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TRADE AND TRANSPORT ENABLING ENVIRONMENT POLICY ASSESSMENT

Contact No.: AID-624-C-13-00002-00

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ACRONYMS

AfDB	African Development Bank
AgCLIR	Agribusiness Commercial, Legal, and Institutional Reform
AGOA	African Growth and Opportunity Act
AGRA	Alliance for a Green Revolution in Africa
ATP	Agribusiness and Trade Promotion Project
BIC	Border Information Center
CBC	<i>Conseil Burkinabé des Chargeurs</i>
CET	Common External Tariff
CILSS	Permanent Inter-State Committee for Drought Control
COFENABVI	<i>Confédération des Fédérations Nationales de la Filière Bétail/Viande</i>
DFID	Department for International Development (UK)
E-ATP	Expanded Agribusiness and Trade Promotion Project
ECDPM	European Centre for Development Policy Management
ECOWAS	Economic Community of West African States
ETLS	ECOWAS Trade Liberalization Scheme
EU	European Union
FCFA	CFA Franc
FEBEVIM	<i>Fédération de Bétail et Viande de Mali</i>
GIZ	German Society for International Cooperation
IFDC	International Fertilizer Development Center
IFPRI	International Food Policy Research Institute
ISRT	Inter-State Road Transit
ISTA	International Seed Trade Association
IT	Information technology
JICA	Japan International Cooperation Agency
NPK	Nitrogen-phosphorus-potassium
OPA	<i>Observatoire de Pratiques Anormales</i>
ReSAKSS	Regional Strategic Analysis and Knowledge Support System
ROPPA	<i>Reseau des Organisations Paysannes et des Producteurs Agricoles de l'Afrique de l'Ouest</i>

SPS	Sanitary and phytosanitary
TEU	Twenty-foot equivalent unit
TTEE	Trade and Transport Enabling Environment
UEMOA	<i>Union Economique et Monétaire Ouest Africaine</i>
USAID	United States Agency for International Development
VAT	Value-added tax
WAEMU	West African Economic and Monetary Union
WAFP	West African Fertilizer Program
WASP	West Africa Seed Project
WAGN	West Africa Grains Network
WATH	West Africa Trade Hub

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EXECUTIVE SUMMARY

Increased free trade offers a powerful way to meet West Africa's need for improved food security and higher incomes, today and in the future. Borders that remain open reduce the domestic price volatility of staple foods, thereby benefiting consumers (Haggblade et al. 2008). Free trade also allows farmers to access growing markets, further increasing production and generating private sector investment in agriculture.

Since the treaty forming the Economic Community of West African States (ECOWAS) was signed in 1975, the 15 West African signatory countries have worked toward free movement of people, goods, and services. Today, almost 40 years after the treaty was signed, it is widely acknowledged that progress is patchy, that some gains made are quickly lost, and that overall, the region is still far from its goal.

This assessment, which is one of the initial deliverables of the new Trade Hub and African Partners Network, has identified trade and transport policy priorities for the project. With a view to identifying areas for maximum impact, the author reviewed previous studies that looked at the principal factors constraining trade and transport in the region. Also taken into account were changes in the regional policy context since the end of the previous West Africa Trade Hub (WATH) project and the Agribusiness and Trade Promotion (ATP) and Expanded Agribusiness and Trade Promotion projects (collectively referred to as the ATP projects). As a part of the study, consultations were held with private and public sector stakeholders to validate the findings. The entire study was conducted in close collaboration with the project's Trade and Transport Enabling Environment (TTEE) team.

CONTEXT

Recent years have seen increased momentum for improving trade and transport conditions in West Africa, even though obstacles persist and unofficial trade continues to dominate, especially in staple commodities. Important advances include the adoption of policies vital for trade liberalization, such as the Common External Tariff (CET), which comes into effect on January 1, 2015. Other progress includes:

- Signature by the Heads of State of the supplementary act to harmonize axle loads, due to come into effect in September 2014.
- Revision (but not yet conversion into a supplementary act) of the Inter-State Road Transit (ISRT) convention to facilitate implementation of the regional electronic transit system, ALISA.
- Establishment by the ECOWAS ministers in charge of roads, infrastructure, and transport of the "road map," a series of agreed-upon reforms to implement axle load regulations and other measures, such as fleet renewal and improved professionalism. The road map sets the date for the supplementary act to enter into force on September 1, 2014.
- Adoption of the Abidjan–Lagos treaty by ECOWAS Heads of State, establishing the first corridor management framework in West Africa.

In addition to collaborating with stakeholders to support and accelerate forward movement in these priority policy areas, the project should seek opportunities emerging from the current context in the trade enabling environment. For example, Ghana's presidency of ECOWAS may offer an incentive for Ghana's leadership to showcase the country's seriousness about regional integration by implementing agreed-upon trade-related ECOWAS policies. Second, follow-up to the Food Across Borders

conference has started, and it makes sense for the Trade Hub to remain involved with this reform-minded group, particularly by ensuring continued private sector participation and by advocating for concrete changes in the regional trading environment.

Additionally, the ECOWAS Heads of State have asked President Compaoré of Burkina Faso to lead efforts to address trade restrictions; a taskforce has been named to address issues identified in a July 3-5, 2014, Citizens Forum in Ouagadougou. Borderless Alliance has continued to grow and become an increasingly visible regional advocacy organization. The Permanent Inter-State Committee for Drought Control (CILSS), which is continuing the ATP projects' trade data and road harassment data collection efforts, has also become an advocate for regional staple commodity trade.

Finally, although USAID has been by far the largest supporter of trade and transport facilitation efforts in West Africa, at least six other donors have become increasingly involved in trade efforts in recent years. Together, these various initiatives show that there is renewed commitment to tackling trade issues. The involvement of so many players, however, also means that the project must carefully assess priority focal areas to ensure that it takes advantage of complementarities, avoids overlap, and maximizes its impact.

METHODOLOGY

In preparing this report, the consultant and the TTEE team considered the policy priorities identified by previous USAID trade projects, while also taking into account recent changes in the policy context. This assessment focused in particular on four reports conducted by WATH and the ATP projects:

1. WATH's "Regional Agricultural Transport and Trade Policy Study of 2011," which assessed trade and transport policy bottlenecks
2. The ATP projects' 2013 report "Barriers to Staple Food Trade Among ECOWAS Countries," which identified barriers to trade in the project's six target value chains (staple commodities)
3. The 2013 Food Across Borders conference, jointly sponsored by ECOWAS and USAID, which identified five priority constraints to trade in target value chains and reported on potential solutions discussed by the participants
4. WATH's 2011 "Gap Analysis of the ECOWAS Trade Liberalization Scheme," which analyzed gaps in the implementation of that scheme's protocols, and an ensuing high-level meeting between ECOWAS and USAID

The present assessment analyzed these reports' discussions of issues hindering trade and transport effectiveness for imports of general merchandise moving from ports of entry to the hinterland, as well as for trade in specific global and regional value chains that will be covered by the Trade Hub. The priorities identified in these reports were evaluated with the TTEE team, and discussed and validated in meetings with private sector stakeholders. The assessment incorporates the project's understanding of stakeholders' most important concerns at present, as based on project's meetings with major stakeholders in the last several weeks and on discussions in various regional fora during the past year.

Following this analysis, the project team developed an approach to improving the trade and transport enabling environment that emphasizes both **corridor activities**, to remove constraints and generate visible changes that will foster increased trade along specific transport corridors, and **regional activities** to drive the wider trade and transport policy agenda in West Africa and give technical support to regional organizations.

Together, the project team assessed ECOWAS's 10 principal transport and trade corridors in West Africa, and selected four of them as the project's target corridors. Three criteria were used for selection: 1) the presence of trade along the corridor in the project's targeted value chains; 2) good potential for increasing trade in the value chains; and 3) to the extent possible, a lack of overlap with similar ongoing efforts. The selected corridors are Tema–Ouagadougou, Abidjan–Bamako, Dakar–Bamako, and Cotonou–Ouagadougou. The identified priority activities were classified by both value chain and corridor. Certain constraints affect all corridors or all value chains, while others are specific to a certain corridor, value chain, or value chain in a particular corridor.

It would be misguided, however, to place all policy efforts in the corridor context. As recognized by the previous USAID projects, there are often important opportunities to advance the policy agenda by playing a facilitative—and at times leadership—role at the regional level. This included efforts such as the *Observatoire de Pratiques Anormales* (OPA), the initiation of Borderless Alliance, and support for events such as the Food Across Borders conference. To ensure that these types of regional activities continue, the assessment also identified priorities for regional-level actions that will strengthen the trade and transport enabling environment.

Finally, the Trade Hub will address policies relevant to trade and transport of seed and fertilizer, since these inputs are key to improving the quality and quantity of outputs traded. Although WATH and the ATP projects did not focus on barriers to trade in inputs (including seed and fertilizer), there have been increased efforts in the region to invigorate these two sectors. This assessment reviewed the main issues related to seed and fertilizer as tradable commodities and, within this context, recommended Trade Hub priorities.

CORRIDOR PRIORITIES

For the project to use its resources in the most efficient way, it should concentrate a great deal of effort at the corridor level, where bottlenecks can be tackled in a bilateral and national context, allowing for more rapid progress. The corridor-specific policy work should be closely integrated with other Trade Hub activities, which will also take place in a corridor context. In each corridor, the project's TTEE team should work together with project's value chain leaders and other project staff involved in enterprise and industry development, finance, capacity building, association development, and communications. Equally importantly, and true to its role as a “partner network organization,” the project should work along corridors with its value chain and other partners, with each partner addressing the issues it finds most pertinent in a fashion most appropriate to its role. This includes collaboration with networks of relevant USAID bilateral projects.

For each of the four target corridors, this report presents a set of solutions that tackle the impediments to trade and transport along that corridor. Because the challenges vary by corridor, so do the activities, although certain constraints (and therefore activities) are shared across all four.

The project's priority corridor should be Tema–Ouagadougou, where a combination of ambitious activities should be implemented to showcase the beneficial impact of improved trade conditions. The Tema–Ouagadougou activities can, for example, provide lessons for ECOWAS's Abidjan–Lagos corridor management initiative, which is complex and ambitious in scope and will likely take some time to implement. The Tema–Ouagadougou corridor is suitable for demonstration and models, since it is relatively simple, passing through only two countries.

To initiate the efforts on the Tema–Ouagadougou corridor, the project should develop a concept paper on its potential as a regional integration pilot. The paper should include an assessment of the potential

benefits stemming from increased, expedited transit; greater regional and export trade to the two countries; and increased production and processing as a result of investments in cross-border trade.

At the same time, the project should begin efforts on the Abidjan–Bamako, Dakar–Bamako, and Cotonou–Ouagadougou corridors, but in a more limited fashion. The 13 top-priority corridor activities are presented below.

Top-Priority Corridor Activities

1. **Support ALISA customs connectivity pilot on the Tema–Ouagadougou corridor.** ALISA is an important priority for ECOWAS, and the ISRT convention has been revised to conform to its implementation. ALISA will eliminate the need for bilateral data exchange programs, enable harmonization of customs tariffs and transit fees, and allow implementation of a regional bond guarantee. The project should advocate for and support its implementation on the Tema–Ouagadougou corridor, to provide a demonstration effect and encourage wider implementation.
2. **Help improve the system for matching supply and demand for freight, beginning with extension of an existing platform into Ghana.** A web-based platform that allows truckers and shippers to identify each other is being used to some extent within Burkina Faso. The World Bank is interested in supporting the extension of this system elsewhere in West Africa. The project should provide technical support and, if needed, additional financial support to quickly extend it to the Tema–Ouagadougou corridor, and then elsewhere.
3. **Support country-based hotlines and advocate to eliminate road harassment.** Road harassment continues along almost all roads in West Africa. It is a particularly acute problem for trade in livestock, since time is imperative during transport of this high-value commodity. Borderless Alliance operates Border Information Centers (BICs) with hotlines to report and combat harassment, but their range and opening times are still limited. The project should support efforts to expand current hotlines' coverage to 24/7 and to make them available for use by more people.
4. **Conduct a transport profitability study to help encourage behavior change among affected actors.** Transporters are afraid that reforms—such as abolishing freight quotas, harmonizing axle load standards, upgrading fleets, and creating a platform to match transport supply and demand—will decrease profitability. This study would provide transporters with information about the effects of these reforms, focusing on measures that transporters can take to ensure that changes lead to increased, rather than decreased, profitability.
5. **Advocate for and support adoption of ECOWAS axle load regulations.** Axle load issues are politically sensitive, since they are connected to the cost of freight and the level of fleet utilization, both of which affect profitability. Given the complex issues surrounding axle load regulations, the project should present the study on the impact of transport reforms (see number 4 above) to the transporters unions, and should work with partners such as Borderless Alliance to promote change.
6. **Establish information centers at export markets and strengthen BICs and AGOA Resource Centers.** In addition to continuing to support existing sources of trade information that are based at borders and in cities, the project should consider establishing information centers in the principal staple export markets, which would provide information on export requirements and disseminate market information. They could be implemented by Borderless Alliance with financial and technical support from the Trade Hub.
7. **Support vehicle upgrading.** The poor condition of vehicles contributes to delays and uncertainty in transport, as well as to increased road harassment. While the project should advance efforts to

increasingly liberalize trucking markets, it should also assess ways that governments can improve access to finance and use tax breaks to encourage upgraded fleets. Project efforts should start with the Tema–Ouagadougou corridor, and thereafter with countries judged to have the greatest potential for progressing quickly on this issue.

8. **Support training courses and provide information to improve professionalism in the trucking industry.** Uniformed officials point out that truckers commonly break traffic rules and keep their vehicles in poor condition, while traders complain about unreliable truckers whose vehicles are not well-maintained. The project should support Borderless Alliance’s already-initiated awareness-raising and training programs to professionalize the industry.
9. **Advocate and provide technical support for full liberalization of transport.** Countries have concluded bilateral arrangements to divide up the trucking of goods imported from outside the region into landlocked countries. These treaties prevent truckers from increasing their market shares based on competitive advantage, giving them no incentive to improve their fleets. The project should advocate and provide technical support for full liberalization of the transport sector, using the transport profitability study (see number 4 above) to illustrate its beneficial impacts. In particular, the project should focus on eliminating bilateral arrangements along corridors where they still exist.
10. **Promote single lanes for ETLS products, beginning on the Tema–Ouagadougou corridor.** ETLS products are supposed to pass through borders with minimal inspection, but they typically have to go through the same procedures as non-ETLS cargo. Regional trade in ETLS products would move faster if single lanes were established for ETLS goods that comply with current regulations. The project should start by facilitating this effort on the Tema–Ouagadougou corridor, expanding it to others when this one is operational and is showing a demonstration effect.
11. **Advocate for mutual acceptance of sanitary and phytosanitary (SPS) certificates and removal of requirements for certificates of origin.** Although ECOWAS countries have signed bilateral agreements requiring mutual acceptance of SPS certificates, in practice some member states continue to demand that goods have their own countries’ certificates. Similarly, although ECOWAS has eliminated the requirement for certificates of origin for food products, countries still demand these documents, costing time and money and offering possibilities for requesting bribes. The project should address these perennial problems through focused advocacy, including meetings with government authorities and cognizant customs officials who control border crossings.
12. **Advocate for complete removal (or at least timely termination) of export bans and other restrictions.** Export bans are typically introduced when authorities fear short supply or rising prices, or simply feel pressure from special domestic interests. There are many types of export restrictions, but they all tend to distort trade in many ways. The project should support advocacy efforts by value chain partners to remove these bans and, when bans are imposed, negotiate for their prompt termination, in writing.
13. **Advocate for removal of value-added taxes (VAT) for Malian livestock traders.** Contrary to WAEMU and ECOWAS regulations, VAT is used as a preferential trade tool in Senegal, where these taxes are levied on livestock imported from Mali and Burkina Faso but not on domestic sales in the Dakar market. In collaboration with the *Confédération des Fédérations Nationales de la Filière Bétail/Viande* (COFENABVI) and the Malian Livestock Federation, the project should facilitate removal of VAT and development of the annex listing VAT-exempted goods for the ECOWAS Additional Act.

PRIORITIES FOR SEED AND FERTILIZER TRADE ACTIVITIES

Inputs, seed, and fertilizer have different regulatory contexts, partly due to their potentially widespread impacts on farmer incomes and—particularly in the case of fertilizer—on health and the environment. These regulations create implications for their trade. ECOWAS’s harmonized regulations are not yet complete at the regional level, and in most countries much remains to be done before regulatory structures for variety registration, seed certification, and quality control are in place. There is room for the project to help improve trade in these inputs, working closely together with the West Africa Seed Project (WASP) and the West Africa Fertilizer Program (WAFP). This report identifies two priority activities.

Priority Seed and Fertilizer Activities

- 1. Facilitate trade opportunities for seed producers known for high quality standards.** Future trade in seed will be greatly facilitated by reliable, homogenous variety registration and certification structures, as envisioned in ECOWAS regulations. Because certain countries have made progress in their seed quality control structures, there may be opportunities in the near future to facilitate trade through bilateral arrangements between countries such as Ghana and Burkina Faso, two countries with relatively advanced systems.
- 2. Conduct a study on the costs of different modalities for procuring fertilizer for different West African locations, which would involve different transport costs.** Reducing transport prices is the best way to reduce fertilizer price for farmers. In collaboration with WAFP, the project should consider conducting a study of options for procuring fertilizer, such as 1) importation of fertilizer ingredients by large companies, with blending in the region followed by wholesale/retail trade (as is currently done); 2) importation from the Notore plant in Nigeria, and 3) direct procurement of bagged products from outside the region by producer associations.

PRIORITIES FOR REGIONAL ENGAGEMENT

The Trade Hub should continue the previous projects’ engagement at regional fora, providing a regional presence, technical support, and leadership on the trade and transport policy agenda. This assessment identifies four priorities for regional-level activities.

Priority Regional-Level Activities

- 1. Provide regional-level technical support to two key initiatives in corridor management: ALISA and the road harassment data collection.**
 - *ALISA.* Although corridor-level assistance for ALISA should also be provided, the project’s regional-level activity should focus on ensuring harmonization of ECOWAS and WAEMU efforts, advocating for and expediting private sector implementation solutions (through a concession model), and facilitating inter-departmental collaboration within ECOWAS.
 - *Road harassment data collection.* The Trade Hub should help find effective solutions for the future of the road harassment data collection effort, working with WAEMU and CILSS, which are both involved in data collection, in a new situation where the European Union (EU) has agreed to provide funding to extend the data collection to the entire ECOWAS region.

At a more general level, the project should share with ECOWAS, WAEMU, and national governments lessons learned on the implementation of trade facilitation initiatives in the project’s target corridors. A consultancy on the topic will determine specific areas of support.

2. **Support implementation of the CET.** The project should support the implementation of the CET, working with ECOWAS and Borderless Alliance. Exact avenues of assistance should be defined through further consultation with stakeholders, but at a minimum the project should ensure that information on CET is included in all training programs and information events.
3. **Support two regional trade initiatives.** The Trade Hub should remain involved in two regional initiatives to address trade-related constraints: the follow-up to the Food Across Borders conference and the taskforce initiated by President Compaoré.
4. **Initiate an annual publication called “The Road to Regional Integration.”** A high-visibility publication would provide a useful update for regional, national, and international stakeholders on progress on issues related to trade. It would link food security, economic development, and regional trade in West Africa, synthesizing data and issues related to trade and transport. The project should discuss with CILSS and Borderless Alliance options for collaborating on the publication during the life of the project, with full responsibility being transferred to these organizations when the project ends.
5. **Help promote efficient coordination of efforts among regional governmental organizations and donors.** USAID has a history of successfully providing leadership on trade and transport efforts in West Africa. The project should serve as a vehicle for USAID to continue this role, by fostering harmonization of efforts among regional organizations (especially ECOWAS, WAEMU, and CILSS), calling for periodic coordination meetings among regional trade projects, and promoting dialogue among donor-funded initiatives to avoid overlapping efforts.

WATH and the ATP projects were at the forefront of efforts to improve the trade and transport enabling environment in West Africa. The activities proposed in this assessment would allow the new Trade Hub project to continue this role in a way that involves partners even more than before. This leadership function should include helping Borderless Alliance lead biannual coordination meetings for the increasing number of trade projects in West Africa. These meetings would offer a forum for discussing plans, overlaps, and lessons learned. They should identify ways to foster true regional integration in West Africa, to avoid situations where projects inadvertently create, rather than diminish, distance between ECOWAS and WAEMU instead of working within a common framework. The meetings should also consider target corridor selection, partner issues, and data-sharing.

The planned activities along target corridors, those for seed and fertilizer, and those for regional engagement offer a way for the project to make the most efficient use of its resources and encourage both the Trade Hub team and partners to work together in a multi-disciplinary, synergistic way. This prioritization is important to avoid the trap of an overly diffuse and fragmented approach; it is geared to maximizing impact and demonstrating within the region the benefits of improved trade and transport conditions. At the same time, this assessment also encourages flexibility and a certain degree of opportunism. During the coming three- to five-year horizon, the dialogue and efforts on trade and transport are likely to undergo change, resulting in opportunities for action in areas that may be unseen at the moment. Success in improving trade and transport conditions in West Africa is most likely to result from both a disciplined approach to carrying out the planned activities described in this report and a continuing alertness to evolving opportunities for impact.

I. FOREWORD

Since the treaty forming the Economic Community of West African States (ECOWAS) was signed on May 29, 1975, in Lagos, Nigeria, the 15 West African signatory countries have worked toward free movement of people, goods, and services. Today, almost 40 years after the treaty was signed, it is widely acknowledged that progress is patchy, that some gains made are quickly lost, and that overall, the region is still far from its goal. Constraints to free trade continue, including cereal export bans, trucking systems that are not liberalized or competitive, road harassment, and non-acceptance of regionally valid certificates.

The slow progress is ironic in a region where, even after more than 50 years of independence, ethnic groups living in border areas still know no national boundaries. West Africa's agro-ecological production zones, which are the mainstay of this principally agrarian region, cut across borders in bands that form natural areas of cooperation in production, processing, and marketing. It would seem that if anywhere, West Africa would be a region where a development model based primarily on national units would not necessarily persist.

Over the past 40 years, as in previous hundreds of years, West Africa has continued to work in an integrated way. The continued cross-border ties among ethnic groups attest to the porosity of regional borders, a porosity that has enabled family groups and clans to keep living together even if they are on different sides of a border. Like other West Africans, the region's agricultural entrepreneurs have, since the days when millet was traded for salt, continued to exploit the comparative advantages of different agricultural zones by trading where it makes sense, even when it is not within their own countries.

These trading patterns have resulted in large flows of livestock from production countries in the Sahel, where climatic conditions and relatively lower population densities allow for pastoral systems, to the coast, where the environment is more hostile to cattle, population densities are high, and purchasing power is generally higher, resulting in high effective demand. Much of West Africa's free flow of people, goods, and services, however, has remained unofficial, never appearing in national statistics. Because the potential of regional trade has been ignored in national development agendas, it has not become the motor for economic development that it could be.

Despite persistent obstacles to trade and transport and the continued dominance of unofficial trade in many sectors, especially staple commodities, there *has* been recent progress in regional integration. It is widely acknowledged that staple goods originating in the ECOWAS zone should be able to move freely across the zone even though in many cases countries have put special restrictions in place to prevent them from moving. Along certain corridors, such as the one from Lomé to Ouagadougou, movement of goods is relatively unhindered. ECOWAS's plans for regional integration are progressing, as seen in the decision to initiate a corridor development structure along the Abidjan–Lagos corridor.

What is more, there is broad consensus that the systems allowing for free trade are largely in place and that most efforts need to emphasize the implementation of already-existing policies. The previous West Africa Trade Hub (WATH) project and the Agribusiness and Trade Promotion (ATP) and Expanded Agribusiness and Trade projects (collectively referred to as the ATP projects) focused on facilitating implementation of policies that had been agreed upon by ECOWAS countries. The projects monitored corridors for road harassment, supported advocacy on implementation of policies, informed the region's

private sector about the content of regional regulations, and assisted private sector efforts to expand markets regionally.

Recently, frustration has been building over the continued bottlenecks to trade and transport. At the same time, momentum to permanently resolve these bottlenecks is increasing. A growing number of new structures and initiatives, some of which originated from previous USAID-funded efforts, have been developed to address these bottlenecks.

This assessment of trade and transport policies in West Africa has been made against this background. It points out the advantages of the existing propensity for intra-regional trade and takes into account the prolonged and ongoing processes towards integration, as well as the recent developments that offer hope if correctly exploited. As one of the first-year deliverables of the Trade Hub and African Partners Network, the assessment seeks to identify trade and transport policy priorities for the project.

2. INTRODUCTION

2.1 BACKGROUND

Currently, West Africa has a large agricultural resource base that is inadequately utilized. Few inputs (such as fertilizer and improved seed) are used, leading to low yields in large areas of land. In addition, it is common for West African producers to sell their produce in fragmented markets where demand is uncertain due to the small size of national economies. Regional processing is insufficiently developed, and cross-border trade is subject to uncertainties and high costs. West Africa's transport costs are extremely high, which reduces the competitiveness of regionally traded commodities, decreases exports out of the region, and increases the final prices consumers pay for the imported goods they depend on.

According to a 2010 WATH study, transport and logistics costs for imports from outside the region moving from Tema to Ouagadougou are five times higher than they are from Newark to Chicago (a similar distance), while the time needed for transport is 50 to 350 percent longer. Additionally, importers in West Africa have to pay on average \$207 in bribes for a twenty-foot equivalent unit (TEU) when two 20-foot containers are carried in a truck. For exports from Ouagadougou to Tema, transport and logistics costs are 130 percent higher and travel time is 140 to 260 percent longer than from Chicago to Newark, another export corridor. Bribes add \$66 on average per TEU to Tema–Ouagadougou transport costs (WATH 2010).

Trade within and transit through West African countries is affected by many barriers that increase the uncertainty of trade and suppress the growth of official, formal trade. This prevents the development of economies of scale in production, processing, and marketing.

Barriers impact trade and transport of both regional value chains (staple commodities that are mostly traded within West Africa) and global value chains (primarily agricultural commodities that are mostly exported outside the region, such as mangoes, shea, cashews, and apparel). These two value chain groups are affected by trade barriers in many similar ways: both are exposed to unpredictability in the *supply* of transport, long and unpredictable transport *times*, highly seasonal fluctuations in the *availability* of transport, and high *costs* for road transport and border crossings. There are also differences in the ways that barriers impact regional and global value chains. Regional trade in staple commodity value chains is far more likely to be unofficial, passing through borders without proper documentation. A greater share of this trade is handled by small and medium-sized traders who, operating without their own trucks, move small shipments across borders.

2.2 EFFORTS OF THE PREVIOUS TWO USAID TRADE PROJECTS

Previous USAID-funded trade projects (WATH and the ATP projects) were at forefront of efforts to address barriers to trade in West Africa. They conducted studies to assess constraints to regional and export-oriented trade; they then developed their own priorities based on the importance of these constraints. Both WATH and the ATP projects worked to address the constraints identified in the studies, typically by operating in a set of priority corridors and collaborating with regional and national partners, both in the public and private sectors.

Despite differences in focus—WATH on export value chains and the ATP projects on regionally traded staple value chains—the projects had similar baskets of policy interventions and, to a large extent, they

collaborated with the same types of partners. Their activities involved advocacy, information dissemination, policy development, private sector association support, high-visibility events, and facilitation of policy adoption. Partly due to the trade projects' facilitation efforts, stakeholders in the region have repeatedly come together to discuss and validate the findings of previous studies. This has helped lead to the emergence of a general consensus on the key constraints to trade and transport.

This section briefly discusses efforts by WATH and the ATP projects and their partners, under four groupings: evidence-building, advocacy, information dissemination, and implementation.

2.2.1 EVIDENCE-BUILDING

Both projects successfully built evidence to be used in moving the regional trade agenda forward.

- **Collection of data on road harassment.** In 2006, WATH began collecting data on road harassment, in collaboration with the Improved Road Transport Governance initiative of ECOWAS and the West African Economic and Monetary Union (WAEMU), which the project had started providing with technical support in 2005. The data collection took place within the framework of the *Observatoire des Pratiques Anormales (OPA)* at WAEMU. It focused on reducing delays and corruption at checkpoints, since this issue was considered a major hindrance to the competitiveness of the West African transport sector. WATH, through contracts with chambers of commerce and shipper's councils, engaged focal points in ports where imported goods arrived and in "dry ports" (inland areas) where imported goods were offloaded and exports loaded. In 2009, the ATP projects began collecting data on road harassment along roads connecting staple commodity export markets and import markets.

In addition to tracking evidence along different routes (although there was partial overlap), the projects collected data on different kinds of trucks. WATH collected data only on trucks that were compliant with rules, which primarily carried containerized loads. The ATP projects, on the other hand, worked with all trucks carrying staple commodities, whether or not they were compliant.

The data collection was published quarterly by WAEMU; it was then shared in regional meetings. The information gathered was commonly shared with regional and national partners from 2006 through 2013. It became well-known in the region. Borderless Alliance, which was founded in 2010, continues to highlight this data.

- **Technical reports.** Both projects, but particularly WATH, published numerous reports demonstrating the obstacles to transport and trade and discussing possible policy options for addressing these obstacles. In addition to the studies discussed above, an influential "Transport and Logistics Costs on the Tema–Ouagadougou Corridor" was put out by WATH in 2010. The genesis of this report was questions about the extent to which road blocks significantly reduced transport efficiency, or whether other, perhaps more significant, factors were at play.

Interviews with more than 100 stakeholders in 2008 led to the conclusion that there are a number of general obstacles and barriers to trade—such as high costs, long transit times, uncertain costs and transit times, and corruption—that greatly hinder transport efficiency in West Africa. The study also found that import costs are far higher than export costs, and that imports take longer and involve more bribes and uncertainty. In addition, to some extent transport costs for imports partly cover transport costs for exports. Finally, the study determined that bribes on the roads are only a portion of overall bribes, and are not particularly important in the overall cost structure.

- **Documentation of regional trade.** Once it started to be shared in the region, the ATP projects' trade data collection, which was initially part of the projects' compilation of indicator data, provided powerful proof of the importance of regional trade. Data collection took place in export and import

markets for the projects' targeted staple commodities. Private value chain associations that received project grants for their work gathered data on maize, millet, sorghum, rice, and large and small ruminants in five countries (Benin, Burkina Faso, Ghana, Mali, and Nigeria).

The ATP projects also conducted a month-long study in October 2012 (Josserand 2013) in different parts of West Africa to capture a rough estimate of all trade flows throughout the region for the same target commodities. In preparation for the 2013 Food Across Borders conference, the project analyzed these two efforts and compared their documented trade flows to official trade figures. At the end of the project, the project's data collection was transferred to the Permanent Inter-State Committee for Drought Control (CILSS), which continues to collect the data.

2.2.2 ADVOCACY

Throughout their periods of implementation, both WATH and the ATP projects supported advocacy efforts by their private sector partners. They regularly held events such as road and market shows and also engaged in efforts to address specific bottlenecks, such as value-added taxes (VAT) in Senegal and seasonal restrictions in Burkina Faso. The ATP projects also brought staple value chain associations to ECOWAS to advocate for changes related to trade in their commodities. Two advocacy initiatives were particularly effective:

- **Creation of Borderless Alliance.** Borderless Alliance was established in 2011 to advocate on issues related to transport and trade. During the last two years of WATH, Borderless became a structured, visible advocacy organization that was well-connected to regional efforts. In 2012, it began to broaden its base to include staple commodity organizations. Although its base is still shallow, since February 2014 the regional livestock association (the *Confédération des Fédérations Nationales de la Filière Bétail/Viande*, or COFENABVI) has been a member of the alliance's Executive Council.
- **The Food Across Borders conference** in January 2013. This conference proved to be a major event in advocacy on constraints to regional trade in staple commodities. The conference resulted in the adoption of the "Accra Agenda," which includes a road map and partner commitments for addressing the constraints. CILSS and HubRural organized a follow-up effort, which involves many of the staple commodity associations and other organizations participating in the conference, such as the *Réseau des Organisations Paysannes et des Producteurs Agricoles de l'Afrique de l'Ouest* (ROPPA).

2.2.3 INFORMATION DISSEMINATION

The ATP projects and WATH also worked to inform private sector actors about the documents required for trade, since ignorance of trade rules is a major barrier to regional trade. The ATP projects coached actors during market shows and value chain meetings, and developed small laminated cards that listed documents required for trade. WATH used a number of media, including the following:

- **AGOA Resource Centers.** These centers provided information on requirements and delivered coaching to those interested in exports under the African Growth and Opportunity Act (AGOA). A total of 13 AGOA Resource Centers were established under WATH.
- **Border Information Centers.** Border Information Centers (BICs) were developed under WATH and continue to operate under Borderless Alliance. There are five centers, one each at the following locations: Ghana–Togo border (Aflao/Kodjoviakopé), Burkina Faso–Ghana border (Dakola/Paga), Nigeria–Benin border (Semé/Kraké), Port of Dakar (at *Conseil Senegalais des Chargeurs*), and Côte d'Ivoire–Ghana border (Noé/Elubo).

2.2.4 IMPLEMENTATION

The frustrations involved in fostering policy implementation, which are equally true for trade and transport policies, were summed up well in WATH's 2008–2011 final report (WATH 2011a):

A critical and enduring challenge to sustainably reducing transport costs is the design of effective reform measures. Governments have announced many initiatives during the past four years to remove trade barriers and reduce road checkpoints, but few of them have resulted in lasting improvements, primarily due to the difficulties in translating good intentions and policies into effective procedures.

It has been easier to make progress in business development than in implementation of trade and transport reforms that would result in lasting changes along borders and roads. At times, reforms such as the lifting of road barriers have succeeded in reducing delays and decreasing bribes paid, but there has frequently been back-sliding, with bribes and stoppages gradually returning. The result is the current border and road situation: continued bribes and delays that discourage trade and business and make costs soar.

The path to policy reform and implementation is long, particularly when regional processes are involved. The past policy work of WATH and the ATP projects has shown some ingredients that foster success:

- **Development of local platforms for advocacy.** Both projects fostered change from the bottom up, by engaging the actors themselves to advocate for change. Although it is hard to find successfully implemented policy reforms or measures, the projects' success in engaging partners is visible in the region. Due to the efforts of the ATP projects and WATH, Borderless Alliance, COFENABVI, and even the new West Africa Grains Network (WAGN) are helping drive change today. CILSS is now not only collecting trade data and road harassment data, but is also implementing road shows to help remove barriers.
- **Engagement of those at highest levels of decision-making.** Both projects found high-level advocates to help push the agenda further; both successfully engaged national ministers in their efforts. However, due to frequent changes among the region's ministers and the relatively concentrated power structures, this may not be enough. As frequently expressed by the region's stakeholders, change will only come when the very highest level of the national governments—the presidents—are engaged.
- **Progress at the regional level.** This is a necessity, but it takes time and may be best advanced through successes at a lower level. Given the challenges that regional organizations, particularly ECOWAS, have faced in implementing regional integration policies, and given the often-frustrating relationships between ECOWAS and national governments, both WATH and the ATP projects sought bilateral and national engagement while continuing to work at the regional level.

2.3 CONTEXT FOR THIS STUDY

This study is based on reports and other work done by the previous USAID trade projects. WATH's "Regional Agricultural Transport and Trade Policy Study" (WATH 2011c) involved interviews in four countries and analyzed previous studies to assess trade and transport policy bottlenecks. ATP's report "Barriers to Staple Food Trade Among ECOWAS Countries" was based on interviews conducted in four countries. It focused on the project's target value chains, identifying barriers to trade in them. In addition, the ECOWAS-USAID Food Across Borders conference (ATP 2013) identified five priority constraints to trade and pointed out potential solutions, which were then discussed by value chain actors at the conference. In 2009, WATH prepared the "Gap Analysis: ECOWAS Free Trade Area,"

which analyzed gaps in the implementation of that scheme's protocols. The project interviewed hundreds of public and private sector stakeholders in eight countries to identify their views on impediments to implementation. Those findings were then compared to the actual legislation in place in each country. The report was validated during a USAID-ECOWAS high-level meeting in June 2011 (see Section 3.1).

Because of the scope of their mandates, WATH and the ATP projects did not focus much on understanding and alleviating barriers to trade in inputs, seed, and fertilizer, which are key to improving the quality and quantity of outputs traded. During the past year, there have been studies on seed and fertilizer in West Africa, including trade in these products, by the World Bank and WAFP. These studies

Text Box 1: Development of ECOWAS

ECOWAS was established to promote cooperation and development; remove constraints to trade and free movement of persons, goods, and services; and harmonize national sectoral policies. The regional integration process initiated in West Africa was seen as a boost for the African Economic Community. Under the 1975 Treaty of ECOWAS, decisions made by the Authority (the organ of the Heads of State) and the Council of Ministers were not directly applicable in member states. Instead, member states had to incorporate these decisions into their own legislation, enacting laws and making regulations to put in place the provisions contained in ECOWAS decisions.

This model quickly showed itself to be problematic: the Authority's mandate was unclear; the Council could not direct member states; the Council's decisions had to be unanimous, which slowed down processes; and the Executive Secretariat (today's Commission) had little decision-making power. Decisions had no binding force, except those related to non-payment of financial contributions.

To address these problems, the Treaty was revised to enable diverse reforms. The Revised Treaty, signed in Cotonou on July 24, 1993, moved ECOWAS's focus from regional cooperation to regional integration. It outlined steps for a common market and shared currency, and delineated political arenas for achieving cooperation. Significantly, the Revised Treaty made the decisions of Heads of State (the Authority) binding on member states and community institutions.

Greater changes came in 2006, when the ECOWAS Executive Secretariat became a Commission, with wider powers and an improved structure for effectiveness. Legal instruments were revised in order to accelerate regional integration. The Commission can adopt rules (also called implementing regulations or enabling regulations) on the execution of acts; they have the same legal force as the acts. In addition, any regulation and its associated rules became automatically binding and directly, immediately, and simultaneously applicable in all member states after publication at regional and national levels. This means that domestic legislation is not needed.

Source: Adapted from Dimithe 2014

will form a basis for analyzing barriers to trade in these two inputs, so that the Trade Hub can define a potential role in alleviating constraints and barriers to trade in inputs.

Moreover, in the past year, since the end of WATH and the ATP projects, there have been new developments and studies to be taken into account. There has been progress in various policy areas—the project should build its efforts on this progress. One important policy advance has been the adoption of the Common External Tariff (CET), which comes into effect on January 1, 2015, although unfortunately it has a long and nebulous adoption period. Other advances include the signing of the supplementary act to harmonize axle loads; revision (but not yet conversion into a supplementary act) of the Inter-State Road Transit (ISRT) convention to conform to the implementation of the regional electronic transit system (called ALISA); the so-called “road map,” which is a series of agreed-upon reforms in the implementation of harmonized axle load limits; and the adoption of the Abidjan–Lagos treaty by the ECOWAS Heads of State, effectively establishing for the first time a corridor management framework in West Africa.

In addition to these policy advances, there have been new initiatives and developments. First, Ghana's presidency of ECOWAS may offer an incentive for Ghana's leadership to showcase the country's seriousness about regional integration by implementing agreed-upon

trade-related ECOWAS policies. Second, follow-up to the Food Across Borders conference has started. Two meetings have been held—one in January 2014 in Ouagadougou and another in April 2014 in Cotonou. It is natural for the project to remain involved with this reform-minded group, particularly to ensure continued private sector participation and to focus on concrete changes in the regional trading environment.

Third, in 2013 the presidents of the ECOWAS member states requested President Compaoré of Burkina Faso to initiate a task force to address issues related to regional trade. This included organization of a Citizens' Forum in Ouagadougou on July 3-5, 2014, which focused on free movement of people and goods. USAID and the Trade Hub participated in the forum. This effort provides another way to push forward the regional trade agenda, and possibly to link it with Ghanaian initiatives.

Finally, although USAID has been by far the largest supporter of trade and transport facilitation efforts in West Africa, many other donors have become increasingly involved in trade efforts in recent years, including the UK's Department for International Development (DFID), the German Society for International Cooperation (GIZ), the Japan International Cooperation Agency (JICA), the African Development Bank (AfDB), the World Bank, and the European Union (EU). Together, the various initiatives within the region show that there is renewed commitment to tackling trade issues.

Text Box 2: Background on Development of the ECOWAS Trade Liberalization Scheme

The ECOWAS Trade Liberalization Scheme (ETLS) was established in 1975 through the ECOWAS Treaty, and came into existence in 1979. It was formalized through protocols and decisions. ETLS is the “main ECOWAS operational tool for promoting the West Africa region as a free trade area” (www.ECOWAS.int, consulted May 25, 2014). ETLS seeks liberalized, duty-free, and tariff-free travel within the region; abolition of non-tariff barriers; and consistent application of tariffs for imports into the ECOWAS region.

To reach these goals, ETLS has established a customs union with a Common External Tariff (CET). Originally the ETLS scheme covered only agricultural goods, artisanal handicrafts, and unprocessed products, but in 1990 the benefits were extended to industrial products. By 2003, ECOWAS adopted a protocol that defines products originating in the ECOWAS region, including “wholly produced goods” (whose raw materials originate completely in the region), goods that are not “wholly produced” but whose production requires exclusive use of materials produced in the region, and those whose production requires materials that are at least 30 percent value-added. Goods produced in free zones or under other special schemes do not qualify for ETLS status.

Under ETLS, unprocessed goods and artisanal products are free to move within the community; no certificate of origin is needed. For processed goods, the company and product need to follow an approval process outlined by ECOWAS. First, the enterprise has to send a completed application and supporting documents to its home country ministry responsible for ETLS matters. The ministry then sends the completed application form to members of its National Approvals Committee. The committee approves or rejects the application and sends its recommendations to the responsible ministry, which forwards the application to the ECOWAS Commission. If satisfied, the Commission notifies the member state of the recently approved enterprise and products. Following this, the approved enterprise can obtain certificates of origin for its approved products from the ministries.

3. METHODOLOGY OF THE ASSESSMENT

The goal of the Trade Hub and African Partners Network is to increase regional and export trade along targeted corridors. In pursuit of this goal, the project seeks to achieve two critical intermediate results, one of which is to improve the business enabling environment by addressing transport constraints and trade barriers affecting the efficiency of the region's corridors and borders. The project's efforts to strengthen trade and transport policies and facilitate implementation of those policies feed directly into this result.

As elucidated by the Food Across Borders conference last year, there is a limit to what regional organizations like ECOWAS can do to address many of the day-to-day constraints facing traders. ECOWAS can guide, advise, and educate, but the next concrete steps, in many instances, need to take place at the national level and at the border crossings themselves. For this reason, this assessment recommends that a good deal of the enabling environment work take place at the corridor level. Furthermore, it is recommended that the project start with a corridor that is not only important in terms of the project's value chains but that involves only two countries—two countries that have a critical mass of public and private stakeholders with the knowledge, experience, and willingness to undertake the needed reforms. This will allow for more rapid progress and lead more quickly to lessons learned that will allow for scaling up by both the project and other stakeholders. In the project's assessment, the corridor that best fits these criteria is Tema–Ouagadougou.

The project's diverse activities—in policy facilitation, business development, market information, access to finance, gender, and capacity and institution building—are to be funneled along specific trade corridors, in order to instigate beneficial, synchronized changes that will result in increased trade in targeted value chains. For this reason, this assessment sought to identify a set of priorities based on previous studies, and then place them in the corridor context. Once initial sets of priorities were identified for each corridor, they were discussed with private sector stakeholders. These interviews also yielded quantitative, current information on the presence of some of the barriers.

It would be misguided, however, to place all policy efforts in the corridor context. As recognized by the previous USAID projects, there are often important opportunities to advance the policy agenda by playing a facilitative—and at times leadership—role at the regional level. This has included efforts related to the development of a transport observatory through ECOWAS-WAEMU collaboration, support to initiate Borderless Alliance, and support for events such as the Food Across Borders conference. Therefore, this assessment also focused on initiatives and investments that can be made at the regional level to help reduce trade barriers.

Some of the work on this assessment was undertaken by the consultant alone and some by the Trade Hub's Transport and Trade Enabling Environment (TTEE) team and the consultant. The consultant reviewed existing literature, including reports published by previous USAID-funded trade projects and those prepared by other experts. The trade and transport policy priorities identified in these reports, as well as the changes that have occurred recently in the trade and transport policy context, were discussed within the TTEE team. The consultant and the TTEE team then developed an initial set of priorities by corridor, which formed the basis for discussions with private sector stakeholders in

separate interviews and during the Citizens Forum in Ouagadougou in July 2014. The consultant also met with other donors and projects, in person or through Skype, to discuss their ongoing trade and transport policy efforts.

This assessment first briefly describes the methodology followed, and then presents changes in the regional context in the past couple of years. It describes the project's four target corridors, the reasons for their selection, and the commodity trade flows along the corridors. The assessment also proposes trade and transport policy priorities for the project, which are discussed by corridor. In a separate section, it explains issues related to trade and transport of seed and fertilizer, as these inputs were not the focus of previous projects and they face some different issues, including those related to the regulatory context. At the end, the report suggests additional regional policy-related interventions.

3.1 PRIORITY-SETTING EXERCISE

Numerous studies and reports have assessed trade and transport policy constraints in West Africa and developed priority actions to address those constraints. For assessments, including ones on general merchandise transported from the port to the hinterlands and others on regional and export trade for the target value chains, this assessment relied principally on analysis of four reports published by WATH and the ATP projects:

1. The report “Regional Agricultural Transport and Trade Policy Study” (WATH 2011c)
2. The report “Barriers to Staple Food Trade among ECOWAS Countries” (ATP projects 2011)
3. Recommendations of the ECOWAS-USAID Joint High-level Experts Meeting on Implementation of the ECOWAS Trade Liberalization Scheme, June 13-14, 2011, Accra, Ghana (WATH 2011b), which considered the findings of validation of the WATH's ETLs gap analysis (WATH 2009)
4. A report on priorities identified during the ECOWAS-USAID Food Across Borders conference, January 29-31, 2013 (ATP projects 2013)

These studies took quite different approaches to identifying constraints. The “Regional Agricultural Transport and Trade Policy Study of 2011” focused on identifying “baskets” of constraints and solutions (i.e., sets of underlying factors that negatively impact trade and transport in general in the region). The ATP projects’ “Barriers to Staple Food Trade among ECOWAS Countries” analysis and the Food Across Borders conference report, on the other hand, principally focused on identifying specific malpractices in staple commodity trade. Brief descriptions of the reports follow.

1. **WATH’s “Regional Agricultural Transport and Trade Policy Study.”** This study was prepared by two teams—one on transport, the other on trade. They conducted interviews in Burkina Faso, Ghana, Mali, and Senegal during a four-week period in October and November 2010. The interviews focused on the highest-priority transport and trade policy constraints to efficient agricultural trade. The transport component concentrated on infrastructure efficiency and transport competitiveness. It analyzed in detail the ECOWAS-WAEMU joint border post initiatives. The policy component used USAID’s Agribusiness Commercial, Legal, and Institutional Reform (AgCLIR) interview guide, which addressed the legal framework, implementing institutions, supporting institutions, and social dynamics as underpinnings for each constraint analyzed. The team also analyzed previous studies undertaken by WATH (WATH 2009; WATH 2010). The “Regional Agricultural Transport and Trade Policy Study” identified priority constraints for the cereal and livestock value chains and for the transport sector, and recommended various actions to address them. The constraints identified were related to broad factors or underlying causes (e.g., a reliance on oral contracts, a lack of information on cereals,

and an uncompetitive market for the transport sector), rather than on specific policies that hinder trade and transport.

2. **The ATP projects’ “Barriers to Staple Food Trade among ECOWAS Countries.”** This report was based on interviews with stakeholders in the ATP projects’ target value chains in Burkina Faso, Ghana, Mali, Niger, and Senegal. The interviews were conducted in May and December of 2009 and April and June 2010; they covered all six of the projects’ target value chains: maize, livestock, and onion for ATP; and rice, millet/sorghum, and poultry for E-ATP. The report identifies six to eight barriers for each value chain (except poultry, where only three were identified).¹ The barriers identified in this study were particular policies or, more commonly, lack of implementation of particular policies.
3. **The ETLS gap analysis and the validation of the ETLS gap analysis.** To complete this study, WATH interviewed public and private sector actors in eight countries. The respondents were asked about their views on the implementation of various aspects of the ETLS protocols, and were requested to compare actual implementation to the agreed-upon regulations. Overall, they judged free movement of persons, goods, and transport to be inadequate, but responses varied by country. Only 36 percent (Benin) to 61 percent (Togo) of respondents viewed free movement of persons as being implemented; the percentages of respondents who considered free movement of goods as having been implemented ranged from 47 percent (Ghana) to 71 percent (Côte d’Ivoire); and for transport, 34 percent (Nigeria) to 75 percent (Burkina Faso and Niger). The results were validated in a June 2011 meeting organized by WATH, which was attended by ECOWAS Commission representatives from 13 member states. In addition to validation, the participants re-committed to full implementation of the ETLS, a move that was seen as providing the high-level support needed from ECOWAS, the private sector, and donors to make ETLS function with existing information and monitoring systems. The meeting also recommended actions such as advocacy through ECOWAS-WATH high-level ministerial meetings, information centers at borders, national hotlines, information dissemination on ETLS, and further gap analysis studies.
4. **The report generated by the ECOWAS-USAID Food Across Borders conference.** In preparation for the conference, and based on previous analyses and discussions with cereals and livestock value chain actors, the ATP projects identified five priority constraints to trade in staple commodities: road harassment, export restrictions, certificates of origin, sanitary and phytosanitary (SPS) requirements, and uneven application of VAT. Information briefs were developed on each of these constraints, summarizing current regional policies, pointing out the gaps between policy and implementation, illustrating the costs of non-implementation, and describing the actors who pay these costs. Policies were in place to address most of the constraints, but implementation was lagging behind. These five constraints were discussed in working groups, which debated potential solutions and then made presentations to the plenary. The conference resulted in adoption of the “Accra Agenda,” which charts a way forward for the public and private sectors to work together to resolve constraints and advance free trade.

As seed and fertilizer were not covered under these studies, the consultant made separate assessments of the barriers to seed and fertilizer trade through a literature review and based on a previous study, which had involved a regional review and interviews with diverse seed and fertilizer sector stakeholders in Burkina Faso, Liberia, Mali, and Nigeria (Eilittä 2014).

¹ As poultry is not included in the Trade Hub, the poultry-focused barriers are not addressed in this assessment.

3.2 CORRIDOR MAPPING EXERCISE

ECOWAS has identified a set of 10 corridors in West Africa (Figure 1). These corridors form a network that allows any one corridor to access the other corridors.

Figure 1: ECOWAS Trade Corridors in West Africa

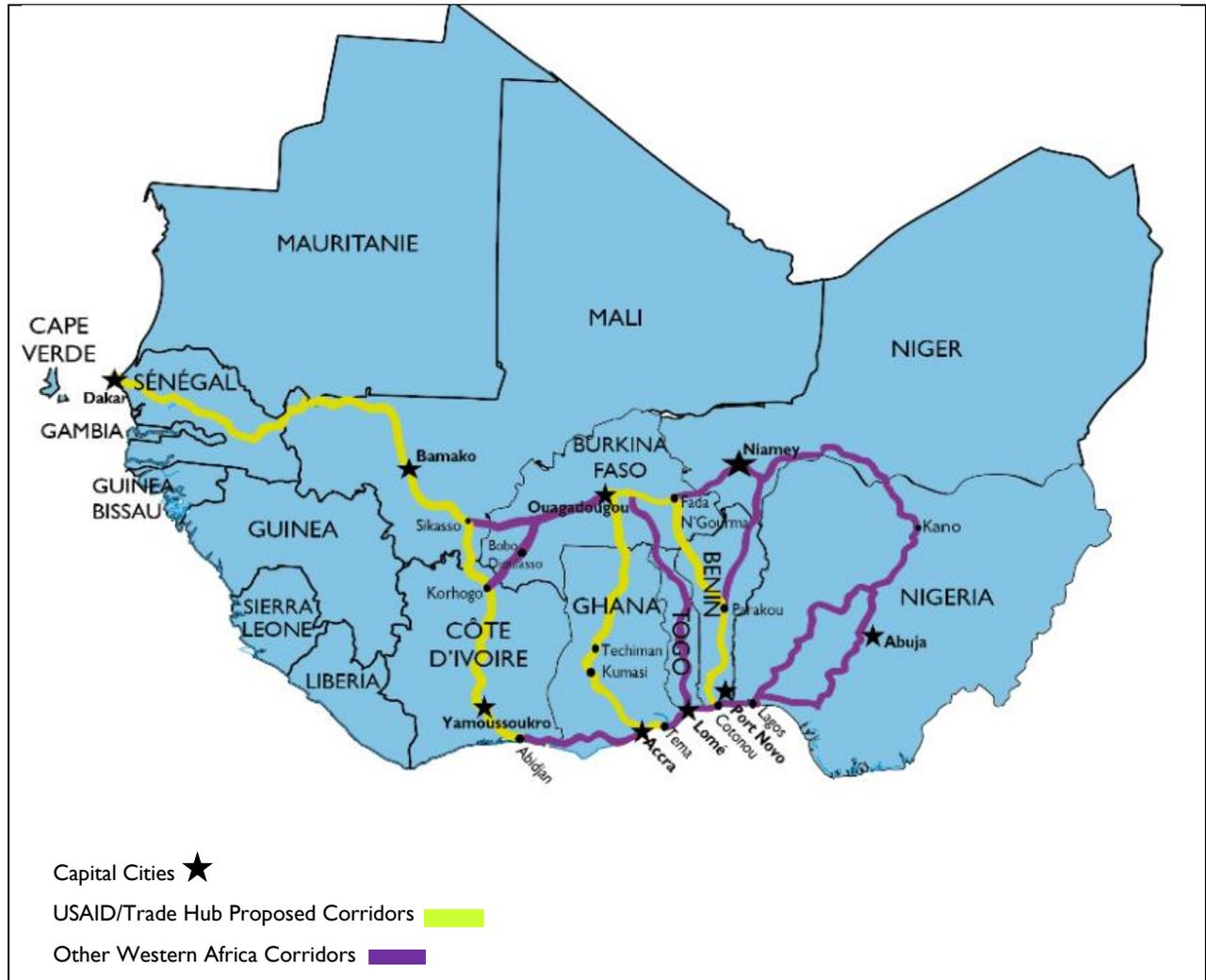


Source: Fong 2013

From these ECOWAS corridors, the project team and the consultant selected a set of target corridors. The selection was based on three key criteria: 1) selected corridors should cover a minimum of one, but preferably several, of the project’s value chains; 2) selected corridors should possess potential for increasing trade in the project’s target value chains; and 3) selected corridors should, to the extent possible, not overlap with similar ongoing efforts. Based on these criteria, the project selected four target corridors (see Figure 2) and characterized them by the value chains traded and the priority constraints for those value chains. These corridors will be the focal points not just for policy work, but for the entirety of the project’s activities. The target corridors are:

- Tema–Ouagadougou
- Abidjan–Bamako
- Dakar–Bamako
- Cotonou–Parakou–Fada N’Gourma–Ouagadougou

Figure 2: Trade Hub and African Partners Network Target Corridors



4. THE CHANGING REGIONAL CONTEXT

In the past year, there have been a number of changes in the regional context for policy work; these changes need to be taken into account in designing priorities for Trade Hub activities. There has been considerable progress in policy efforts at the ECOWAS level, with CET implementation, the corridor management effort, adoption of harmonized axle load regulations, and revision of the ISRT protocol all underway. Another important factor is an increase in momentum for improved trade and transport conditions by regional actors themselves. CILSS is regularly publishing regional trade and road harassment data; the follow-up to the Food Across Borders is organized; and President Compaoré is leading efforts to remove trade obstacles, at the request of ECOWAS Heads of State.²

Finally, in the past few years there has been a surge of donor interest in trade and transport issues, and many donors are currently engaged on this subject. The project should build on the policy progress, regional initiatives, and other donors' initiatives. The Trade Hub should also draw on the momentum created by Ghana's presidency of ECOWAS and Ghana's President's chairmanship of the African Union Trade Commission to move the trade and transport reform agenda forward in a significant way.

4.1 REGIONAL POLICY PROGRESS

Common External Tariff. After a long process, the ECOWAS Heads of State approved the CET on March 20, 2013. Although it comes into effect on January 1, 2015, its adoption period is long. The CET for ECOWAS was foreseen in 1975 and fast-tracked in 1999 and 2000 by the ECOWAS Presidents, but it was only in 2013 that the ECOWAS Finance Ministers agreed on the difficult issue of the regional tariff regimes for West Africa. It is clear that, if successfully implemented, the CET will greatly advance the cause of regional integration.

Following an ECOWAS decision in 2006, the new tariff regime is based on WAEMU's four-band regime, which was adopted in 2000. One new band (35 percent) was added to these four, mainly due to pressure from Anglophone countries. It is to be applied to "specific goods for economic development," which refers essentially to goods manufactured domestically that a country considers in need of protection. ECOWAS will undertake additional support measures through regulations. A 1.5 percent Community Integration Levy will also be collected, combining the ECOWAS community levy and the WAEMU community solidarity levy. Importantly, during the transition period, countries will be able to keep rates on 3 percent of their tariff lines that diverge by up to 70 percent from the agreed-upon rates. Table 1 presents the ECOWAS CET categories and the number of tariff lines in them. The CET protects West Africa's agriculture: of all agricultural tariff lines, 55 percent are in the 20 percent or 35 percent band. Ninety percent of the lines in the 35 percent band are agricultural. Within the 0 percent band, there are no agricultural lines (De Roquefeuil et al. 2014).

² In the long run, ongoing trade discussions with Europe and the U.S. are likely to have great impact on the ways in which West African trade and transport conditions evolve, but as negotiations are ongoing, they will not be considered here.

Table 1: ECOWAS Common External Tariff Categories and Tariff Lines

Category	Description	Average Duty Rate	Number of Tariff Lines
0	Essential social goods	0%	85
1	Goods of primary necessity, raw materials, and specific inputs	5%	2,146
2	Inputs and intermediate goods	10%	1,373
3	Final consumption goods	20%	2,165
4	Specific goods for economic development	35%	130

Axle load regulations. The harmonization of axle load regulations is also advancing. On February 17, 2012, the ECOWAS Heads of State signed the Regional Axle Load Supplementary Act SP. 17/02/12, which harmonizes axle load control standards and procedures in member states. Information on this supplementary act does not seem to be widely disseminated in the region, however, and implementation has been slow. More recently, the ECOWAS ministers in charge of roads, infrastructure, and transport have agreed on a road map to implement the axle load supplementary act and other measures for improving transport conditions, such as fleet upgrading and efforts to improve professionalism. Axle load issues are politically sensitive, since they are connected to the cost of freight and the level of fleet utilization, and both of these factors affect profitability. WATH studied this issue, putting out a report on the impact that implementation of axle load rules had in Ghana. That project also supported advocacy and information efforts for truckers.

Efforts to reduce axle loads in countries where they are higher than in the neighboring countries have usually led to increases in freight rates and reductions in traffic in that country, since importers can relatively easily switch to using another port, given West Africa’s geography. Because trucking rules are not liberalized across the region, these reductions impact the trucking industry in the country where new limits are enforced. Given how interconnected the region is, and the large amount of through-traffic for imports to landlocked West African countries, harmonization of axle loads should be in every country’s interest. When implemented separately from the other reforms, however, problems arise, with stakeholders vocally advocating for their removal or non-implementation.

Corridor management. For the first time in West Africa, there has been policy-level progress on corridor management. On April 1, 2014, the Heads of State of Benin, Côte d’Ivoire, Ghana, Nigeria, and Togo signed a treaty that establishes the ECOWAS Abidjan–Lagos Corridor. This requires the five countries to construct and manage a six-lane road and establish a corridor management authority. The member states agreed to develop and harmonize their trade and transport facilitation procedures along the corridor. Harmonization will take place in diverse agencies, such as maritime port facilities, routes and facilities, customs control, immigration, police, and other agencies. Harmonized procedures will affect routes and facilities; documentation; transport of goods by road, rail, and other means; multimodal transport of goods; corridor development; handling of hazardous materials; and measures to facilitate the work of transit agencies.

Inter-State Road Transit convention. Within the corridor management framework, there has also been significant progress in revising (but not yet converting into a supplementary act) the ISRT convention. The revisions will lead to implementation of the regional electronic transit system (named ALISA) and to progress on the ECOWAS “road map,” the series of transport reforms that includes implementation of axle load regulations. ALISA, when implemented, will promote containerization, which would eliminate the need for transit escorts and frequent checks along the corridors. ALISA will

also eliminate the need for bilateral data exchange programs, allow for harmonization of customs tariffs and transit fees, and enable implementation of a regional bond guarantee paid to the private sector. Other results of ALISA implementation will include establishment of logistics parks to consolidate goods in containers, development of cross-docking services, and centralization of axle load controls and inspections. Vehicles will be tracked throughout their trips.

4.2 REGIONAL INITIATIVES ON TRADE AND TRANSPORT

In addition to these policy advances, there have been new developments that have the potential to move regional trade efforts forward. CILSS has assumed a leadership role in highlighting regional trade flows. It has continued the data collection effort begun by the ATP projects, and is now publishing regional trade figures monthly, sharing them widely, and highlighting regional trade issues in various fora. Donors have expressed interest in expanding this data collection. For example, the Millennium Challenge Account is interested in trade data collection in all of its focal countries.

CILSS also took over the ATP projects' initiative to collect and publish road harassment data in the staple commodity trade. The data collection effort of WAEMU on the port-to-hinterland corridors also now continues, but unfortunately there was a year's break, between July 2013 and July 2014, as WAEMU was late in developing the contracts. The EU has recently awarded a contract to WAEMU to extend road harassment data collection to all 15 ECOWAS countries.

CILSS is actively participating in follow-up to the 2013 Food Across Borders initiative. This initiative now includes a large number of partners, and a proposal for follow-up activities to address the identified constraints is being finalized for USAID and the Canadian International Development Agency. Finally, as mentioned in Section 2.3, at the behest of the presidents of the ECOWAS member states, President Compaoré has established a task force to address regional trade issues. This provides additional opportunities to advance the cause of free trade and greater integration.

4.3 INCREASED DONOR INTEREST IN TRADE AND TRANSPORT ISSUES

There is a growing list of donors involved in trade and transport issues in West Africa, including the following:

- **Japan International Cooperation Agency.** JICA has three policy advisors based in WAEMU: two in customs and one in infrastructure. The agency's customs work includes developing a strategy paper for harmonizing customs in the WAEMU zone and a road map for implementation, including necessary policy and regulatory changes. JICA has also financed the joint border post at the Togo–Burkina Faso border. Although the building for the post has been constructed, the two countries' efforts have not been synchronized and the focus is now on establishing an organizing committee. The agency is supporting Borderless Alliance's efforts to reduce road harassment on the Lomé–Ouagadougou corridor. Finally, JICA is planning to become further involved in corridor development; it will select a geographic focus and develop project plans for its work after a diagnostic survey that will take place in September 2014 along three corridors: Lomé–Ouagadougou, Tema–Ouagadougou, and Abidjan–Ouagadougou.
- **Department for International Development.** DFID has recently funded the West Africa Food Markets project, which focuses on increasing food production and regional trade along key corridors connecting Burkina Faso, Ghana, Niger, and Nigeria. The project targets specific commodities and works mainly through grants to the private sector. Trade and transport policy

issues addressed by the project will focus on specific constraints that the grantees face, and will therefore be defined once the grants have been awarded. In addition, DFID is funding a study in August-October 2014 on trade issues in West Africa, with a predominant focus on infrastructure and transport but with also some emphasis on trade facilitation.

- **German Society for International Cooperation.** GIZ will have a team of five staff to work on trade issues in its Abuja office by the end of 2014. They will be supporting implementation of CET and a fiscal reform program, providing training on trade policy issues, and helping make ETLs work by addressing non-tariff barriers and developing compliance mechanisms.
- **World Bank.** The World Bank is focusing on trade facilitation in West Africa, as well as in the entire sub-Saharan region. The West Africa Trade Logistics Projects (2014–18) has planned activities to collect baseline data, focusing on inland borders, establishment of a private-public dialogue framework between the trade community and border agencies, development of a scorecard on compliance of international and regional agreements on trade, streamlining processes and documents, enhanced risk management systems, automated customs procedures, implementation of mobile technology for trade-related payments, and information dissemination.
- **European Union.** The EU has changed its plan to construct seven border posts, instead only financing the three that have already been completed (Benin–Niger, Nigeria–Benin, and Ghana–Togo). It will focus on sensitizing governments on the joint border posts and on implementation, including procedures and equipment. The EU has also just signed off on a project to enlarge OPA to cover the entire ECOWAS zone, focusing on road harassment and road and traffic conditions. The expanded OPA would provide information through the *Système d'Information Routière*, which would track the physical condition of roads and develop a database on roads. The EU will also work on trade facilitation and has made plans for customs training. The EU's 2015–2020 development program will include infrastructure development funds only for Mali and Niger. Expected areas of work include trade facilitation and transport.
- **African Development Bank.** The AfDB's strategy for regional integration in West Africa highlights two pillars: linking regional markets and building capacity for effective implementation of the regional integration agenda. Its focus on regional markets includes efforts in regional transport infrastructure, transport and trade facilitation measures, and regional energy production and markets integration. A focus on capacity building will involve efforts to strengthen the capacity of ECOWAS, WAEMU, other regional institutions, and national entities for the integration agenda. Plans include research, training, and studies aimed at improving the knowledge base on regional integration in West Africa.

Together, these various initiatives in West Africa show renewed commitment to tackling trade-related issues. The involvement of multiple players, however, also requires a careful assessment of priority focal areas, so that the Trade Hub can take advantage of complementarities, avoid overlap, and maximize its impact in the short project timeframe.

5. PRIORITIES FOR WORK: TRADE IN OUTPUTS ON TARGETED CORRIDORS

The proposed future priorities build on the lessons learned during previous projects and on the current context for policy work. They also take into account the changed structure of the Trade Hub, especially the small size of the team, by emphasizing integrated efforts among project staff and close collaboration with partners to effect change. The project's approach to improving the trade and transport enabling environment should be threefold, emphasizing:

1. **Corridor activities** to generate measurable, visible change that will result in increased trade on the corridors by removing constraints. Momentum at the corridor level will also have a demonstration effect within the region, further driving change.
2. **Focused activities in seed and fertilizer trade**, with selection to be finalized in discussions with other projects working in these areas.
3. **Regional engagement** to drive the trade and transport policy agenda and give technical support to regional organizations, with USAID playing leadership in West African trade issues.

To truly reflect its role as an “African Partners’ Network” effort, for all sets of activities the project should carefully consider the partnerships and methods that should be employed to ensure sustainability and impact. For most activities, the project should not be at the front of the effort. Instead, the “face” of the effort should be the Trade Hub’s diverse partners, such as Borderless Alliance (for issues related to advocacy and transport) and value chain associations (on diverse issues related to their sectors). The project’s role should be to deliver technical support for implementation, help guide efforts to ensure a positive impact on trade, and—in many cases—serve as an “honest broker” to facilitate complex situations involving many projects and overlapping interests. The project should not be afraid to assume leadership when it is needed, such as during the initial stages of the outlined activities, but the general principle should be to emphasize visible leadership by partners.

The previous projects helped amass a wealth of information on obstacles to trade in the context of specific corridors. They also addressed some specific barriers to trade and transport at the corridor level, provided a great deal of technical support, and facilitated advocacy efforts to address trade and transport obstacles at the regional level. The Trade Hub should continue implementing efforts at the corridor level, but with an approach that is partially new.

As before, the project’s policy activities should principally focus on improving trade and transport practices by driving policy change in a corridor context. Specific constraints have been identified for each corridor; based on those constraints, priorities have been defined for the next three years. Along the project’s target corridors, policy activities should be combined with business development, capacity building, and finance efforts, which will further drive increases in trade. To do this, the project will have to coordinate trade and transport policy efforts with the entire team, since value chain experts have linkages with the value chain actors who need to collaborate on the efforts. Importantly, under the new approach, corridor-specific activities should be tied to the project’s regional engagement efforts.

Not only the types of activities, but also the number of activities carried out should vary by corridor. During the project’s first two years, more activities should take place on the Tema–Ouagadougou corridor. In fact, the project should use the Tema–Ouagadougou corridor to showcase the positive impacts of regional integration and trade. The efforts undertaken along this corridor will not just have positive economic impacts on Ghana and Burkina Faso; they are also likely to generate interest among other countries in pushing for similar changes. In addition, the lessons learned during implementation of specific activities, such as putting ALISA in place along the Tema–Ouagadougou corridor, can guide future efforts elsewhere. This is particularly important for the Abidjan–Lagos corridor, which is ambitious in scope—five countries and a large volume of traffic—and whose implementation will therefore take time.

This section characterizes trade along the chosen corridors and discusses both the constraints common to all target corridors and those that are corridor-specific.

5.1 TARGET CORRIDORS

The project proposes to work on four corridors: Tema–Ouagadougou, Abidjan–Bamako, Dakar–Bamako, and Cotonou–Ouagadougou through Parakou and Fada N’Gourma. Each one is a multi-purpose corridor, combining general merchandise trade from ports to dry ports and regionally produced products that travel the other way. Each corridor also has a mix of trade for regionally produced products (meaning that they are both exported and traded within West Africa).

Table 2: Proposed Trade Hub and African Partners Network Corridors

Corridor	Trade from Port to Dry Port Country	Trade from Dry Port Country to Port Country
Tema–Ouagadougou	Large amount of general goods, some cereals from central Ghana	Large amount of livestock; some cereals, cashews, shea
Abidjan–Bamako	Large amount of general goods from Abidjan port; large amount of maize from northern Côte d’Ivoire	Large amount of livestock from Bamako and elsewhere in Mali; medium amounts of millet and mangoes, cashew, and shea from Mali to Abidjan port
Dakar–Bamako	Large amount of general goods from Dakar port	Large amount of livestock; some millet, sorghum, and yellow maize
Cotonou–Parakou–Fada N’Gourma–Ouagadougou	Some general goods from Cotonou port	Seasonally, part of corridor has large amount of cereal going to Niger; large amounts of livestock, increasing after Pouytenga and Fada N’Gourma, on its way to Nigeria from northern Benin; small ruminants to Cotonou seasonally (during holidays only); shea and cashew to Cotonou port

5.2 CONSTRAINTS IDENTIFIED

The four reports scrutinized identified a number of priority areas for activities, with a relatively large set of issues common to all value chains. In some of these areas, there has been progress during recent years, but in general the issues remain largely unresolved and continue to constrain trade. The issues common to all value chains, which are vital if any progress is to be made, are:

- **Road harassment.** Although the most recently available OPA data covers April–June 2013, CILSS

has continued to collect road harassment data on the staple commodity corridors. OPA data collection is about to start, with contracts signed in all countries but Ghana. Plans are to extend data collection to all ECOWAS countries. It will be important to develop a consensus between OPA, CILSS, and ECOWAS on the way forward, including issues such as harmonization of methodologies and use and sharing of data.

- **Lack of mechanisms to effectively match trucking supply and demand.** The *Conseil Burkinabé des Chargeurs* (CBC) has now finalized its freight-matching platform and it is reportedly somewhat operational within Burkina Faso. In general in the region, however, there is no such system.
- **Poor condition of fleets and lack of adapted vehicles.** The poor condition of vehicles contributes to delays and uncertainty in transport, as well as to increased road harassment. Lack of adapted vehicles is a problem, particularly when transporting livestock. Using ordinary trucks to carry animals requires assistants to be placed on board above the animals to ensure that none get trampled. This is, of course, dangerous and also against regulations that prohibit such mixed transport. Côte d'Ivoire has initiated efforts to facilitate fleet renewal by using tax breaks, but there has been no progress in other countries.
- **Lack of trucking sector professionalism.** This continues to be an issue and was raised by traders and transporters unions alike. Problems include truckers not having papers in order, poor driving practices that result in accidents, and losses and overloading.
- **Unclear and changing practices and rules.** This issue has long been discussed in West Africa. When they are told of a new practice, often while en route, there is little traders and transporters can do to verify it or better understand it, since information is not readily available and goods need to move on. Although some new rules may be official, others are simply invented as excuses for exhorting money.

Table 3: Corridor-Specific Issues for Policy Work

Corridor	Livestock Issues	Cereals Issues	General Goods Issues (Includes Fertilizer)
Tema–Ouagadougou	Veterinary certificates, certificates of origin, road harassment	Phytosanitary certificates, certificates of origin, axle loads	Freight quotas, axle loads
Abidjan–Bamako	Veterinary certificates, certificates of origin, transit document requirements	Phytosanitary certificates, certificates of origin	
Dakar–Bamako	Veterinary certificates, certificates of origin, VAT	Phytosanitary certificates, certificates of origin, seasonal restrictions, requirement to declare “intention to export” to authorities	Freight quotas
Cotonou–Parakou–Fada N’Gourma–Ouagadougou	Veterinary certificates, certificates of origin, laissez-passer at Benin border	Phytosanitary certificates, certificates of origin, seasonal restrictions	Freight quotas

A number of other corridor-specific issues were identified as well. For both livestock and cereals value chains, there were problems related to veterinary or phytosanitary certificates and certificates of origin. There has been little progress in this area. Additionally, exports out of Burkina Faso and Mali are

affected by seasonal restrictions, and on the corridor from Bamako to Dakar the Malian livestock trade faces discriminatory treatment in the application of VAT. Axle loads affect cereals and general goods merchandise on the Tema–Ouagadougou corridor, and freight quotas impact general goods on all but the Abidjan–Bamako corridor.

5.3 ACTIVITIES

The Trade Hub team should pursue solutions to these perennial problems that affect the regional corridors. The project’s TTEE activities should focus on resolving most of the corridor-specific bottlenecks in a bilateral and national context (while continuing to be involved at the regional level), allowing for more rapid progress. The team has designed a set of solutions for each corridor, but has given priority, in terms of the ambitiousness of the range of solutions, to the Tema–Ouagadougou corridor. The project should use this corridor as a pilot intervention, which—by demonstrating the beneficial impact of improved trade conditions and increased trade—would lead to greater political willingness for change along other corridors.

The corridor-specific activities of the TTEE team will result in shorter border crossings, fewer bribes, and shorter delays on the roads. To accomplish this, the team should help facilitate efforts that lead to the development, vetting, and approval—as well as implementation—of a number of policies, regulations, and administrative procedures that will create a framework for expedited trade. The project should take advantage of recent regional developments and the engagement of some governments, particularly in Ghana and Burkina Faso, and should, to the extent feasible, collaborate with other donor-funded activities. Solutions should also take into account other initiatives, several of which are still in development, such as the World Bank-CBC collaboration on the platform to match freight supply and demand, JICA’s corridor development plans, and the West Africa Food Market project’s policy activities. Continued contact with other trade initiatives will be key to harmonizing interventions.

It is crucial that the Trade Hub’s policy-related, corridor-specific activities be closely linked with other project activities. Therefore, as presented below, in each corridor the project policy team should work in close collaboration with the other project staff engaged in business development, finance, capacity building and association development, gender, and communications. Equally importantly, the project should provide grants to partners, including value chain actors, for corridor-related activities. Each partner would address the issues it finds most pertinent, in a fashion most appropriate to its role.

A brief overview of the proposed policy interventions and the problems they seek to address follows. More detailed information about the relationships between the activities and the various corridors is contained in the tables in Annex 2.

5.3.1 TOP-PRIORITY CORRIDOR ACTIVITIES

1. **Support ALISA customs connectivity pilot** to address red tape, duplicate requirements, and delays with transport of freight. The corridor management framework (as agreed upon April 1, 2014, by the Heads of State of Benin, Côte d’Ivoire, Ghana, Nigeria, and Togo for the Abidjan–Lagos corridor) can be a good framework for establishing ALISA, the much-discussed regional electronic transit system. As discussed in section 4.1, ALISA, when implemented, will promote a number of reforms that will strengthen transport procedures and processes.

As the establishment of the Abidjan–Lagos corridor management structure will surely take time, the project should pilot the ALISA system in the Tema–Ouagadougou corridor, to offer a showcase for smooth trade and transport in the region and an incentive for this system’s wider

adoption. The Tema–Ouagadougou corridor can provide lessons learned on implementing ALISA, including showing how it works between a WAEMU country (Burkina Faso) and a non-WAEMU country (Ghana). The Trade Hub should work with the Burkinabé and Ghanaian governments and with ECOWAS and WAEMU to pave the way for the acceptance of the system.

2. **Help improve the system for matching supply and demand for freight** *through extension of the CBC platform to Ghana.* The CBC has developed a web-based platform for truckers to identify shippers and vice versa. This system has apparently been improved lately and is being used to some extent within Burkina Faso. The World Bank is interested in supporting the extension of this tool elsewhere in West Africa. The project should focus on quickly extending it to the Tema–Ouagadougou corridor, and then elsewhere. Project support should include technical support and, if needed, additional financial support.
3. **Support country-based hotlines and advocate to eliminate road harassment.** Road harassment continues along almost all roads in West Africa, and gains made in reducing it are often soon lost. Within ECOWAS, West Africans should be able to trade freely across borders as long as they follow certain rules. Goods produced in the ECOWAS zone should be able to move from one country to another, without unjustified fees, inspections, or payments. Road harassment leads to extra costs and delays, and to uncertainty for the region’s traders. It features prominently among the concerns of traders and transporters.

In the staple commodity food trade, harassment is particularly acute for the livestock trade, a high-value commodity where time is of essence during transport. Delays caused by harassment can mean death and weight loss for the animals. Currently, livestock traders have to stop up to 40 times between the Burkina Faso border and Tema; they typically pay \$200 to \$270 in bribes along this segment. In countries such as Benin and Côte d’Ivoire, to avoid the continuous stops, traders have to pay for a transit paper or laissez-passer at the border.

Previous projects have engaged value chain actors in advocacy efforts to stop road harassment. Borderless Alliance’s BICs operate hotlines that transporters and traders can call to report road harassment, but these hotlines do not operate 24 hours a day and are not widely known. DFID has now extended funds to Borderless Alliance to widen this system to include all road harassment, for commercial organizations and ordinary citizens alike (with the belief that including ordinary citizens will add pressure for these practices to stop). The Trade Hub should provide additional funding if needed, to ensure that the effort covers all countries with target corridors and that it operates 24 hours a day, seven days a week.

4. **Conduct a transport profitability study to help encourage behavior change among affected actors.** Effecting change is difficult in the transport sector, as transporters are afraid that reforms—such as abolishing freight quotas, harmonizing axle load standards, upgrading fleets, and creating a platform to match transport supply and demand—will decrease profitability. The project should conduct a study to provide transporters with information on the impacts that such measures would have on their profitability. The study should also address measures that transporters can take to ensure that changes lead to increased, rather than decreased, profitability.
5. **Advocate for and support adoption of ECOWAS axle load regulations.** As pointed out in Section 4.1, axle load issues are politically sensitive, since they are connected to the cost of freight and the level of fleet utilization, and both of those issues affect profitability. Given the complex issues surrounding axle load regulations (as discussed in 4.1), the project should start by conducting a study on the impacts of the adoption of the new axle load regulations, and then should present the transport profitability study (see number 4) to the transporters unions. The project should also work with partners such as Borderless Alliance to promote change.

6. **Establish information centers at export markets and strengthen BICs and AGOA Resource Centers.** Borderless Alliance has successfully used BICs to inform and assist traders and transporters at borders and has developed a toolkit for doing this. WATH also established AGOA Resource Centers, which advised on and provided information on export trade. The Trade Hub already has plans to extend the AGOA Resource Centers to become Trade Resource Centers.

The proposed concept is to have three types of centers: 1) the current BICs (located at borders), 2) Trade Information Centers (located in cities), and 3) a new information centers that would be established in the principal export markets for regional trade. These centers would provide traders and transporters with information on export requirements. Given its experience, Borderless Alliance would be in the best position to operate these centers. This responsibility would also further expand Borderless Alliance's scope of efforts into the regional trade value chains (notably, COFENABVI is now on the Borderless Executive Board). At the same time, the BICs should be continued and possible improvements to them should be considered, such as increasing opening hours or establishing monitoring and evaluation mechanisms to ensure good performance.

7. **Support vehicle upgrading.** There are many factors that explain the poor state of trucking fleets in West Africa. The non-liberalized trucking market does not reward competitive trucking, which would favor companies with good trucks because they could increase their market shares. The large number of roadblocks does not encourage truckers to purchase trucks that can go faster, since speed of transport is mainly determined by the number of delays on the road, not by the speed of the truck. The poor state of roads has also been an important factor, although less so as road infrastructure improves. While the Trade Hub should advance efforts to increasingly liberalize trucking markets, it should also facilitate improvements in the fleets themselves. Working together with the team's Finance Specialist, the project should assess ways that governments can improve access to finance and use tax breaks and other methods to encourage upgraded fleets. Project efforts should start with a country that is judged to have the greatest potential for progressing quickly on this issue.
8. **Support training courses and provide information to improve professionalism in the trucking industry.** Uniformed officials often point out that truckers commonly break traffic rules and keep their vehicles in poor condition. From their side, traders complain that truckers are unreliable and do not maintain their vehicles. Borderless Alliance has started training efforts aimed at professionalizing the industry. The project should work through Borderless Alliance to continue providing these trainings.
9. **Advocate and provide technical support for full liberalization of transport.** ECOWAS's 1982 ISRT convention provides the framework for cargo-sharing agreements between pairs of countries. Based on this, countries have concluded bilateral arrangements to divide up trucking of goods imported from outside the region into landlocked countries. Typically, for imports to landlocked countries, two-thirds of the trucking is done by truckers from the landlocked country and one-third from the coastal country. For imports coming from the landlocked country into coastal countries, 100 percent of the trucking is done by trucks from coastal countries. There are other treaties on non-transit trade. For example, in regional trade between two countries, each gets 50 percent of the trucking. Monitoring this is difficult in practice, however. Within a country, all trucking is reserved for the trucks from that country. Outside of the bilateral arrangements, truckers from other countries cannot participate at all in transport of imported goods.

The overall effect of these treaties is to prevent countries from increasing their market shares based on competitive advantage. This gives truckers no incentive to improve their fleets as a

means of capturing market share. The project should advocate for full liberalization of the transport sector, using the transport profitability study (see number 4 above) as a way to convince those involved of its beneficial impacts. The elimination of bilateral arrangements should be an important focus of project work along the Cotonou–Ouagadougou and Dakar–Bamako corridors. Although in the Tema–Ouagadougou corridor the bilateral trucking arrangements are no longer strictly followed, work remains to implement a fully liberalized system.

10. **Promote single lanes for ETLS products, beginning on the Tema–Ouagadougou corridor.** Products covered under ETLS are supposed to pass through borders with minimal inspection. In practice, however, traders arriving at borders with ETLS products must go through the same procedures as others. Single lanes that only accept ETLS goods in compliance with current regulations, with officers trained in ETLS regulations, would greatly facilitate movement of regionally produced goods, stimulating their trade and further production. The project should start this effort, which will require close collaboration with ECOWAS and WAEMU as well as with Ghanaian and Burkinabé authorities, on the Tema–Ouagadougou corridor in FY 2015. It should be expanded to other corridors when it is operational along the first one and is producing a demonstration effect.

11. **Advocate for mutual acceptance of SPS certificates and for removal of requirements for certificates of origin.** Although countries have signed bilateral agreements on the mutual acceptance of SPS certificates, many continue to demand that goods have their own countries' certificates. This means that traders need a new certificate from each country they cross or, at a minimum, a stamp from the country of import. This requires them to pay additional fees and takes extra time. Eliminating duplication would also free up SPS authorities' time, allowing them to focus on true inspection of products crossing the border. Current practices stem partly from a lack of understanding among veterinary and phytosanitary services, and partly from the powerlessness of those crossing the border to demand their rights. The Trade Hub should address this problem through focused advocacy, such as holding meetings with veterinary and phytosanitary services in Ghana and Burkina Faso, since these efforts should begin along the Tema–Ouagadougou corridor.

Certificates of origin are used to document a commodity's country of origin. ECOWAS has eliminated tariffs on food and the requirement to demonstrate the origin of food products. Article 10 of the ECOWAS Protocol A/P1/1/03 states, "a certificate of origin shall not be required for agricultural or livestock products." In practice, certificates of origin continue to be requested throughout the region, adding red tape and offering chances for officials to request bribes. Traders without certificates of origin may be asked to pay the same charges required for products originating outside the ECOWAS region. In addition, requiring certificates of origin gives authorities a way to block trade, since the certificates can simply be not given when authorities do not want exports. The Trade Hub should advocate, in collaboration with value chain associations, for removal of the requirements for certificates of origin along all corridors.

12. **Advocate for complete removal (or at least timely termination) of export bans and other restrictions.** Export bans are often introduced when for any reason authorities fear short supply or rising prices for cereals. There are many types of export restrictions: official, written orders to stop exports at borders, with or without time limits; unofficial, unwritten guidance for a border to not to allow exports; and administrative restrictions such as requirements for a regional governor to approve livestock exports, for a food security agency to give an export permit (not always granted), for "intention to export" documents that are not approved, and for certificates of origin that are used as quantitative restrictions.

Export bans and restrictions hurt trade in many ways and, although they may make it easier for a country to feed its urban consumers, they decrease incentives for cereal value chain actors to

produce more, thereby restricting the development of the value chain. When bans are imposed, the project should negotiate for their written, early ending. Together with value chain associations, the project should also advocate for complete removal of these bans.

13. **Advocate for removal of the VAT for Malian livestock traders.** Although the ECOWAS Additional Act on VAT of 2009 exempts all agricultural and livestock staple foods and inputs from VAT, the act has not come into effect, as countries have not yet agreed on the annex that contains the specific list of products. In contrast, WAEMU countries have had a common VAT policy since 1998, with most countries applying an 18 percent rate (Niger at 19 percent). Although basic staple foods (including meat but not live animals) are exempted from VAT, the “common policy” of WAEMU allows countries to choose to apply VAT on agricultural products. In this framework, WAEMU countries have to apply the same VAT on the country’s domestically traded products and imported ones (i.e., VAT cannot be used preferentially). An example of preferential treatment is the VAT collected in Senegal on imports of livestock from Mali and Burkina Faso, even though no VAT is collected on sales by Senegalese traders in the Dakar market. The Trade Hub should facilitate removal of this VAT by engaging in advocacy together with the Malian livestock federation. The project should also facilitate the development of the annex listing the VAT-exempted goods for the ECOWAS Additional Act of 2009 and the inclusion of live animals in the WAEMU list of excluded products.

Table 4 on the following page summarizes these high-priority corridor activities, together with their proposed partners and modalities.

Table 4: Top-Priority Corridor Activities, with Partners and Modalities

Activity	Tema– Ouagadougou	Abidjan– Bamako	Dakar– Bamako	Cotonou– Ouagadougou	Partners	Modalities
1. Support ALISA customs connectivity pilot on the Tema–Ouagadougou corridor	✓				ECOWAS, WAEMU, BurkinaFaso and Ghanaian authorities, Borderless Alliance, private sector	<ul style="list-style-type: none"> • Technical support • Grant to support advocacy (Borderless)
2. Help improve system for matching supply and demand for freight, beginning with expansion of existing platform into Ghana	✓	•	•	•	CBC, Ghana Shippers Authority	<ul style="list-style-type: none"> • Technical support • Grant to support implementation
3. Support country-based hotlines and advocate to eliminate road harassment	✓	✓	✓	✓	Borderless, COFENABVI, WAGN, Cashew Alliance, Shea Alliance, civil society groups, CILSS	<ul style="list-style-type: none"> • Technical support • Grant to support advocacy (value chain associations, Borderless) • Grant to support hotlines (Borderless)
4. Conduct transport profitability study	✓				Borderless	<ul style="list-style-type: none"> • Project activity
5. Advocate for and support adoption of ECOWAS axle load regulations	✓				ECOWAS, BurkinaFaso and Ghanaian authorities, Borderless	<ul style="list-style-type: none"> • Technical support • Grant to support advocacy (Borderless)
6. Establish information centers in export markets; strengthen BICs and AGOA Resource Centers	✓	✓	✓	✓	Borderless	<ul style="list-style-type: none"> • Grant to support advocacy (Borderless)
7. Support vehicle upgrading	✓	✓	✓	✓	Transport companies and unions, finance institutions, COFENABVI, WAGN, Borderless	<ul style="list-style-type: none"> • Technical support
8. Support training courses/provide information to improve professionalism in trucking industry	✓	✓	✓	✓	Borderless	<ul style="list-style-type: none"> • Grant

Activity					Partners	Modalities
	Tema– Ouagadougou	Abidjan– Bamako	Dakar– Bamako	Cotonou– Ouagadougou		
9. Advocate and provide technical support for full liberalization of transport	✓		✓	✓		<ul style="list-style-type: none"> • Technical support • Grant (Borderless)
10. Promote single lanes for ETLs products, beginning on Tema–Ouagadougou corridor	✓	●	●	●	Borderless, COFENABVI, WAGN, Cashew Alliance, Shea Alliance, civil society groups, CILSS	<ul style="list-style-type: none"> • Technical support • Grant to support advocacy (value chain associations, Borderless)
11. Advocate for mutual acceptance of SPS certificates and removal of requirements for certificates of origin	✓	✓	✓	✓	COFENABVI, WAGN, national livestock and cereal associations	<ul style="list-style-type: none"> • Technical support • Grant (COFENABVI, WAGN)
12. Advocate for complete removal (or at least timely termination) of export bans and other restrictions	✓		✓	✓	WAGN	<ul style="list-style-type: none"> • Grant (WAGN)
13. Advocate for removal of VAT for Malian livestock traders				✓	WAEMU, COFENABVI, FEBEVIM	<ul style="list-style-type: none"> • Technical support • Grant (COFENABVI)

✓ = Activity to start immediately

● = Activity to start once demonstration effect on Tema–Ouagadougou corridor takes effect

5.3.2 TEMA–OUAGADOUGOU CORRIDOR

Technically and politically, the most ambitious of the Trade Hub corridor plans should be on the Tema–Ouagadougou corridor. The project should help develop the Tema–Ouagadougou corridor into a pilot—a showcase of sorts—for regional integration and collaboration. The Tema–Ouagadougou corridor should be the site of the greatest number and the most ambitious interventions. Efforts should start immediately.

Activities, partners, and modalities are presented below. To start, the project should develop a concept paper on the potential of the Tema–Ouagadougou corridor as a regional integration showcase. The concept paper would include an assessment of 1) the potential benefits for Ghana’s economy of expedited transit trade from the Tema port to neighboring countries, 2) the benefits of more rapid and professional trade in general goods to Burkina Faso, and 3) increased regional trade for both. It should include estimates of current agricultural production in the major value chains in the production sheds within the reach of the corridor. It should also assess the potential for increased production due to greater demand and greater processing investments thanks to easier, more-expedited trade. The paper should estimate the potential benefits from increased trade and transit as the Tema–Ouagadougou corridor becomes a favored route and attracts business from other corridors.

The concept paper should be discussed with USAID and, if deemed appropriate and supported by the U.S. Embassy, should become the basis for high-level discussions with the Burkinabé and Ghanaian governments and with ECOWAS and WAEMU, to elicit the high-level support needed to make significant change happen. Many corridor-specific activities should start before the concept paper is finalized.

For these plans to succeed, both the Burkinabé and Ghanaian governments must buy into the vision for the Tema–Ouagadougou corridor. An important hesitation by the two governments may stem from the April 1, 2014, treaty that establishes the ECOWAS Abidjan–Lagos Corridor. In fact, the Tema–Ouagadougou corridor collaboration can be presented as a pilot for this more complex effort, which will involve densely populated areas, four borders, and large amount of transit and trade, as well as other traffic. For all these reasons, it is likely to require at least a decade to be implemented. Meanwhile, activities along the Tema–Ouagadougou corridor can showcase the advantages of integration.

6. PRIORITIES FOR WORK: TRADE IN SEED AND FERTILIZER

There are often specific regulations for seed and fertilizer, due to these commodities' importance as factors determining farm-level productivity, producer income, and—in the case of fertilizer—issues related to human health. Many of these issues center on the quality of the product and its preservation. Seed- and fertilizer-related issues have typically been regulated at the country level, although in some cases, a country regulation can result in validity at the regional level (e.g., with variety registration in an EU country, which is automatically valid throughout the region). To improve farmers' access to good-quality seed and fertilizers, West African regional organizations have initiated harmonization efforts for variety registration and seed certification, as well as for fertilizer quality control. When they are finished and country-level implementation is complete, these efforts will greatly facilitate national-level quality control for both of these inputs, and will boost trade in seed and fertilizer in the region.

West Africa depends almost entirely on fertilizers imported from outside of the region. For production of staple crops, on the other hand, West Africa relies almost completely on seed produced within the region. Regional trade is very limited for both fertilizer and seed. For fertilizer this is because external imports account for almost all fertilizer consumption and for seed because virtually all seed used is produced domestically and remains within the country. Markets for both improved seed and fertilizer are small and limited by low consumption at the farm level. In recent years, however, regional trade in blended fertilizers has started to increase in West Africa. There have been cases of seed trade, as well, but they are limited.

Before prioritizing actions on trade in seed and fertilizer, this section reviews some particularities related to these two inputs as commodities to be traded. It also looks at the current status of the seed and fertilizer trade and at regional- and national-level harmonization efforts.

6.1 SEED AND FERTILIZER QUALITY

Quality issues are vital to trade in both seed and fertilizer, particularly in West Africa since the quality of these two inputs can vary greatly and final consumers in the region are commonly poor and risk-averse (Minot 2013). In the case of seed, a small quantity (20 kg for one hectare of maize) has a great impact on yield. Therefore, a modest quantity of 20,000 kg (20 tons) of seed traded has a great impact on the yield of 1,000 hectares of maize and significant impacts on the livelihoods of 500-1,000 producers (depending on the location in West Africa). Shipment of five trucks of seed can impact the livelihoods of 5,000-10,000 producers. In the case of well-performing seed, this impact can be beneficial; in the case of seed that fails to germinate or—worse yet (since no replanting is possible)—to produce a harvestable yield, the impact is catastrophic.

In a similar vein, quality issues are extremely important in fertilizer, mainly because of the high cash outlay that fertilizers require, particularly in West Africa. Fertilizer prices are very high in the region, especially in landlocked countries, due to the high cost of transporting this bulky product. With current prices of non-subsidized fertilizer at 20,000-22,000 FCFA (\$41.80-45.70) per 50 kg of nitrogen-phosphorus-potassium (NPK) 15-15-15 in Mali and Burkina Faso, a modest fertilizer rate of 150 kg per hectare would cost the farmer a minimum of \$125. If the fertilizer applied contains only half of the

nutrients it should, yield is reduced and a potentially lucrative investment in fertilizer may become a loss. In addition to its impact on production and impact, poor-quality inputs can also dissuade farmers from continuing to use both fertilizer and seed. Not surprisingly therefore, seed and fertilizer quality have been the object of governments' attention.

- **Seed quality.** For seed, processes to ensure quality are complex, as the quality of seed depends not only on a simple production process, but also on successive stages of seed production. This commonly requires an increasing number of producers and thereby creates more potential for quality problems. Seed quality depends at first instance on the quality of the parent material of the variety. From this, a breeder develops a variety and breeder seed (pre-basic seed), which is thereafter registered, most commonly after pre-determined trial results are accepted by the responsible entity. Breeder seed in West Africa has been produced by the public sector, but now the private sector is also engaged in breeding efforts (in Nigeria, for example). After this, foundation seed (basic seed) production (in research institutions or increasingly, by the private sector) forms the basis of multiplication.

The seed certification process guarantees that seed remains true-to-type and pure during the various stages of seed production. For seed evaluation, there are internationally accepted standards such as those put out by the International Seed Trade Association (ISTA). Certain countries, such as South Africa, have decided that variety registration is automatic, and others, such as India, that it is not mandatory. The United States relies on the power of truth in labeling (i.e., that the label placed by a company is a guarantee that the information provided truly reflects the quality of the seed sold). Further problems can develop during transport and storage, because aspects of seed quality (such as germination percentage) can deteriorate if care is not taken to control environmental conditions. Controlling seed quality requires equipped seed laboratories and trained personnel, although trained eyes can catch some issues (such as those related to varietal purity).

Seed quality is commonly controlled through legislation that determines procedures for variety registration, seed production, and certification, as well as intellectual property rights and commonly accepted standards for different crops. Inspection of seed is carried out at different stages of production.

- **Fertilizer quality.** The quality of fertilizer is to some extent simpler because production of fertilizer (such urea or diammonium phosphate) may be directly followed by importation and marketing. Provided that production resulted in good-quality fertilizer, the issue becomes maintaining quality in the face of environmental factors (such as high humidity, which can result in deterioration through "caking") or human factors (such as adulteration of fertilizer with non-nutrient-containing materials). Fertilizer quality can also be reduced when fertilizer products are used as ingredients in blending (i.e., mixing fertilizer products in a certain ratio to obtain a multi-nutrient blend with set levels of nutrients) and the blending is not done correctly. Quality problems can also be caused by intentional manipulation of materials or nutrient ratios. As with seed, experienced eyes can catch some problems related to the physical quality of fertilizers, but a full determination of fertilizer quality requires specific fertilizer laboratories and staff trained in fertilizer analysis.

Fertilizer quality is typically controlled through legislation that establishes factors such as maximum variances in nutrients and bag weight from those declared in the label, and maximum tolerances for harmful compounds. Quality inspection for fertilizer is commonly done from production units to farms, since quality problems can appear at any stage during the process.

6.2 SEED AND FERTILIZER TRADE IN WEST AFRICA

Although both are tradable commodities in West Africa, there are important differences between seed and fertilizer. Fertilizer is a commodity traded in the world market, and the majority of fertilizer consumed in West Africa is imported into the region from Europe and Morocco. The only countries in the region that produce fertilizer are Nigeria and Senegal, although Togo exports phosphates.

Fertilizer is imported into the region's coastal ports, after which it is trucked to its final destination countries. Fertilizer importers are typically few in number in each country, as fertilizer procurement requires sizable up-front investments (Bumb et al. 2011). Fertilizer is a bulky commodity, and a small West African farm requires shipment of hundreds of kilograms. For this reason, transport costs are a significant determinant of fertilizer prices. The high cost of transport in West Africa, therefore, translates into high costs for fertilizer. High transport costs are not the only factor causing high fertilizer prices in West Africa, however, since additional factors also apply, such as the small size of procurements (due to limited markets); oligopolistic situations; and the predominance of tenders, which often result in higher costs, in West Africa's subsidized markets.

Unlike fertilizer, improved seed for staple crops is primarily produced and consumed domestically in West Africa. The majority of varieties in the region are produced by research institutes. Certified seed can be produced in small and large farms; increasingly, seed companies are producing certified seed.

The need to increase farmers' access to good-quality seed from inside and outside of their own countries led to the development of regional harmonized regulations for seed and fertilizer. The process for seed started in 2000 and resulted in enactment of a regional regulation in 2008. For fertilizer, the process started in 2010 and the regional regulation was enacted in 2012. These regulations are automatically valid in the entire ECOWAS area and they supersede national legislation. Countries only have to adopt complementary supporting regulations, as identified in the regional regulation, and legislate in areas not covered under the regional regulation. This is often not known, however, and countries still feel the need to enact their own laws.

The legal framework is only the beginning of the process for creating variety registration, certification, and quality control systems. Countries need to implement these systems, including initiating certification and inspection services, training actors, equipping laboratories, and informing stakeholders of the regulation. Progress in implementation has been uneven, but most countries have not yet advanced in a significant way with either fertilizer or seed. In addition, ECOWAS itself has not finalized the legislative processes, and several implementing regulations await enactment. Other issues, such as the crucial seed issue of intellectual property, have not yet started. Fully implemented quality control for both seed and fertilizer will, therefore, take time.

6.2.1 SEED MARKETS AND TRADE

West Africa's international and regional seed markets are underdeveloped. In all, West Africa's seed exports are only 1 percent of total African seed exports, which in turn are less than 3 percent of world seed exports (Keyser 2013). Seven sub-Saharan African countries together account for 96.7 percent of the continent's seed exports; none of them are West African. Domestic markets for staple crop seeds in West African countries tend to be small, with few varieties per crop produced. There are bottlenecks at level of different levels of seed production, including for seed multiplication and certification. There has been little trading of staple crop seed within the region, and limited imports from the region. In contrast, vegetable seeds from Europe, the U.S., and Asia are commonly available in the region.

Interviews conducted as a part of study by Eilittä (2014) in Burkina Faso, Liberia, Mali, and Nigeria confirmed the limited amount of regional trade in seed. There had been several small shipments of certified seed from Mali and Burkina Faso to Nigeria and Guinea, which encountered no problems. Larger shipments included a 2009 export of about 500 tons of rice seed by Burkina Faso to the Democratic Republic of the Congo (with facilitation from the Food and Agriculture Organization). The largest reported intra-regional shipment was an export of 719 tons of rice seed from Burkina Faso to Nigeria in 2013, a transaction facilitated by AGRA and AfricaRice. It got stuck at the border of Nigeria and was reportedly released only after the intervention of the Nigerian president.

There are many reasons for the limited trade in seed within West Africa and to and from West Africa. First, there are a limited number of improved, registered varieties within each country, due to the small number of breeders and slow systems of variety registration. Because there are few seed companies, low demand, and poorly developed systems for commercialization, these varieties have been poorly commercialized and therefore multiplied. In fact, the majority of varieties registered are on the shelf and not accessible to farmers. Finally, demand has been low, although it has increased in recent years, partly due to subsidy systems that have provided improved seed to farmers either free or almost free. For example, in Burkina Faso, farmers have to pay 1,000 FCFA (\$2.08) for 15 kg of maize seed; in Nigeria, five million farmers receive 20 kg of free maize seed.

Finally, seed trade has been limited by poorly developed, country-specific variety registration and seed certification systems, and by the structures needed to control seed quality, such as seed laboratories. These factors create barriers to seed trade, partly due to mistrust among countries about the quality of seed on the market. For example, Nigeria currently requires that seed certified in another country in West Africa or elsewhere be checked by Nigerian inspectors, even when it comes from countries such as Brazil that have developed seed sectors and have met ISTA standards.

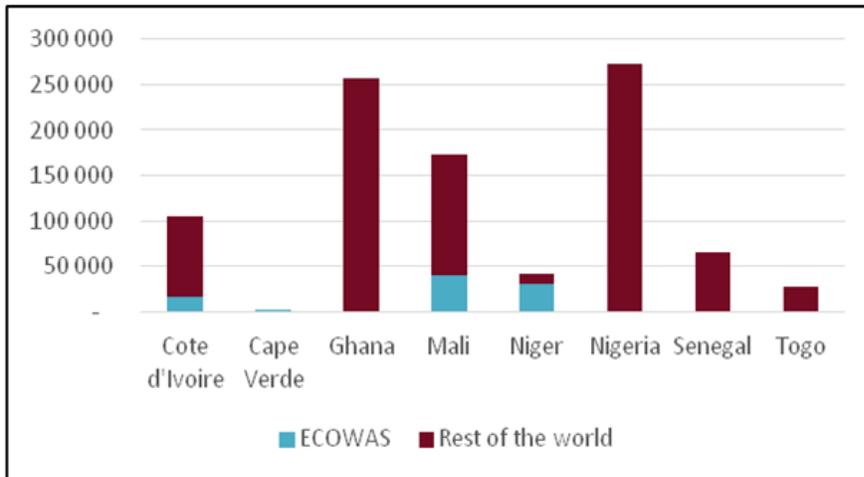
6.2.2 FERTILIZER MARKETS AND TRADE

The size of West African fertilizer markets is small, at 608,000 tons of nutrients (NPK) in 2011. This was only 13 percent of total 2010/11 consumption in Africa, and 0.35 percent of global consumption. Although there has been some increase in the past two decades, fertilizer use in per-capita terms has fallen: between 1990 and 2010, West Africa's population grew by 60 percent but fertilizer consumption increased by only 16 percent. Three countries (Ghana, Mali, and Nigeria) accounted for 72 percent of 2011 consumption, and five countries (the previous three plus Burkina Faso and Côte d'Ivoire) accounted for 91 percent (www.AfricaFertilizer.org, consulted May 20, 2014).

The great majority of fertilizer consumed in West Africa is imported through ports (Figure 3 and Figure 4). There are exceptions: Notore in Nigeria and *Industries Chimiques du Sénégal* both produce fertilizer. There is an increasing amount of blending taking place using imported fertilizer ingredients. In 2012, fertilizer imports³ from outside the region were 938,889 tons; from within ECOWAS, they were 86,983 tons (less than one-tenth the total amount). On the other hand, most fertilizer exports from the ECOWAS zone were to other ECOWAS countries (157,210 tons); far less left the region (63,897 tons, from Nigeria and Ghana). Trading within ECOWAS is mainly in blended products produced in countries such as Mali, Côte d'Ivoire, and Ghana. Although regional fertilizer trade is still very limited, it has increased in the recent years.

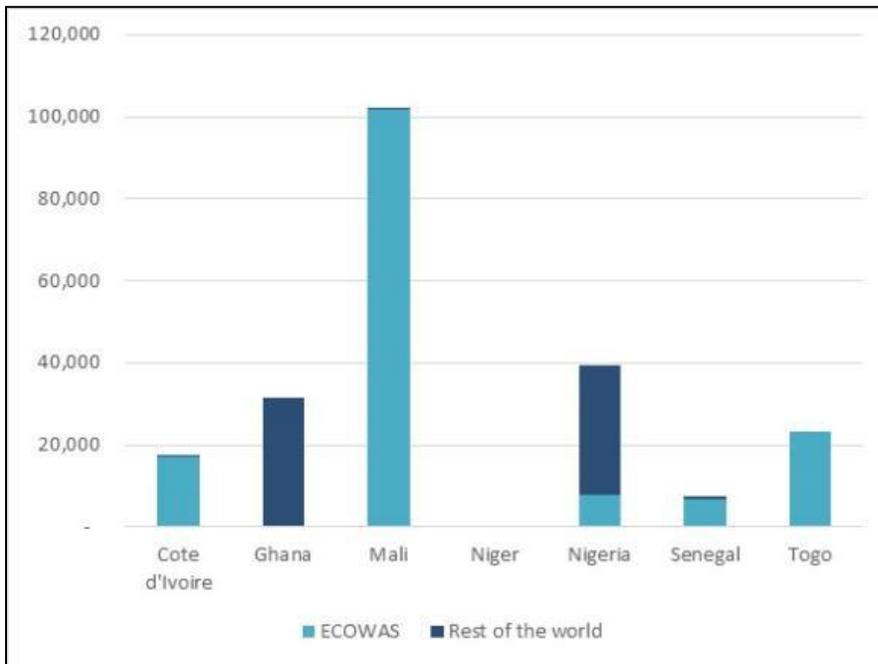
³ Data for Burkina Faso and Benin are missing in Comtrade.

Figure 3: Imports of Fertilizer to ECOWAS Countries from Other ECOWAS Countries and from the Rest of the World (tons in 2012)



Source: Comtrade, in Eilittä 2014.

Figure 4: Exports of Fertilizer from ECOWAS Countries to Other ECOWAS Countries and to the Rest of the World (tons in 2012)



Source: Comtrade, in Eilittä 2014.

As discussed above, an important consideration in fertilizer trade is the maintenance of fertilizer quality. Currently, fertilizer quality in West Africa is unpredictable. A study by Sanabria et al. (2013) in four West African countries (Côte d'Ivoire, Ghana, Nigeria, and Togo) demonstrated that 51 percent of the 105 samples of 15-15-15 NPK blends, 86 percent of the 90 samples of 20-10-10 NPK blends, and 96 percent of the 27 samples of 15-10-10 NPK blends were not in compliance with tolerance limits in ECOWAS regulations. For compound products, the situation was much better, with only 15 percent

failing to meet ECOWAS standards. Short bag weights were also a problem, especially in Nigeria, where 41 percent of bags failed to meet weight standards for bags.

6.2.3 CONSTRAINTS IN SEED AND FERTILIZER TRADE

Seed market constraints. As discussed earlier, growth in domestic seed markets in West African countries is constrained by complex factors, including the limited number of varieties developed, undeveloped systems of certification that could boost consumer confidence in seed quality, a low level of commercialization, and low demand. In many ways, similar factors are constraining regional trade within the ECOWAS zone. Particular constraints include:

- Low amounts of certified seed available in the West African market. In general, production of improved seed is low in the region. In some countries, large increases in certified seed production have been a response to domestic subsidy programs that have offered ready markets. In countries such as Burkina Faso, Mali, and Nigeria, production of certified seed has been accompanied by widespread concerns over poor quality and over grains being sold as seed.
- Country-focused systems of seed certification (in countries where such programs exist), coupled with obstacles to seed importation, such as in the case of Nigeria.
- A general lack of consistent quality control programs to ensure the quality of the seed produced, which would generate confidence in the importer.
- General barriers to trade, such as road and border harassment.

Fertilizer market constraints. Low consumption of fertilizer, related mainly to low demand and high costs, has limited trade in general.

Fertilizer imported from outside the region is in most cases treated like any other general merchandise. A large amount of it comes to the port in bulk (i.e., not in bags). It is bagged in the port and then transported to its destination. One exception is Nigeria, where there are security concerns about the use of ammonia products for bomb-making. As a result of those concerns, Nigeria requires an end-user certificate issued by the Office of the National Security Adviser on the advice of the Federal Fertilizer Department.

Trade in both imported and regionally produced fertilizer can also be discouraged by approved lists for fertilizer products (e.g., in Nigeria). Countries using approved lists require any fertilizer type that has not yet been used in the country to be tested. In Nigeria, this means one to two years of field testing after laboratory analysis; this at least delays importation and can become a trade barrier. The requirement itself is questionable as testing fertilizer types is part of the work of extension services.

High transport costs greatly contribute to high fertilizer prices, thereby limiting fertilizer use and its trade. Due to this, fertilizer prices are particularly high in the landlocked Sahelian countries. A study by WAEMU (UEMOA 2013) assessed the price of NPK and urea from ports to the Malian border, finding that 34 to 35 percent was added to the cost between the port and the border; the largest contributors were the cost of road transport, port fees, and import duties. On the roads, fertilizer trucks are subjected to harassment like other general merchandise. Although there has been a great deal of hopeful discussion about the potential for increased fertilizer production in West Africa to reduce prices for the region's farmers, it is not clear how much these prices could fall, given the very cost of transport.

With increased blending, intra-regional trade may further increase. The quality control systems required to accompany increased trade will need to be built from the beginning in some countries, although countries such as Nigeria and Mali already have fertilizer inspectors at work, albeit in limited numbers.

6.2.4 PRIORITY ACTIONS FOR INCREASING SEED AND FERTILIZER TRADE

- 1. Facilitate trade opportunities for seed producers known for high quality standards.**
Future trade in seed will be greatly facilitated by reliable, homogenous variety registration and certification structures, as envisioned in ECOWAS regulations, although this will take some time. In the meantime, importing from outside of the region to obtain good-quality staple crop seed that meets ISTA standards may be a good option for many West African countries, although it is not always popular (even though a great deal of vegetable seed is being imported into the region). Since certain countries have made progress in their seed quality control structures, in the near future there may also be opportunities to facilitate trade through bilateral arrangements between countries. One possibility for such an arrangement may be between Ghana and Burkina Faso, two countries with relatively advanced systems.
- 2. Conduct a study on the costs of different modalities for procuring fertilizers for different West African locations, which would involve different transport costs.**
Further increasing trade in fertilizer will require reduced prices to the consumer, which in turn depends on reduced transport costs. Facilitation of access to finance may also help small and medium-sized fertilizer importers increase their business. In collaboration with the West Africa Fertilizer Project, the project should consider conducting a study of options for procuring fertilizer, such as 1) importation of fertilizer ingredients by large companies, with blending in the region followed by wholesale/retail trade (as is currently done); 2) importation from the Notore plant in Nigeria, and 3) direct procurement of bagged products from outside the region by producer associations. This study should include an assessment of the cost of transporting fertilizer from Nigeria, where the Notore plant is already operational (although not producing for the region) and plans for another are underway, to several points in the region, in both coastal and landlocked countries.

7. PRIORITIES FOR WORK: REGIONAL ENGAGEMENTS

The Trade Hub and African Partners Network should continue the previous projects' engagement at regional fora, with defined activities. The purpose would be to push the agenda by providing a regional presence, technical support, and leadership. The objectives of the project's regional engagement should be to 1) deliver technical support to ECOWAS and WAEMU in planning for corridor management, with a particular focus on the adoption of the ALISA system and continued collection of road harassment data; 2) support ECOWAS in implementation of the CET; 3) provide technical support for follow up to the Food Across Borders initiative, and 4) continue providing leadership in trade and transport issues, in a context where there is a multitude of donor-funded projects and new initiatives.

Suggested priority regional-level activities are as follows:

- I. **Provide regional-level technical support to two key initiatives within the corridor management context: ALISA and the road harassment data collection.** As discussed previously, as ECOWAS plans to adopt a corridor management approach on the Abidjan–Lagos corridor, there are now signs that the much-discussed regional electronic transit system, ALISA, will be established. Although the project will advance efforts on ALISA in the corridor context, it is also important to continue technical and coordination support for this initiative at the regional level.
 - **ALISA.** First, WAEMU, with assistance from JICA, is in the process of developing a strategy paper on harmonizing customs procedures. This strategy will provide a road map for implementation, including development of software. It would be unfortunate for such a process to go forward without taking into account ALISA, as this could slow down and perhaps endanger the truly regional initiative. The Trade Hub should initiate discussions with WAEMU and JICA and then facilitate discussions between ECOWAS and WAEMU to ensure compatibility between the WAEMU effort and the ALISA initiative.

Second, it is clear that having the public sector implement ALISA would take too long and would likely not work. The Trade Hub should advocate for and facilitate private sector solutions for implementing ALISA through a concession model. Third, the design and implementation of a complex system such as ALISA will require a great deal of inter-departmental collaboration, which has been a weakness of ECOWAS. The project should therefore facilitate this collaboration to help push implementation forward. Key structures for implementation of ALISA within ECOWAS are the Community Computer Center and the Directorates of Private Sector, Trade, Transport, and Customs.
 - **Road harassment data.** In the past year, since the end of the WATH and ATP projects, the collection of data on road harassment has been in transition. At first, CILSS continued the ATP projects' efforts to collect road harassment data for the staple commodity value chains, linking it with the trade data collection effort. CILSS used the trade data collectors located primarily in export and import markets to hand out and collect the forms on which truck drivers note payments and delays. CILSS has made one important change in this data collection effort: unlike the ATP projects, which collected data on all trucks carrying cereals and livestock (whether or not they were compliant with regulations), CILSS only collects data

on compliant trucks (as did WATH along its port-to-dry-port corridors). This data is being published with the trade data. CILSS has also started conducting road shows.

Since the end of WATH in June 2013, there has been a disruption in the collection of trade data along WATH corridors. OPA was expected to take over the data collection contracts that WATH had with focal organizations, but there were long delays. Contracts (all but the one in Ghana, which Borderless Alliance is facilitating) have now been signed and funds have been transferred. Data collection can now be expected to continue, but in many locations there are new staff members who have not been properly trained. The EU has recently approved funding for WAEMU to extend the road harassment data collection to the entire ECOWAS region and to initiate data collection and create a database on road conditions.

A Trade Hub consultancy planned for July-August 2014 will shed further light on the exact status of the on-the-ground data collection effort and on current plans and thinking on this important issue, with the goal of continuing and improving the data collection effort. The project should design its interventions on the basis of this consultancy.

Throughout the project cycle, the project's TTEE team should continue sharing lessons learned and experiences from the project's target corridors with ECOWAS, WAEMU, other regional institutions, and other trade initiatives. The sharing should take place through project publications and regional meetings.

2. **Support implementation of the CET.** The potential of the CET to advance regional integration is clear. Its implementation, however, is a vast effort for which ECOWAS member states need additional support. ECOWAS has embarked on a series of 2014 training and sensitization efforts, including meetings of Directors General of Customs, meetings of customs information technology (IT) professionals, train-the-trainer programs for all customs administrations, national training efforts, a workshop for Ministries of Trade and Industry, general sensitization initiatives, and development of a monitoring mechanism.

In addition, Borderless Alliance is planning to conduct two training sessions on the CET, one for Anglophones and another for Francophones. Participants are to include customs administrators, representatives of Ministries of Industry, freight forwarders associations, professional industrial organizations, and trade consultants. GIZ has designated CET implementation as one of its areas of technical support to ECOWAS. Given that USAID has been involved in the development of the CET from the beginning, by funding a consultant to provide direct support to ECOWAS in its design, it would be important for the Trade Hub to continue to offer some support for implementation. At a minimum, the project should include information on CET in all project training activities and information events.

3. **Support two regional trade initiatives.** The two regional initiatives that tackle issues related to the trade constraints have somewhat different aims. Follow-up to the Food Across Borders conference focuses on the links between food security and intra-regional trade in staple commodities. The task force initiated at the ECOWAS-USAID Joint High-level Experts Meeting on Implementation of the ECOWAS Trade Liberalization Scheme, held in June 2011 in Ghana (as mentioned in Section 3.1), emphasizes more general constraints to trade.

The Trade Hub should continue to offer technical support for both of these initiatives. Priorities will need to be defined based on the proposal for future follow-up activities to the Food Across Borders conference, which gave recommendations on the free movement of people and goods. The latter included issues such as elimination of taxes on transit goods, removal of requirements for certificates of origin, application of axle load regulations, adoption of an electronic system for

transit goods as well as ALISA, harmonization of border post times, and development of a monitoring system for national-level trade policy implementation.

4. **Initiate an annual publication called “The Road to Regional Integration.”** Building on the visible legacy of WATH and the ATP projects in highlighting not only key constraints but also ways forward for regional integration, the Trade Hub should initiate an annual publication called “Road to Regional Integration.” Using data from trade efforts and projects across the region, the publication would highlight progress made toward improving trade and transport conditions during the year, the remaining barriers, and ongoing initiatives.

Specifically, the publication would link food security, economic development, and regional trade in the region, synthesizing data and issues. It would be a visual reflection of West Africa, and would include sections where value chain actors speak of their work, recent progress, visions for the future, and frustrations. It could also highlight “leaders of change”—individuals who are pushing the agenda for trade and regional integration and those who have been able to take advantage of regional markets. The project should discuss with CILSS and Borderless Alliance the possibility of collaborating on this publication during the life of the project, transferring it fully to these organizations afterwards. In putting together the publication, CILSS would be combining the many efforts in which it is already engaged.

5. **Help promote efficient coordination of efforts among regional governmental organizations and donors.** With at least seven sets of donor-funded programs working in trade and transport, there is a risk of overlap and confusion. General information-sharing could create synergies and save effort; fairly simple coordination could avoid duplication and mixed messages.

While the regional governmental organizations and donors themselves need to take the lead on broad directions, routine coordination among the projects themselves is also important. Trade Hub could take the lead in sharing information about implementation details for efforts that take place on the same or overlapping corridors and on themes of work with wider significance or where lessons can be learned.

The previous USAID projects had strong technical expertise and credibility with ECOWAS, WAEMU, and CILSS. They also provided leadership on trade and transport efforts within the donor community, through publications that improved understanding of current practices, costs, and solutions, as well as through high-visibility events and initiatives. The activities proposed in this report will allow the new Trade Hub project to continue this role in a way that involves partners even more than before, continuing USAID’s leadership among regional organizations and the many new donor-funded initiatives.

Working closely with USAID/West Africa, the Trade Hub should call for regular coordination meetings among the region’s trade projects to discuss plans, overlaps, and lessons learned. These meetings should identify ways to foster regional integration in West Africa by working within a common framework and avoiding situations where projects inadvertently create, rather than diminish, distance between ECOWAS and WAEMU. The meetings should also consider selection of new target corridors, data-sharing efforts, and how to scale up successful efforts.

8. CONCLUSION

Based on a review of previous studies, assessment of recent changes in the regional policy context, and consultations with public and private stakeholders, it is recommended that the Trade Hub concentrate its trade policy efforts in three areas, each with a set of recommended activities, as summarized below.

Table 5: Recommendations at a Glance

<p>Corridor activities. For corridor-level work the project should consider the following 13 activities:</p> <ol style="list-style-type: none"> 1. Support ALISA customs connectivity pilot. 2. Help improve the system for matching supply and demand for freight, extending the existing platform into Ghana. 3. Support country-based hotlines and advocate for elimination of road harassment. 4. Conduct a transport profitability study to help encourage behavior change among affected actors. 5. Advocate for and support adoption of ECOWAS axle load regulations. 6. Establish information centers at export markets and strengthen BICs and AGOA Resource Centers. 7. Support vehicle upgrading. 8. Support training courses and provide information to improve professionalism in the trucking industry. 9. Advocate and provide technical support for full liberalization of transport. 10. Promote single lanes for ETLS products. 11. Advocate for mutual acceptance of SPS certificates and removal of requirements for certificates of origin. 12. Advocate for complete removal (or at least timely termination) of export bans and other restrictions. 13. Advocate for removal of VAT for Malian livestock traders. <p>The Trade Hub should first concentrate on the Tema–Ouagadougou corridor, eventually carrying out most of the 13 activities above. Once work on that corridor is underway, the project should undertake some of the 13 priority activities, as appropriate and as resources permit, in three other corridors:</p> <ul style="list-style-type: none"> • Abidjan–Bamako • Dakar–Bamako • Cotonou–Ouagadougou
<p>Seed and fertilizer activities. Priority activities in this area are as follows:</p> <ol style="list-style-type: none"> 1. Facilitate trade opportunities for seed producers known for high quality standards. 2. Conduct a study on the costs of different modalities for procuring fertilizer for different West African locations, which would involve different transport costs.
<p>Regional engagement. There are five proposed areas for regional engagement, as follows:</p> <ol style="list-style-type: none"> 1. Provide regional-level technical support to two key initiatives in corridor management: ALISA and the road harassment data collection. 2. Support implementation of the Common External Tariff. 3. Support two regional trade initiatives: follow-up to the Food Across Borders conference and the taskforce initiated by President Compaoré. 4. Initiate an annual publication called “The Road to Regional Integration.” 5. Help promote efficient coordination of efforts among regional governmental organizations and donors.

The proposed activities offer a way for the project to make the most efficient use of its resources and encourage both the Trade Hub team and partners to work together in a multi-disciplinary, synergistic way. This prioritization is important to avoid the trap of an overly diffuse and fragmented approach; it is geared to maximizing impact and demonstrating within the region the benefits from improved trade and transport conditions. At the same time, this assessment also encourages flexibility and a certain degree of opportunism. During the coming three- to five-year horizon, the dialogue and efforts on trade and transport are likely to undergo change, resulting in opportunities for action in areas that may be unseen at the moment. Success in improving trade and transport conditions in West Africa is most likely to result from both a disciplined approach to carrying out the planned activities described in this report and a continuing alertness to evolving opportunities for impact.

ANNEX I: REFERENCE LIST

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ANNEX 2: CORRIDOR-SPECIFIC CONSTRAINTS AND ACTIVITIES

Table 6: Tema–Ouagadougou Corridor: Constraints, Activities, and their Timeframes, Partners, and Modalities

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
General constraints					
Inefficient freight, customs, and control systems	Duplicate systems for customs and bonds, axle load inspections and checks, leading to road harassment	ALISA customs connectivity pilot	FY 2015-16	ECOWAS, WAEMU, customs authorities in Burkina Faso and Ghana, Ghana-Burkina Faso National Transit Corridor Monitoring Group, Borderless, private sector	<ul style="list-style-type: none"> • Technical support • Project support for advocacy
Road harassment	Official and unofficial checkpoints, leading to bribes and delays, especially for traders of perishables	Advocacy Country-based hotlines	FY 2014-16	Borderless, COFENABVI, WAGN, Cashew Alliance, Shea Alliance, civil society groups, CILSS Borderless, DFID	<ul style="list-style-type: none"> • Grants to partners • Technical support for CILSS road harassment activities • Grant to Borderless to extend hotlines to corridor countries
High cost and inefficiency of transport sector	Freight quotas	Study on impact on transport sector profitability of abolishing freight quotas, harmonizing axle loads, fleet upgrading, and platform for matching transport supply/demand	FY 2014	CBC, Ghana Shippers Authority	<ul style="list-style-type: none"> • Project technical support
		Advocacy for full liberalization of transport	FY 2015	CBC, Ghana Shippers Authority, Borderless, value chain associations	

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
High transport prices, seasonal variability in transport supply and prices, long waiting times at ports, long distances traveled for freight	Lack of mechanism to effectively match trucking demand and supply	Extension of CBC platform to Ghana	FY 2014-15	CBC, the World Bank	<ul style="list-style-type: none"> • Technical support to CBC • Grant to service provider
Poor condition of fleets, lack of adapted vehicles (e.g., for livestock)	Poor condition and lack of adapted vehicles lead to road harassment and delays.	Vehicle upgrading through access to finance, tax breaks	FY 2014	Transport companies and unions, financial institutions, COFENABVI, ROPPA, Borderless	<ul style="list-style-type: none"> • Project technical support
Lack of trucking sector professionalism	Unprofessional truckers break rules, causing continued harassment and inefficiencies.	Training courses, information materials	FY 2014-15	Borderless	<ul style="list-style-type: none"> • Project grants
Unclear and changing practices and rules	Traders are alone when they find out about changes at borders, giving them no flexibility and making them more prone to pay bribes	Strengthened BICs, establishment of Market Information Centers at export markets	FY 2014-15	Borderless	<ul style="list-style-type: none"> • Project grants
Poor condition of roads, road harassment	Different axle load limitation in Ghana than in Burkina Faso	Adoption of harmonized ECOWAS axle load regulations	FY 2014-15	ECOWAS, Ghana and Burkina Faso governments, Borderless	<ul style="list-style-type: none"> • Project technical support • Project grants
Value-chain specific constraints					
Poor competitiveness of regionally produced goods, lack of regional investments in processing for regional agricultural goods	Non-tariff barriers, harassment at borders	Single lane for ETLs products	FY 2015-16	Ghana and Burkina Faso customs, veterinary and phytosanitary services, police, ECOWAS	<ul style="list-style-type: none"> • Project technical support
Lengthy and costly procedures at borders for livestock	Veterinary certificate from export country not accepted in importing country	Advocacy for mutual acceptance of veterinary certificates	FY 2015	COFENABVI, Ashaiman and Kumasi Livestock Traders Association	<ul style="list-style-type: none"> • Project grants • Project technical support

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
Lengthy and costly procedures at borders for cereals, shea, and cashew	Phytosanitary certificate from export country not accepted in import country	Advocacy for mutual acceptance of phytosanitary certificates	FY 2015	WAGN	• Project grant
Lengthy and costly procedures at borders for cereals, shea, and cashew	Certificates of origin required although regionally produced staple crops are exempt	Advocacy for removal of requirements of certificates of origin	FY2015	COFENABVI, Ashaiman and Kumasi Livestock Traders Association, WAGN	• Project grant

Table 7: Abidjan–Bamako Corridor: Constraints, Activities and their Timeframes, Partners, and Modalities

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
General constraints					
Road harassment	Official and unofficial checkpoints lead to bribes and delays, especially for traders of perishables.	Advocacy Country-based hotlines	FY 2014-16	Borderless, COFENABVI, WAGN, Cashew Alliance, Shea Alliance, civil society groups, CILSS Borderless, DFID	<ul style="list-style-type: none"> • Project grants to partners • Technical support to CILSS road harassment activities • Project grant to Borderless to extend hotlines to corridor countries
High transport prices, seasonal variability in transport supply and prices, long waiting times at ports, long distances traveled for freight	Lack of mechanism to effectively match trucking demand and supply	Extension of CBC platform to Côte d'Ivoire	FY 2014-15	CBC, <i>Office Ivoirien des Chargeurs</i> , World Bank	<ul style="list-style-type: none"> • Technical support to CBC • Project grants to service providers
Poor condition of fleets, lack of adapted vehicles (e.g., for livestock)	Poor condition and lack of adapted vehicles lead to road harassment and delays	Vehicle upgrading through access to finance, tax breaks	FY 2014	Transport companies and unions, finance institutions, COFENABVI, ROPPA, Borderless	<ul style="list-style-type: none"> • Project technical support
Lack of trucking sector professionalism	Unprofessional truckers break rules, causing continued harassment and inefficiencies	Training courses, information materials	FY 2014-15	Borderless	<ul style="list-style-type: none"> • Project grant
Unclear and changing practices and rules	Traders are alone when they find out about changes at borders, giving them no flexibility and making them more prone to pay bribes.	Strengthened BICs, establishment of information centers at export markets	FY 2014-15	Borderless	<ul style="list-style-type: none"> • Project grant

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
Value-chain specific constraints					
Poor competitiveness of regionally produced goods, lack of regional investments in processing for regional agricultural goods	Non-tariff barriers, harassment at borders	Single lane for ETLS products	FY 2016-17	Côte d'Ivoire and Mali customs, veterinary, and phytosanitary services, police, ECOWAS	<ul style="list-style-type: none"> • Project technical support
Lengthy and costly procedures at borders for livestock	Veterinary certificate from export country not accepted in import country	Advocacy for mutual acceptance of veterinary certificates	FY 2015	COFENABVI, <i>Fédération Nationale de la Filière Bétail Viande de Côte d'Ivoire</i>	<ul style="list-style-type: none"> • Project grants • Project technical support
Lengthy and costly procedures at borders for cereals, shea, and cashew	Phytosanitary certificate from export country not accepted in import country	Advocacy for mutual acceptance of phytosanitary certificates	FY 2015	WAGN	<ul style="list-style-type: none"> • Project grant
Lengthy and costly procedures at borders for cereals, shea, and cashew	Certificate of origin required although regionally produced staple crops exempt	Advocacy for removal of requirement for certificate of origin	FY 2015	COFENABVI, <i>Fédération Nationale de la Filière Bétail Viande de Côte d'Ivoire</i> , WAGN	<ul style="list-style-type: none"> • Project grant

Table 8: Dakar–Bamako Corridor: Constraints, Activities, and their Timeframes, Partners, and Modalities

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
General constraints					
Road harassment	Official and unofficial checkpoints lead to bribes and delays, especially for traders of perishables.	Advocacy Country-based hotlines	FY 2014-16	Borderless, COFENABVI, WAGN, Cashew Alliance, Shea Alliance, civil society groups, CILSS Borderless, DFID	<ul style="list-style-type: none"> • Project grants to partners • Technical support for CILSS road harassment activities • Project grant to Borderless for extension hotlines to corridor countries
High transport prices, seasonal variability in transport supply and prices, long waiting times at ports, long distances traveled for freight	Lack of mechanism to effectively match trucking demand and supply	Extension of CBC platform to Côte d'Ivoire	FY 2014-15	CBC, World Bank	<ul style="list-style-type: none"> • Technical support to CBC • Project grant to service provider
Poor condition of fleets, lack of adapted vehicles (e.g., for livestock)	Poor condition and lack of adapted vehicles lead to road harassment and delays.	Vehicle upgrading through access to finance, tax breaks	FY 2014	Transport companies and unions, finance institutions, COFENABVI, ROPPA, Borderless	<ul style="list-style-type: none"> • Project technical support
Lack of trucking sector professionalism	Unprofessional truckers break rules, causing continued harassment and inefficiencies.	Training courses, information materials	FY 2014-15	Borderless	<ul style="list-style-type: none"> • Project grants
Unclear and changing practices and rules	Traders are alone when they find out about changes at borders, giving them no flexibility and making them more prone to paying bribes.	Strengthening of BICs, establishment of information centers at export markets	FY 2014-15	Borderless	<ul style="list-style-type: none"> • Project grants

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
Value-chain specific constraints					
Poor competitiveness of regionally produced goods, lack of regional investments in processing for regional agricultural goods	Non-tariff barriers, harassment at borders	Single lane for ETLS products	FY 2016-17	Côte d'Ivoire and Mali customs, veterinary and phytosanitary services, police, ECOWAS	<ul style="list-style-type: none"> • Project technical support
Lengthy and costly procedures at borders for livestock	Veterinary certificate from export country not accepted in import country	Advocacy for mutual acceptance of veterinary certificates	FY 2015	COFENABVI, <i>Fédération de Bétail et Viande de Mali</i> (FEBEVIM)	<ul style="list-style-type: none"> • Project grants • Project technical support
Lengthy and costly procedures at borders for cereals, shea, and cashew	Phytosanitary certificate from export country not accepted in import country	Advocacy for mutual acceptance of phytosanitary certificates	FY 2015	WAGN	<ul style="list-style-type: none"> • Project grant
Lengthy and costly procedures at borders for cereals, shea, and cashew	Certificate of origin required although regionally produced staple crops exempt	Advocacy for removal of requirement for certificate of origin	FY 2015	COFENABVI, FEBEVIM, WAGN	<ul style="list-style-type: none"> • Project grant
Malian livestock exporters discriminated against compared to Senegalese traders	VAT payment required from Malian livestock traders but not Senegalese ones	Advocacy to remove VAT	FY 2015-16	WAEMU, COFENABVI, FEBEVIM, bilateral USAID livestock project	

Table 9: Cotonou–Ouagadougou Corridor: Constraints, Activities, and their Timeframes, Partners, and Modalities

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
General constraints					
Road harassment	Official and unofficial checkpoints lead to bribes and delays, especially for traders of perishables.	Advocacy Country-based hotlines	FY 2014-16	Borderless, COFENABVI, WAGN, Cashew Alliance, Shea Alliance, civil society groups, CILSS Borderless, DFID	<ul style="list-style-type: none"> • Project grants to partners • Technical support to CILSS for road harassment activities • Project grant to Borderless for extension of hotlines to corridor countries
High transport prices, seasonal variability in transport supply and prices, long waiting times at ports, long distances traveled for freight	Lack of mechanism to effectively match trucking demand and supply	Extension of CBC platform to Benin	FY 2016-17	CBC, the World Bank	<ul style="list-style-type: none"> • Technical support to CBC • Project grant to service provider
Poor condition of fleets, lack of adapted vehicles (e.g., for livestock)	Poor condition and lack of adapted vehicles lead to road harassment and delays.	Vehicle upgrading through access to finance, tax breaks	FY 2014	Transport companies and unions, finance institutions, COFENABVI, ROPPA, Borderless	<ul style="list-style-type: none"> • Project technical support
Lack of trucking sector professionalism	Unprofessional truckers break rules, causing continued harassment and inefficiencies.	Training courses, information materials	FY 2014-15	Borderless	<ul style="list-style-type: none"> • Project grants
Unclear and changing practices and rules	Traders are alone when they find out about changes at borders, giving them no flexibility and making them more prone to paying bribes.	Strengthening of BICs, establishment of information centers at export markets	FY 2014-15	Borderless	<ul style="list-style-type: none"> • Project grants

General Problem	Specific Issue	Activity	Fiscal Year	Partners	Modalities
Value-chain specific constraints					
Poor competitiveness of regionally produced goods, lack of regional investments in processing for regional agricultural goods	Non-tariff barriers, harassment at borders	Single lane for ETLs products	FY 2016-17	Benin and Burkina Faso customs, veterinary and phytosanitary services, police, ECOWAS	<ul style="list-style-type: none"> • Project technical support
Lengthy and costly procedures at borders for livestock	Veterinary certificate from export country not accepted in import country	Advocacy for mutual acceptance of veterinary certificates	FY 2015	COFENABVI, <i>Union Nationale des Commerçants et Exportateurs de Bétail</i>	<ul style="list-style-type: none"> • Project grants • Project technical support
Lengthy and costly procedures at borders for cereals, shea, and cashew	Phytosanitary certificate from export country not accepted in import country	Advocacy for mutual acceptance of phytosanitary certificates	FY 2015	WAGN	<ul style="list-style-type: none"> • Project grant
Lengthy and costly procedures at borders for cereals, shea, and cashew	Certificate of origin required, although regionally produced staple crops exempt	Advocacy for removal of requirement for certificate of origin	FY 2015	COFENABVI, <i>Union Nationale des Commerçants et Exportateurs de Bétail</i> , WAGN	<ul style="list-style-type: none"> • Project grant
Restrictions for cereal exports	Temporal seasonal restrictions and constant requirements for “intention to export” used to block exports	<p>Advocacy for ending restrictions</p> <p>Advocacy, when restrictions are issued, that they should be abolished in a timely fashion and through written orders</p> <p>Advocacy for ending use of “intention to export” document</p>	<p>As needed</p> <p>FY 2016-17</p>	WAGN, national cereals associations	<ul style="list-style-type: none"> • Project grant