation of the different officials of Member States with whom my colleagues and I came in contact during the period under review. This is a manifestation of the desire of all Member States to see ECOWAS succeed.

In compliance with the directive of Council, a delegation from the Community institutions led by myself, visited a number of Member States to monitor the implementation of Community decisions. A report on this mission will be put before Council at this session.

I would like to express my gratitude to the government and officials of the Republic of Guinea, who devoted much of their time to ECOWAS matters and the very useful cooperation I received from them throughout the year.

Finally, I would like to take this opportunity to thank all the officials of the Community without whom nothing could have been done. I can only hope that their devotion to duty will continue to find expression in their work to the benefit of our Community.

P A R T I

REVIEW OF THE GENERAL ECONOMIC CONDITIONS AND NEW REORIENTATION

It is a well-known fact that the deterioration in the economic conditions in Member States of ECOWAS which began in the 1970s has not abated in the 1980s - low agricultural growth rates, sluggish export growth rates, high level of food imports, etc. A recent ECA study on growth prospects based on prevailing trends, for Africa by the year 2008 gives a very gloomy picture. This, of course, needs not to come to pass if the people of this continent and we in the West African sub-region make the necessary effort to halt and reverse those adverse trends.

It is quite true to some extent that there is a high degree of correlation between deterioration in the international economic environment and development prospects in Third World countries, yet recent studies have indicated that the problems of development in Africa could not be attributed principally to external factors. Rather, it is becoming increasingly apparent that domestic policies and institutional changes hold the key to future development.

Indeed, according to a World Bank report, three areas of domestic policy are considered to be of crucial importance:

- the development of more appropriate price policies;
- improvement in institutions particularly those serving the agricultural sector;

- increased efficiency of resource use in the public sector.

This prescription based on the diagnosis made in the report means that it is the duty of Member States to effect drastic changes in their domestic policies in order to achieve a meaningful, sustained development.

We believe that economic development cannot be achieved by individual countries and attempts should therefore not be made in isolation but rather fused together to give economic development a regional dimension. It is in this regard that we have deemed it proper to lay before you at this session a document which sets out clearly the role that the Community can play in the amelioration of the economic conditions and in the adoption of a new strategy for economic development in the sub-region.

The essentials of this new policy programme are as follows: Since the members of the ECOWAS Community have not as yet collectively pronounced on the serious economic problems now facing all countries, the next Summit of ECOWAS should commit the Community to a strategy of mobilising resources for the implementation of a West African economic recovery programme and give the Secretariat a clear directive for the implementation of this programme.

The programme which has to consist of several phases, will have the following key elements:

(a) A review of the national policies recommended by the World Bank report and referred to above, and others being implemented by Member States - with a view to giving these policies a regional dimension where necessary;

(b) The identification of new policies of the same nature as in (a);

(c) The identification of issues and areas including those where collective effort is needed if economic recovery is to be achieved.

Accordingly, the document before Council consists of a set of broad macro- and micro-economic policy proposals which have regional orientation.

The macro-economic set of policies have the following features :

- identification of critical policies which have to be agreed upon and implemented simultaneously by all Member States; and
- policies which will facilitate the investment programme in the second phase of the programme.

The justification for this approach is three-fold :

(i) to avoid isolated actions in the implementation of development programmes;

(ii) without cooperation at the sub-regional level, development will occur at different speeds, thereby creating loopholes and disruptive forces in view of the sometimes ineffective control of the national borders;

(iii) implementation of isolated development programmes by each Member State will tend to create conditions that will compromise the future implementation of sub regional policies.

The second set of policies at the micro level provides broad indications of features of investment programmes based on existing current national policies, plans and programmes as well as sub-regional policies.

The basic criterion in the selection of policies, both at the macro and micro levels, is the extent to which the policies concerned need to be harmonised and implemented concomitantly.

For the effective implementation of the new strategy for rapid economic and social development in the sub-region, it requires a new institutional framework and in this regard Council has been presented with a document which sets out how to revamp and rationalise institutions operating at the regional level.

Over the past two or three years, the economic crisis in the sub-region has deepened and unless collective action is taken at the regional level, Member States are unlikely to get

out of this economic morass. We believe that this is one area which gives the Community the opportunity for cooperation in the mobilisation of the resources needed to arrest the deplorable situation in which the sub-region finds itself.

We should not succumb to the temptation to solve our economic difficulties in isolation, for by doing so, we shall only be prolonging the difficult period of transition from a set of fragmented and under-developed economies into a unified, strong and viable economy.

P A R T II

ECOWAS ACTIVITIES DURING 1983/84

After the adoption of the various Community cooperation policies and programmes, there arose the need for consolidating the achievements of the Community and ensuring the implementation of the programmes already adopted. Consequently, the last meetings of the Community held in May 1983 in Conakry did not add any new areas to the ECOWAS Work Programme. Activities of the Community since last May have therefore been limited to the facilitation and monitoring of the implementation of the following areas of the Community Priority Programmes:

- trade liberalisation and promotion
- immigration matters
- monetary cooperation
- transport and communications
- industrial cooperation
- agricultural cooperation
- energy cooperation
- social and cultural cooperation; and
- institutional and administrative matters.

A. TRADE LIBERALISATION AND PROMOTION

Utilisation of ECOWAS Customs Documents : An obligation imposed by the harmonisation of customs policies and administrative procedures is the need to abandon previous national documents for new Community ones. The changeover, it should be recognised, would not always be easy, especially where it involves numerous junior-level government officials, and something needs to be done to smoothen the process. At the invitation of the Trade, Customs, Immigration, Money and Payments

Commission, the Secretariat organised a series of seminars during the past year in Liberia, Sierra Leone, The Gambia, Ghana and Nigeria on the nature and use of the ECOWAS declaration forms and other Community customs documents and a review of any problems so far encountered. The very good reception this programme has had so far has encouraged us to plan its extension to the remaining Member States during the coming year.

Customs Training Needs : At a more general level, a study was undertaken to evaluate the customs training needs of Member States in order to improve the efficiency of their customs personnel. The report on the study is being presented to the appropriate Commission for it to consider the recommendations made towards the improvement of the manpower of our Customs Administrations.

Computerisation : With the completion of the first phase of the data processing programme, which involved the assessment of the quality of the trade and customs data collection machinery of all Member States, action was pursued on the preparation of project documents, outlining the requirements of each Member State in order to bring its statistical machinery to such an operational level as to function effectively within an ECOWAS computerised customs and trade data system. The Trade, Customs and Payments Commission was presented with a report on the progress made on this project. It may be recalled that part of this project involves the training of statistical and customs officials to enable them operate within the system to be installed.

Harmonised System of Customs Nomenclature : The Customs Cooperation Council (CCC) based in Brussels had been working on the harmonisation of customs nomenclature (essentially concerning the Brussels Tariff Nomenclature - BTN and the Standard International Trade Classification - SITC). During the review period, the Secretariat attended a seminar organised by the CCC on this issue. Since this new system would eventually replace the existing ones, the Secretariat would continue to follow developments in order to plan a joint approach by Member States when the moment comes for taking a decision on the adoption of the new system.

A related issue is the Kyoto Customs Convention, to which the international trading community requires its members to adhere. ECOWAS participated in another seminar organised by the CCC, in collaboration with the French Customs' Ecole Nationale in Paris in June to discuss the system, its application and adherence requirements. This is one of the areas where our Community members have to act in concert and present a common position. The Secretariat's interest in this subject is based on that need and subsequent developments will be evaluated with this concern in mind.

Trade Promotion Forum : As announced earlier, an ECOWAS Trade Promotion Forum was organised for government officials and the West African business community in Abidjan in September 1983. During the seminar, the ECOWAS trade and customs programmes as well as the other community measures geared towards the development of intra-community trade were presented. The participants

thoroughly examined the trade potentials and bottlenecks to trade expansion and various approaches to the development of trade within the sub-region were considered. A report on the proceedings of the Forum and recommendations that were adopted have been submitted to the appropriate Commission for its consideration and action.

Trade Promotion Matters : The report on a study commissioned earlier on the West African handicrafts industry was received from the ITC and is under review by an expert group. Following the review recommendations will be submitted to the Trade and Customs Commission as to the drawing up of a programme for developing the handicrafts sector.

After a preliminary evaluation of the first draft of a study report on Packaging, Marking and Labelling submitted by the International Trade Centre (ITC), it has been found necessary to seek the contribution of the African Regional Standards Organisations (ARSO) on the quality control aspects of the second phase of this study. Recommendations emerging from the proposed study would form the basis for a cooperation programme for improving the marketability of manufactured products.

The Secretariat has been assigned the task of ensuring a coordinated approach to the organisation and holding of trade fairs within the sub-region. Various contacts were made over the period with the relevant organs of Member States in this

connection. A meeting of all interested bodies was planned to be held in Lome in January, 1984 to pursue further the problem of harmonising trade fairs and exhibitions in West Africa. For some technical reasons, this meeting has had to be postponed till a later date.

B. IMMIGRATION MATTERS

As I stated in last year's report, the application of the first phase of the Protocol on free movement has not been smooth. Once again, I would like to draw attention to the fact that it is the first Community measure to be implemented, it affects the ordinary people, it has political, economic and social implications, and that the subsequent phases of the Protocol and other Community Programmes will depend on how well this first phase is implemented. We should already be giving thought to an assessment of the impact of this phase in order to decide on the launching of the second phase. It is therefore hoped that all the various actions required under the current phase would be undertaken.

The task of improving performance in the implementation of the Protocol should have become much easier since the holding of a meeting in Conakry in October, 1983 to review the administrative, legal and diplomatic problems arising from the application of the Protocol. These and other issues, including an analysis of critical provisions of the Protocol, were thoroughly considered by the legal and immigration personnel who attended the meeting. A mission was undertaken to the European

Commission to study the experience of the European Community in this field.

The task of drafting a Manual on the application of the Protocol and the Settlement of disputes has been referred to an Ad Hoc Committee. Meanwhile, the Secretariat continued action on the public enlightenement programme embarked upon earlier. This programme seeks to provide information to the general public through the press and the radio on aspects of the Community immigration programme.

C. MONETARY COOPERATION

During the May 1983 Summit in Conakry, the Authority committed the Community to working towards the creation of a monetary union. This decision gave our monetary cooperation programme a more specific direction and a sense of urgency was injected into the on-going activities in this area. It was found necessary to call two meetings of the Committee of Governors of Central Banks (in July in Conakry and in September in Dakar) to consider the reports on the on-going studies and to examine ways of carrying out the recent decisions of the Authority.

The meeting of the Governors served to re-orient the activities being undertaken in this area. The overall decision finally taken was that all monetary cooperation efforts must be part of the general move towards the establishment of a monetary union in West Africa. The terms of reference of the subsequent phases of the on-going studies were therefore to be

set out in such a way that they would contribute to the other studies needed to be carried out before a coherent Community programme could be drawn for the monetary union.

One of the preoccupations of the Governors is how to improve the efficiency of the existing sub-regional payments arrangement - specifically the operations of the West African Clearing House - so as to promote intra-West African transactions. Another concern is what new financial arrangements could be instituted to sustain Member States whose balance of payments positions would be adversely affected by the expected growth in intra-sub-regional trade. Lastly, efforts are to aim at defining specific adjustment programmes and monetary policies that should be introduced in each country so as to effect a coordinated move towards a sound and harmonious functioning of the West African economy - a pre-requisite for the establishment of a monetary union.

It may be recalled that the Authority requested its Chairman to take whatever measures were deemed necessary to facilitate the implementation of the decision to create a monetary union. Efforts were coordinated and two studies were undertaken during the latter part of the review period on the country-studies to draw up an adjustment programme, and on the possible option for the creation of a monetary union and the implications of such a choice.

West African Commercial Bank (ECOBANK) : The need is strongly felt for the establishment of a sub-regional commercial bank to promote private investment and the development of intra-

West African trade. The Federation of West African Chambers of Commerce has expressed the desire for ECOWAS assistance in the development of this idea. Given the considerable indirect contribution such a bank would make to our Community trade development programme, the Secretariat has accepted the challenge and is in touch with the Federation in preparing the follow-up to a pre-feasibility study that has already been undertaken on this venture.

D. TRANSPORT AND COMMUNICATIONS

Transport Programme : Activities undertaken in this field during the period covered coastal shipping, road transport and air transport. On Coastal shipping, the two reports on preliminary studies undertaken earlier on by the UNCTAD Secretariat were reviewed. The conclusions of these reports point to a strong possibility of having a viable enterprise if a coastal shipping company is established along some suggested lines. To be able to sell this idea to prospective investors, some important issues need to be spelt out in greater detail and quantified. Attempts are being made to get external financial assistance to cover the next phase of this project preparation exercise. Meanwhile, a meeting is scheduled to bring officials of national shipping lines and other government functionaries to review the project.

Road Transport : Having determined at an earlier period what portions of the Trans West African Highway are uncompleted, attention was concentrated during the period on matters

connected with the preparation of tender documents. Information on engineering studies already carried out on these sections are being collected from Member States. It is envisaged that in the coming months, a consultant would be engaged to prepare a project justification document for each section, define basic road standards (width, axle load design and design speed), update the project cost estimates and, ultimately, the tender documents. Separate papers would be prepared for the bridges to be constructed on the highways.

ECOWAS Brown Card : The Secretariat monitored compliance with those provisions in the Protocol on the ECOWAS Brown Card relating to the establishment of National Bureaux for the administration of the Brown Card since these Bureaux are crucial for the operation of the system. There was sufficient response to encourage the convening of the first meeting of these National Bureaux in order to establish the Inter-Bureaux body which is required for coordinating and managing the scheme at the sub-regional level. The remaining Member States have been approached requesting them to designate their National Bureaux, to enable the Community to convene a full-fledged inter-Bureaux Meeting, and effectively begin the operation of the system.

Other Road Transport Matters : Due to the very limited resources available during the past year, progress on many other aspects of the Road Transport Programme was slow. Some of the projects adversely affected were the studies on a highway toll system, regional road maintenance training centre, and the West African Road Master Scheme.

Air Transport : The meetings held with the major airlines of the sub-region led to the definition of an Outline for a study whose aim is to effect a general improvement of the operations of existing air services and to determine the areas and mode of cooperation between these airlines. Air-transport consulting firms which had been short-listed were invited to submit quotations for undertaking the above study; the study should be commencing in the second part of 1984.

The International Civil Aviation Organisation (ICAO) carried out an African study in 1979/80 covering forty-seven (47) countries on air traffic services: "Study on Aeronautical Telecommunications in Africa." The aim is to establish a completely modern network of aeronautical telecommunications and radio navigational aids in order to have a safe, reliable and economic operation of civil air transport services within the continent.

ICAO has approached ECOWAS to assist with this project - the extension and modernisation of these air traffic aids - in West Africa as part of the continental network. Cooperation has begun between the two organisations in order to secure external resources and to collaborate in the implementation of the scheme. The Secretariat has already prepared background papers on the subject and these have been despatched to Member States for their comments. Further action on this project will depend on the reactions of Member States.

Telecommunications Network Programme : The Community programme in the telecommunications sector which aims at the

establishment of a modern network that would provide a complete automation of telephone and telex links among all the sixteen capitals of Member States without transiting outside the Community, is being implemented satisfactorily. So far, the ECOWAS Tender Board has approved the award of contracts to winners for lots of the Phase A of Intelcom I which was subjected to competitive bidding. During the period, the Community together with the Member States concerned negotiated contracts with these winners and letters of Intent of Award of Contract have been issued to the firms involved. The Fund also negotiated and signed loan agreements during the year with the Member States concerned.

Considering the amount of work involved in getting the telecommunications programme implemented, a Management Team has been appointed. Each of the Member States involved has been requested to appoint counterpart staff to work with the Management Team. The immediate task of the team has been to conduct site visits for the projects of each contractor.

The Phase B of Intelcom I of the telecommunications programme has already been receiving attention. We have started the preparation of feasibility studies and tender documents for lots which had not been tendered for during Phase A. As it happened in the earlier case, invitations to tender were made through the press in January, 1984; the bids are scheduled to be opened in May, 1984.

During the period, discussions were held with the European Commission and the European Investment Bank over the extension

of a 10 million ECU loan to cover part of the Phase B of Intelcom I. This amount would finance two of the six lots contained in Phase B; funds for the other four lots are yet to be identified and negotiated.

In September, 1983, a seminar on local telecommunications network was organised for the French-speaking countries (participation in this seminar was extended to include Cameroon, Central African Republic, Chad and Congo). The Seminar emphasised aspects of construction of telephone networks in urban areas and the need for continued maintenance planning for equipment. Practical exercises on site were performed and an exhibition of local network equipment was also mounted. There are plans to organise a similar seminar/exhibition for the English-speaking countries during the coming year.

Postal Services : Due to lack of funds, the Community is behind with its Postal Programme. So far, only a study has been completed on mail circulation in ECOWAS. The study concentrated on the postal infrastructure of the sub-region, actual mail circulation and possible measures to improve postal routing. A meeting of Directors of Postal Services was held in November, 1983 in Conakry to consider the report on the Study. The meeting came up with recommendations to the appropriate organs of the Community.

E. INDUSTRIAL COOPERATION PROGRAMME

Protocol on Community Enterprise : A team of legal experts was brought together on two different occasions during the

period to review the Protocol on Community Enterprise. The team took into account comments that had been made during joint meetings of the Industry and Trade Commissions. It may be pointed out that we now have the seventh revision of the draft Protocol. The problem has been how to balance the interests of the parties concerned: on the one hand, the potential investors who are to be attracted by the necessary incentives and guarantees of a stable and secure investment climate, and on the other, the Community and Member States who must be assured of sufficient control of investments within the sub-region so as to ensure a positive contribution of these investments to the development of our economies.

The various revisions have tended to turn the earlier draft with fairly strong supra-national characteristics into a Protocol now much under the control of and subject to the laws of the country in which the enterprise would be located. While this satisfies Member States preoccupations, it is clear that there has been a watering down of the advantages the earlier drafts offered investors. It is imperative therefore, that once our initial fears have been allayed, when the implementation of the Protocol begins, some of its provisions would have to be upgraded to increase its attractiveness for the serious investors whom we need to assist in developing our economies. The latest revised Draft Protocol is being presented to another Joint Meeting of the Industry and Trade Commissions for consideration.

Selection of Regional Projects : At the May 1983 meetings, a procedure was adopted for the selection of regional projects.

The necessary steps were taken during the review period to apply the new procedure in collecting project ideas and information on them from Member States. Regrettably, the response has been poor. Our hope had been to present a list of the first set of regional projects for consideration by the appropriate Commission and Council at the November 1983 meetings. Member States have been invited to submit projects which have certain regional characteristics or potentials and for which feasibility studies had been completed. Only two projects so far received provide some basis for any serious consideration.

The importance of this undertaking should be stressed in order to have Member States cooperation; it is imperative that this exercise be speeded up to yield positive results. Our sub-region has witnessed disappointing rates of investment over the past decade, resulting in stagnant or declining growth rates. We stand in need of massive doses of investment capital in vital sectors of the West African economy. Regional projects provide the size that modern technology requires for financial viability and, with our emphasis on the use of regional resources, such projects ought to contribute to the development of our human and material resources. It is expected that when a package of regional projects has been put together, the relevant international financial institutions would be approached, by organising a conference to secure strong support for the establishment of the selected regional projects (see next item below).

Everything would be done in the coming year to translate these ideas into reality. For example, ECOWAS participation is expected in a seminar to be organised jointly by the American Bar Association and the U.S. Overseas Private Investment

Corporation on "Foreign Investment and Trade in ECOWAS Member States". The possibility of organising a similar seminar for European investors is being explored.

Sub-Regional Recovery Programme : As stated in the introduction above, we are all aware of the world economic recession and its effect on the economies of Member States. Our sub-region had already been struggling with the problems created by the global economic crisis that started around 1970 and became accentuated by the so-called oil crisis. The cumulative effect has not been limited to the disruption of the economic development programmes and the further weakening of the fragile economies of our Member States. All other aspects of life have been similarly affected: political, social, cultural and religious practices; in short, the moral fabric of the West African society stands in need of serious repair.

Considering the origins of these current problems, and also the links between Member States and the peoples of the sub-region, it is impossible for any one country in isolation to effectively tackle the multiple issues involved. Since the appropriate forum is provided by the existence of our Community for tackling this problem together, I believe that some of our energies should be devoted to the drawing up of an appropriate sub-regional recovery programme. The recovery programme would have to be multi-faceted - to deal with the specific problems in the main areas of the West African community - and it should address itself to both short-term and long-term solutions.

While the machinery already exists within the Community to draw up an economic recovery programme - and this will be developed out of the activities outlined in the Industrial Cooperation Programme above - special measures have to be initiated towards the formulation of sub-programmes for the other areas. The necessary steps would be taken in the immediate months ahead to elaborate such programmes. Meanwhile, a draft outline of the policy measures to be adopted has been prepared for presentation to Council and the Authority for consideration.

The debate on economic cooperation continued during the year with the organisation of the Third Colloquium on West African Economic Integration in Lome in January 1984.

F. AGRICULTURAL COOPERATION PROGRAMME

Sub-Regional Food Self-Sufficiency : It may be recalled that the short and medium-term agricultural programme adopted in May, 1982 rightly concentrates on the achievement of sub-regional food self-sufficiency. One of the activities that received attention during the period under review was the establishment of regional seed production centres and regional cattle breeding stations. Reports were completed in respect of the preliminary studies that were commissioned earlier to be conducted on the selected seed centres and cattle stations. These reports were examined by the Agricultural sub-Commission which made it possible to obtain fresh Council directives for the continuation of the work involved.

Integrated Pilot Projects : ECOWAS was established to bring about the acceleration of the economic development of Member States and the integration of national economies into a cohesive West African economic unit. The idea of promoting integrated pilot projects would be a practical demonstration of how the Community can fulfil this dual role. The objective would be to design three or four schemes - each scheme for a specified portion of the sub-region - incorporating :

- in agriculture, the practical application of adopted policies and strategies such as the use of improved cultural practices, timely provision of agricultural inputs, organising and making credit easily available to the ordinary farmer, encouraging the development of inter-dependent agricultural activities, working out appropriate producer price scheme, developing a viable distributive and marketing system;

- inter-industry linkage: integrating agriculture into other sector activities such as: developing industries for agricultural tools and machinery, chemicals and feedstuff, etc; food processing; and other agro-based industries;

- developing the potential offered by ecological complementarity within the sub-region: activities that exploit the comparative advantage that geographical and ecological differences make possible.

Work began in the year on the series of studies that would be needed to design these schemes. In the course of the coming year, assistance will be sought from the appropriate international organisations in the pursuit of this idea. When the outline of these schemes begins to take shape, action will be initiated in the formation of Agricultural Development Committees to correspond to each of the geographical area covered by a Scheme. The Committees are to work out the details of the schemes, seek the endorsement of the respective Member States, initiate and monitor the implementation of the schemes.

G. ENERGY COOPERATION PROGRAMME

Energy Project Profiles : One of the results of the Freetown 1981 Energy Symposium was the identification of fourteen priority projects which could form the basis of a Community medium-term cooperation programme. An estimation has now been completed on how much each project would cost. Action was started on the next phase which is the preparation of project documents that would have to be presented to potential financial institutions for funding.

Petroleum Cooperation Scheme : Like most other developing countries, a major item in the energy sector that has caused concern to most Member States for about a decade is the supply and the cost of petroleum and its derivatives. Within the sub-region, all aspects of the industry - petroleum production, exportation, refining and importation - are undertaken, depending on what country is being dealt with. It is strongly felt that the petroleum industry offers an area where the Community could

develop a very helpful cooperation programme for its Member States. This idea has already been successfully exploited in various forms by economic cooperation groupings in the Caribbean, Latin America and South-East Asia.

As a preparatory measure towards the formulation of such a scheme, an energy seminar on this theme was organised in Lome in October, 1983 to examine various approaches to the issue. The findings of the Seminar are being analysed in order to have a scheme developed; the proposals will be put before the Council of Ministers through the appropriate Commission.

Renewable Energy : The development of the renewable energy resources of the sub-region depends on the systematic compilation and dissemination of information on research findings, case studies and on the application of these non-conventional forms of energy. The planning of such a data bank was started during the period with the assistance of UNESCO, initially through the services of a consultant. So far, an inventory of both national and regional requirements as well as capabilities has been completed. It is to be noted that the system would depend on the contributions of Ministries designated in Member States as focal points for coordinating energy information exchange.

H. SOCIAL AND CULTURAL COOPERATION PROGRAMME

Games and Sports : It may be recalled that at the May, 1983 meetings, the decision was taken to postpone for an indefinite period the organisation of the ECOWAS Games; the issue

was to be kept under review and proposals on organising the Games were to be presented at a later date. Since the May meetings, the soccer series for both senior and junior divisions (for the Houphouet-Boigny and Shehu Shagari cups, respectively) have been organised. The junior series ended with the Nigeria team emerging winners of the Shagari cup; Ivory Coast were the winners of the Houphouet-Boigny Cup in the Senior series. The Ivory Coast also won the Abdou Diouf Cup for basket-ball. Preparations for the other events are under way.

Public Enlightenment Programme : Preliminary studies on the publication of ECOWAS information to educate various sections of the public indicate that three main types of publications could be prepared, namely trade, agriculture and general ECOWAS information. UNESCO has offered the services of a consultant to help in the design of an appropriate publication.

It may be recalled that a tour has been made already of most Member States to explain the idea behind and the possible modalities for organising ECOWAS Clubs and ECOWAS Week in each Member State. It is hoped that the individual states would take up the challenge.

Exchange Programmes : The strategy has also been adopted to encourage Member States to step up the existing Student Exchange Programmes. With regard to cultural exchange programmes, a study has been started on bilateral agreements signed by Member States in order to develop a standard agreement to serve as a model for future accords. The preliminary work involved in designing cooperation agreements between training institutions

of the sub-region and the drawing up of a register of diplomas awarded and their equivalence will be undertaken in collaboration with UNESCO. The outcome would then be examined by an Ad Hoc Committee, if necessary, before presentation to the appropriate Commission.

I. ECOWAS FUND'S RESOURCES AND THEIR PLACEMENT

There was little success with the drive to collect from Member States the $5.5 million outstanding on capital contributions; only Cape Verde paid in $125,000. Total contributions now stand at $44,550,242 or nearly 90% of the called-up capital.

Compared to the trends in recent years, the review period has been characterised by falling interest rates, consequently earnings on the capital of the Fund for the year were low. The Fund Management has, however, continued to keep a watch on placements in order to get the best returns under the circumstance. An application has been made to the US Internal Revenue service to recognise the ECOWAS Fund as an international financial institution so as to exempt any earnings of the Fund in the United States from US taxes.

J. INSTITUTIONAL AND ADMINISTRATIVE MATTERS

Staff Recruitment : There was a request at the end of the May, 1983 meetings that all Member States should be informed about outstanding staff positions which have been reserved for them, through the quota system, with a view to their presenting candidates for the posts involved. This directive although complied with was later rescinded by Council when it froze all new recruitments.

As Council is well aware, the persistent poor financial situation of the Secretariat, coupled with the already crowded office space had forced us to hold back the normal growth, envisaged at the time of adoption of these staff positions, in the volume of work at the Secretariat. If and when Member States present candidates, a crisis will be created unless our financial situation changes and additional office space is acquired.

In order to improve the capacity of the Fund to handle some of its functions that are being developed (disbursement procedures and repayment arrangements for loans extended), a Department of Treasury was carved out of the Department of Finance and a Director of Treasury was recruited during the period.

The ECOWAS Fund's training programme for senior staff continued with the attendance of refresher courses and seminars in the US and UK by officials in the Operations, Legal, Audit and Treasury Departments.

Staff Replacement : Since the staff evaluation exercise some two years ago, it is only now that the process of replacing those staff members adjudged unsuitable has been completed. During the review period, the replacements at the Secretariat for the post of Director of Agriculture, Industry and Natural Resources and the post of Principal Accountant assumed duty. The posts of Director of Studies and that of Development Economist were also filled at the Fund.

Staff Regulations : For over a year now, the Staff Regulations currently in use have been under review in order to harmonise practices at the Secretariat and the Fund and also to incorporate some changes that have become necessary as a result of approvals given over the years to some demands for certain improvements in the conditions of service. The draft of a revised text was adopted by the Council of Ministers in November 1983.

In approving the new ECOWAS Staff Regulations, the Council at its meeting in Conakry in November, 1983 decided that all allowances payable to the ECOWAS Staff in the General Services (G) and Auxilliary (M) categories should be closely related to allowances payable to their counterparts in the host countries of the institutions of the Community.

This decision has had very adverse effects on officers of these two categories in the sense that it has resulted in drastic reductions of their remunerations.

For officers of these two categories in the Fund, it has amounted to reductions in remuneration ranging from 15% at the higher levels to 25% at the lowest levels since the government of Togo does not pay rent allowance to their counterparts in the Togolese Civil Service. On top of this, the transport allowance and the leave allowance which were approved at that meeting are also not applicable because such allowances are also not paid by the Togolese Government. For the officers of the Secretariat, the decision has resulted in the reduction of their remunerations ranging from 6% to 13% as the rent

allowances paid by the Federal Military Government of Nigeria are lower than the original approved rates of ECOWAS.

As by normal personnel rules and practices, the remuneration of staff is not reduced during their tenure of office, except for disciplinary reasons. I would wish to strongly appeal to Council to review this decision and

(i) allow the old rent allowances as approved by Council in Article 63 of the old staff regulations to be applicable to staff in these two categories, and

(ii) permit the newly approved transport and leave allowances to be applicable to such staff in the Fund.

Accommodation Matters : As indicated above, the problem of office space is still very much with us at the Secretariat in Lagos. The cash flow at the Secretariat during the past year did not allow for any attempt to enter into any serious negotiations for hiring any additional office space. The Nigerian Government is making efforts to provide the Secretariat with additional office space. With regard to residential accommodation, it has always been our hope to acquire staff quarters at relatively more secure areas of Lagos for the professional staff but an opportunity to improve the existing situation could not be exploited because of the precariously low level of funds experience. The problem of high rents and unsatisfactory conditions was extensively discussed during the November 1983 Council meeting.

Maintenance of Houses : I would also wish to refer to the decision of Council in November, 1983 that no provision be made in the operational budgets of the two institutions for the maintenance of houses. While it might be possible (with some difficulty in Lagos, at least) to call on landlords from whom houses have been leased for occupation by professional staff to maintain such houses such a possibility might not exist in respect of houses occupied by Statutory Appointees as such houses have been given to such officers free of charge by the host governments. This is why the practice in all international organisations is for houses occupied by Statutory Appointees to be maintained by the organisations concerned.

As regards houses leased for professional staff, while landlords should be called upon to repair any structural defects, the Secretariats have some obligations in terms of Lease Agreements to undertake some maintenance. For instance, it is the obligation of landlords to paint the outside of buildings but that of the Secretariat to paint the inside of these buildings particularly when these houses are being vacated.

It would therefore be greatly appreciated if Council would kindly consider to review its decision in this respect and bring it in line with the practice in international organisations and with the lease agreements.

Construction of Headquarters : During the period tender notices were put in the Press throughout the sub-region, inviting submissions of architectural designs and models for the

ECOWAS Fund by firms established in Member States. The closing date of the tender notice was 30 September, 1983 and the applicants were required to deposit their architectural designs and models by 15 January, 1984. The Ad Hoc Ministerial Committee established to oversee the construction of the Headquarters of the Institutions of the Community, was convened to a meeting in Lome on the 27th of March, 1984 to consider the applications received. A firm was selected and the next two best submissions were awarded prizes. The Committee's report is being submitted to Council.

In accordance with the agreed common procedure for the construction of the Headquarters of Community institutions, a firm of architects has been engaged to prepare briefs for tenders and flow-charts for the construction of the Executive Secretariat at the new Federal Capital of Nigeria. The site offered at Abuja by the Nigerian authorities was inspected in February, 1984.

We advertised in all Member States for architects to compete for the architectural design. A large number of applications were received and thirty-four have been short-listed.

Headquarters Agreement : Contact was maintained in Lagos with the appropriate Federal Departments and this led to the signing of the Headquarters Agreement between the Community and the Federal Government of Nigeria on June 1st, 1984.

Streamlining of West African Intergovernmental Organisations:

The Secretariat together with MULPOC had been requested to study the problems facing the integration process in West Africa as a result of the multiplicity of inter-governmental organisations. Contact was made with the ECA for assistance and during the period under review drafts of the report on the study undertaken by the ECA on the matter were examined at successive meetings in Addis Ababa, Conakry, twice in Lome, and again in Addis Ababa. The outcome of these efforts and firm proposals on the course of action to embark upon for streamlining the sometimes contradictory integration arrangements within the sub-region are being presented to the Council at its coming session.

It should suffice to state here that much precious time, human and material resources continue to be lost by the ambiguous situation we have placed ourselves in West Africa; this situation erodes the confidence of the believers in regional cooperation and provides unnecessary ammunition for the skeptics. As I indicated in my last report to Council, the results of the October, 1983 Summit of the CEAO did not solve the main problem we face in this sub-region: the existence of more than one economic integration grouping in West Africa. A paper is being presented by the Secretariat on this issue to the Ad Hoc Ministerial Committee on Derogation.

ECOWAS Logo : In a region of the world where symbolism is of such importance to society, the need for the adoption of a logo for our young organisation has always been felt to help establish an identity and provide a symbol to rally around. The necessary background work has already been accomplished after inviting all through advertisements to submit their proposals. Council will be invited at the coming meeting to view the best submissions and to choose an appropriate symbol to serve as the Logo of the Community.

Undelivered Mercedes Benz : Attempts at recovering the US$17,556 paid by the ECOWAS Fund for the undelivered Mercedes Benz were renewed during the period with the meeting between the Fund, the Philadelphia-based US firm involved (International Resources Management Inc.), and the former Managing Director (Mr. Romeo HORTON). The firm has been refusing to deliver the car or refund the money because of its claim that the Community owes it. However, no documentary evidence has been produced by the firm to substantiate that claim. It has been decided that the Fund should engage the services of a legal firm to recover the amount which will be paid a percentage of the sum recovered.

ASSISTANCE TO MEMBER STATES

During the period, the ground was prepared by the World Bank and the Ghanaian authorities for a Donors' Conference in Paris on a "Ghana Recovery Programme". The Secretariat keenly followed these preparations and sent a delegation to attend

the Conference held on 23rd and 24th November, 1983 at the World Bank Office in Paris. It is the intention to throw the weight of the Community behind any such national programmes that will be initiated in the future. In this connection, mention should be made of the possibility of developing for our affected Member States, emergency food aid programmes that will be needed in the coming year to alleviate the overwhelming consequences of recent rain failures in the sub-region.

P A R T III

RELATIONS WITH SUB-REGIONAL AND INTERNATIONAL ORGANISATIONS

There was a continuation of the previous cooperation arrangements with institutions and organisations of the sub-region and others of the international community. At the sub-regional level, the activities undertaken in the agricultural field involved collaboration with WARDA and CEBV. The West African Clearing House and the African Centre for Monetary Studies were closely associated with the work undertaken on our monetary cooperation programme. The first Trade Promotion Forum, which was held in Abidjan during the year was organised with the assistance of the Federation of West African Chambers of Commerce.

The biennial meeting of West African inter-governmental organisations (IGOs) was held in February, 1984, at which the cooperation programme drawn up among them was reviewed. An extraordinary meeting of the Chief Executives of the IGOs was held in April, 1984 to consider the ECA Report on Proposals for

Strengthening Economic Integration Arrangements in West Africa. Both meetings were organised with the active collaboration of the Niamey-based ECA MULPOC. The modest start made in our cooperation relations with the African Development Bank (ADB) was improved upon by the request made during the year to assist in preparing a West African position for an international meeting that would be coming on in early June, 1984. At the regional level, ECOWAS participated in the meetings of the SADCC/PTA of the Southern African countries at Harare in 1983.

The UN specialised agencies continued to give the Community assistance in various fields. UNCTAD was much involved with the automatic data processing programme, the monetary studies, the coastal shipping studies and the organisation of a number of seminars that were in the UNCTAD's field of competence. For its part, ECOWAS participated in UNCTAD V at Belgrade in June, 1983. UNIDO together with ECA and OAU co-sponsored an ECOWAS Member States seminar on the industrialisation of the West African sub-region. UNIDO has also indicated an interest in an intended review of the experience of CIMAO - as a regional project.

The Community is still in the process of drawing up an agricultural programme and much valuable assistance was received from FAO. Indeed, during the review period, that organisation made the services of a consultant available to the Executive Secretariat for a period of two years. UNESCO helped with the launching of some of our social and cultural programme; that organisation was one of the contributors to the financing of the Third Colloquium.

Discussions were held with the European Commission on the current programme of assistance the Community has with the EEC; the discussions were extended to cover general principles for the preparation of a new programme in anticipation of the signing of a successor Convention. The Commonwealth Secretariat agreed to support the customs training programme that goes with the data processing scheme; the possibility of financing some of the country projects under this ECOWAS scheme is still being considered by the Commonwealth Secretariat.

The governments of the United States and France continued to demonstrate their interest in ECOWAS by the valuable assistance we received from USAID and the French Customs Department for our agricultural and customs programmes respectively. USAID also sponsored our activities in the energy sector.

ECOWAS participated in an energy conference organised during the period at Rio de Janeiro for developing countries. The re-negotiation of the Convention between the ACP States and EEC, which was launched at Luxembourg, has been monitored by the ECOWAS Secretariat with the general interest of the ACP Group and the specific pre-occupations of West Africa - regional schemes and national programmes - firmly in mind.

As the Community moves further into the programme implementation stage, our needs are going to grow bigger financially. The assistance that the Community will have to attract from donor agencies will gradually shift from studies to project financing. Since Member States would have the primary responsibility of implementing programmes and projects, one can envisage

a three-cornered cooperation effort developing, involving the donor agencies, the Community and the Member States directly involved in specific projects. It is hoped that such a partnership in international relations will prove fruitful.

P A R T IV

CRITICAL ISSUES AND CHALLENGES AHEAD

As we have amply demonstrated in the earlier pages of this Report, our economies are going through very difficult and painful times; and it is possible that Member States would be tempted to meet their domestic pressing problems at the national level rather than seek solutions to these problems through a regional mechanism and thereby devote some of their scarce resources to meet the needs that have been identified within the Community framework.

If we are to fall victim to such temptation, it will negate the whole concept of economic cooperation in the sub-region. There are important and crucial variables such as national interest and ceding of some aspects of national sovereignty which are not normally given the weight they deserve in the analysis of economic integration but which are crucial for the success of any integration scheme among developing countries.

There is no doubt that this situation certainly constitutes a weakness in the implementation of Community decisions unless Member States build into their initial expectations the possibility of losses. There is reason to believe that the Community has come a long way enough not to be bogged down by national interests in the implementation of Community decisions.

The work programme we envisage in the coming months will be devoted to the programme for West African economic recovery and to the support to be given national adjustment programmes which would be re-cast within a regional framework.

We shall be devoting the resources of the Community to formulate appropriate programmes of reform, e.g. policy issues affecting domestic pricing policies, (especially, agricultural products), and public sector expenditures. We are aware that several Member States have entered into IMF agreed programmes to resuscitate their economies and our efforts will be devoted to regionalising these programmes so that development occurs evenly in the sub-region.

Despite the vulnerability of many countries in the sub-region to adverse developments in the world economy, prospects for sustained economic growth in the future will be determined to a considerable extent by internal economic policies and the effectiveness by which Member States manage their development programmes. It is essential that policies be designed at the sub-regional level to tackle the deep-rooted structural and other problems which beset West African countries, especially those relating to the lack of a well-defined and realistic development strategy, the overall low efficiency of institutions in the public sector, poor management and accountability, the neglect of export-oriented industries and the continuing biases in the incentive systems against agriculture.

Developments in the world economy should prompt us to attempt to solve our economic and social problems on regional rather than national basis. To meet the challenges of the 1980s this is the only solution for ECOWAS and all of its sixteen Member States.