

**SEMINAR ON TRADE AND TRANSPORT ISSUES IN WEST AFRICA**

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**SPONSORED BY USAID, AND ECOWAS**

**Lomé, Togo: March 20-21, 2001**

**ACTIVITY REPORT – April 2001**

Prepared by Booz•Allen & Hamilton

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Contract PCE-I-00-98-00013-00, Task Order No. 807  
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April 2001

This report was prepared by Mr. Pierre Pozzo-di-Borgo of Booz·Allen & Hamilton Inc. for the USAID-funded project, "Technical Assistance Seminars for the Countries of West Africa" (PCE-I-00-98-00013-00, Task Order No. 807). The report was submitted to project Cognizant Technical Officer Jean Harman of the USAID West Africa Regional Program Regional Strategic Team in April 2001.

## **I. SEMINAR'S GOALS**

This seminar, sponsored by the United States Agency for International Development (USAID) and the Economic Community of West African States (ECOWAS) Fund was organized by Booz Allen & Hamilton (BAH) and held in Lomé, at the ECOWAS headquarter, on March 21 and 22<sup>nd</sup> 2001. The primary goal of the seminar was to identify issues and propose solutions to the trade and transportation problems in West-Africa within the context of regional integration. A secondary goal was to promote exchange of views and foster debate between public and private sector decision-makers.

## **II. ATTENDANCE**

A total of ninety (90) participants from ten (10) countries attended the seminar (see Annex A, "List of Participants"). Twenty-seven (27) of the participants represented private sector transport operators and think tanks and twenty (20) of them were women.

## **III. SEMINAR AGENDA**

The seminar agenda was as follows:

### **Tuesday, March 20:**

- **Opening remarks**
- **Presentation I:** Importance of international regional trade in West Africa and current trade flows

*As part of this presentation, import and export flows from/to and within West Africa were reviewed. Likewise, regional and international trade flows were compared with those of other economic blocs and volume of trade by transportation mode was analyzed.*

- **Presentation II:** Impediments to movement of goods to and from the region

*This presentation analyzed trade impediments from four different perspectives: regional environment, international environment, transport and institutional environment. It showed how the lack of adequate physical, regulatory, and institutional infrastructure handicaps trade growth.*

- **Presentation III:** Facilitating and improving the flow of trade in the region, what works and why? Case Study

*During this presentation, several representatives of public and private organization addressed the participants:*

1. *The Director of the Trade and Customs Policies Department of the ECOWAS Executive Secretariat presented a document on Facilitation of the circulation of goods in West Africa covering five main topics:*
  - ✓ *Effective reduction, regrouping and rationalization of road check points in West Africa;*
  - ✓ *Dissipation of information, awareness and training of international road transport operators on their rights and responsibilities within the Community;*
  - ✓ *Implementation of inter-states road transit convention on goods*
  - ✓ *Study of problems relating to the speedy settlement of accidents by the ECOWAS Secretariat and the Board of the ECOWAS Brown Card; and*
  - ✓ *Preparation and circulation of a national road control plan indicating specific checkpoints and their operations by each Member State.*
2. *The Director of the ECOWAS Community Computer Center (CCC) highlighted three main problems his Department was working on to find solutions that would facilitate the free movement of goods and persons in West Africa. These are:*
  - ✓ *provision of information on goods from their point of departure to their destination by means of a single document to expedite the operation;*
  - ✓ *payment of claims to accident victims; and*
  - ✓ *trade opportunities management system.*
3. *The Managing Director of Transway Africa based in Abidjan, Côte d'Ivoire, presented a document on the functions and operations of his private company that seeks to establish permanent service between the ports of West Africa. Its goals are:*
  - ✓ *the preparation of a transport guide which will promote understanding of transport issues at both the carrier and the client levels;*
  - ✓ *Resolving issues surrounding the transport by air of perishable fresh agro-produce within West Africa; and,*
  - ✓ *Establishing a training system for suppliers of service and for drivers. This would require the creation of a regional training school.*
4. *The President of the West African Road Transporters Union (WARTU) presented a document on the aims and objectives of his association which are:*
  - ✓ *To bring together organizations, unions and other institutions whose main activities are in the road sector;*
  - ✓ *To subscribe fully to the ideals and principles of ECOWAS on free movement of person, goods, services and respect the conventions of the International Labor Organization (ILO) ;*
  - ✓ *To assist member organizations to defend and promote their economic and social interests and encourage professional training of its members;*

- ✓ *To assist member organizations by developing research activities on problems and trends affecting their members on working conditions, labor legislation, collective bargaining and other relevant matters.*

- **Presentation IV:** Import and export of agricultural goods

*This presentation reviewed the flow of agricultural goods in the region. It analyzed each country's agriculture production and illustrated transport issues related to the export/import of essential crops such as cotton, cocoa, coffee and palm oil. It also made recommendations regarding the promotion of agricultural trade growth with the United States.*

- **Presentation V:** Enhancing private sector participation

*This presentation the importance of fostering private sector involvement in international trade areas traditionally reserved for government, and advised on the modalities for initiating such involvement. It highlighted the growing importance of multimodalism, and the need for ECOWAS countries to improve their physical and institutional transportation framework. It presented techniques for involving the private sector in the maritime, rail, and road sector.*

### **Wednesday, March 21:**

The issues raised during the plenary session on March 20, 2001 were addressed as part of the discussions that took place in the various workshops held that day.

- **Session 1:**
  - Workshop A: Mechanisms to solve impediments to the movements of goods
  - Workshop B: Public/Public partnership in regional trade
  - Workshop C: Institutional reform to facilitate trade
- **Session 2:**
  - Workshop C: Institutional reform to facilitate trade
  - Workshop A: Mechanisms to solve impediments to the movements of goods
  - Workshop B: Public/Public partnership in regional trade
- **Session 3:**
  - Workshop B: Public/Public partnership in regional trade
  - Workshop C: Institutional reform to facilitate trade
  - Workshop A: Mechanisms to solve impediments to the movements of goods
- **Closing remarks**

Copies of the presentation made during the first day of the seminar as well as minutes from the workshop session can be obtained via the Internet at the following address: <http://warpseminars.xservices.com>.

#### **IV. IDENTIFIED ISSUES AND PROPOSED SOLUTIONS**

The outcome of deliberations held during the workshops were as follows:

##### **1. Identified Obstacles to the flow of goods within the region**

- Quality and density of transport network.
- How to ensure that Member States of ECOWAS who have signed the various protocols on free trade implement them.
- Closure of borders during day or the night due to the lack of adequate facilities and Customs personnel.
- Problems relating to Customs and Police control (corruption).
- Non-implementation of the inter-State road transport by the signatory countries.
- Lack of harmonized procedures on the movement/transit of goods.
- Lack of parallel checkpoints at borders.
- Non-tariff barriers (Product quality standards - certification - approval)
- Economic capacity of transporters to meet ECOWAS technical standards.

##### **2. Suggested solutions for eliminating the obstacles to the flow of goods within the region**

- States must implement the declaration of common law.
- Simplification and elimination of documentation necessary for carrying out Customs formalities (ECOWAS must introduce EDI to enable the electronic declaration of goods).
- Harmonization of procedures at borders.
- Organization and physical separation of payment and submission of import and export declaration documents.
- Placement of an immigration officer at every border post to issue ECOWAS visas.
- Parallel location of border posts to obviate the need for internal controls.
- Education campaign in each State to make people aware of their rights and responsibilities.
- Uniform logbook and car license plates in ECOWAS.
- Establishment of maritime book transport bureau and bureau for monitoring illegal practices at border posts (conditionality attached to certain international aid).
- Harmonization of regulations and highway codes.
- Donor assistance for the commencement of projects and the utilization of payments from user fees to finance the operations of the project.
- Assistance to small and medium scale transporters.

##### **3. Recommendations regarding the institutional reforms necessary to facilitate the flow of goods within the region**

- The need for ECOWAS Members to have an Air Treaty. Air Afrique could serve as a model for integration.
- Necessity to harmonize maritime policies among ECOWAS Member States.
- The revision of some of the current regulations in the maritime sector that mandate quota of nationals and foreigners among crewmembers poses problems.
- In spite of decision of ECOWAS, UEMOA and CILSS transporters and agricultural produce cannot obtain international insurance. UEMOA has introduced a new insurance policy for francophone countries known as SIMA instead of the Brown Card used by the anglophone countries of ECOWAS.
- Harmonization of taxes and formalities along the transport corridors is necessary.
- Contrary to the provisions of the Agreement signed by Member States, ASECNA is not exempt from the payment of Customs duties. This undermines air safety because impediments are placed in their way in the acquisition of spare parts.
- Need to streamline policies, objectives and activities of regional institutions.
- Need for a body to settle disputes and conflicts such as the one between ASECNA and Customs.
- The reduction of corruption among Customs officials requires the putting in place of effective mechanisms and promotion of goods governance.
- Need to reduce the level of taxation on imports and exports.
- Introduction of a common currency by ECOWAS.
- There was agreement that the government should play the role of a regulator in the transport sector. The government's regulatory activities in the telecommunications sector were cited as an example.
- Regulation was seen as a means for protecting the public from the excesses of the private sector. Training centers and certification of truck drivers were seen as government interventions that could reduce the number of road accidents.
- The ECOWAS was considered to be a suitable agent for facilitating inter-regional coordination.

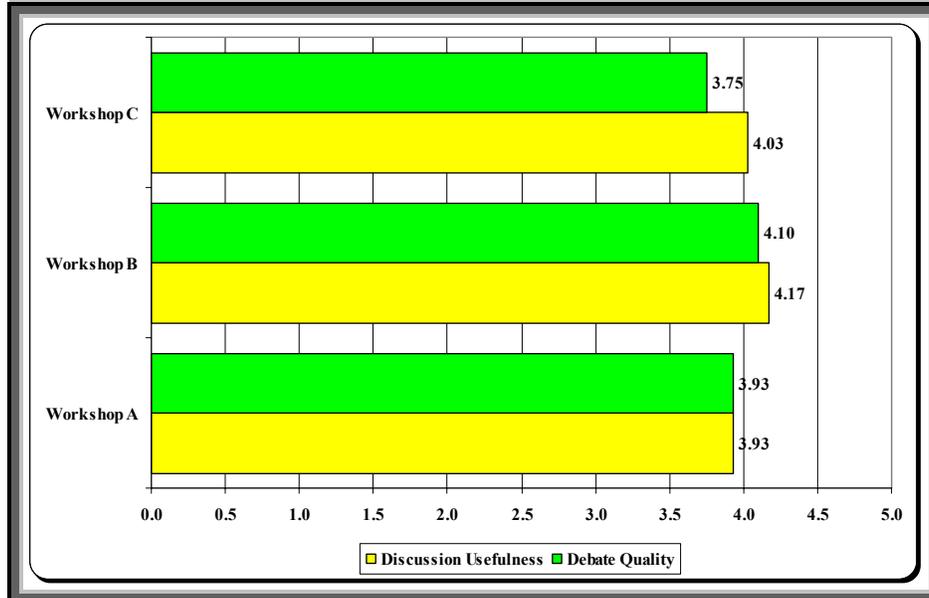
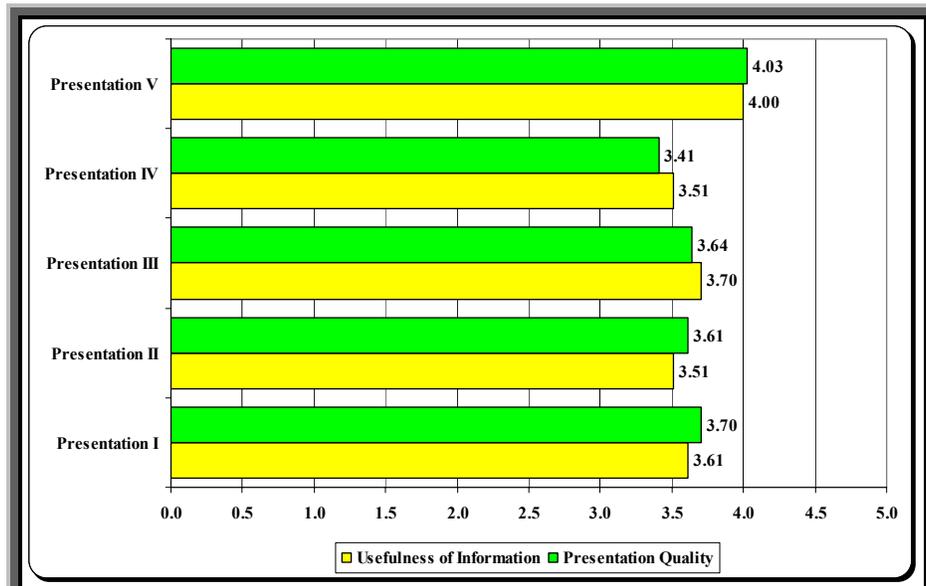
#### **4. Recommendations/Observations regarding private sector involvement in the management and financing of the regional transport infrastructure**

- The sale of public assets would result in general layoffs that would be socially unacceptable. Therefore, it is recommended that before beginning on a privatization program, the government should first make provisions for retraining and re-absorbing the workers who would lose their jobs.
- Privatization has resulted in the replacement of public monopolies by private monopolies. The privatization of the Abidjan-Ouagadougou railway was mentioned.
- Liberalization of West African economies is allowing foreign multinational companies to seize a large share of the market and to squeeze out local private firms.
- Globalization is perceived as implying a takeover of local markets by foreign multinationals. The local private sector is seen incapable of competing effectively against international players unless protected by the government.
- There was agreement that several public sector companies are inefficient and would benefit from foreign management expertise.

- There is a preference for privatizing only money-losing state firms that require significant capital investment and are a burden on the government.
- Privatization in the transport sector should be limited to the services, not the infrastructure. For example, in the railway sector, the government should retain possession of the rail, and allow various operators to offer simultaneous service along the same line.
- Instead of outright sale of assets, the government should consider forms of involving the private sector, such as management contracts, that would improve the management of a public enterprise without the resulting loss in jobs.

## V. PARTICIPANTS' EVALUATION OF PRESENTATIONS AND WORKSHOPS

The following two graphs present the results of the participants evaluation of the presentation and workshops. The following scale was used to rate each event: 1. Poor, 2. Mediocre, 3. Good, 4. Very Good and 5. Excellent



**Annex A – List of Participants**

<b>Countries</b>	<b>Names</b>	<b>Addresses</b>
<b>Benin</b>	Mr. Christian DJOTOHOU	Ministère des Travaux Publics et des Transports – Cotonou
	Mr. Massadoudou LIGALI Mrs. Clemence S. AKINDE	Ministère des Finances et de l'Economie – Cotonou
	Mr. Calixte A. TOSSOU	Ministère de la Direction des Transports Terrestres - Cotonou
	Mr. Pierre MOISE BIAOU Mr. Carlos GONCALVES Mrs. Diane QUENUM	Port Autonome - Cotonou
<b>Burkina Faso</b>	Mr. Marcel NIKIEMA Mrs. Fulgence BASSONO	Net Translog - Ouagadougou
	Mr. Donmeguile J. MEDA Mr. Paul Antoine Marie GANEMTORE Mr. Tidiane BA Mr. Amadou SAWADOGO	Ministère du Transport et du Tourisme
	Mr. TANDIA	Département de Transport Aérien – Abidjan
	Mr. Kaba DIAKITE Mr. N'guessan N'GUESSAN	Sokadys Transport – Abidjan Incotrans – Abidjan
<b>The Gambia</b>	Mr. Boubacar BADJAN Mr. Mama BABOU SOWE	Ministry of Transport - Banjul
	Mr. Tamsir SALLAH Mr. Badou O. SECKA	Port Authority - Banjul
<b>Ghana</b>	Mr. Evans KLUTSE Ms. Elizabeth NEWELL Mrs. Mercy NTIM OFOSU	Ministry of Foreign Affairs - Accra
	Mr. Kwadwo NTIM ATUAHEME	Ministry of Trade and Industry - Accra
<b>Mali</b>	Mr. Philippe MEBA YEBEDIE Mrs. Djeneba Boundi	Chemin de Fer du Mali - Bamako
<b>Mauritania</b>	Mr. Ahmed BRAHIM	Fédération Nationale du Transport – Nouakchott
<b>Nigeria</b>	Mr. I. A. IDOWU	Hamstang Limited – Lagos
	Mr. Femia BOYEDE	Koinonia Ventures LTD – Lagos
	Mr. Oluseyi ADU	French School – Lagos
	Mr. Chindo WILLIAM	Ecomarine – Lagos
	Mr. Makinde BANKOLE KINGS	Richymoore Pharm & Chemicals - Lagos
<b>Sénégal</b>	Mrs. Khady NDIAYE FALL	Société Nationale des Chemins de Fer du Senegal (SNCFs), Dakar

<b>Countries</b>	<b>Names</b>	<b>Addresses</b>
<b>Togo</b>	Mrs. Pierrette A. D'ALMEIDA	Ministère du Plan, de L'Aménagement du Territoire, de l'Habitat et de l'Urbanise – Lomé
	Mr. M'BADIA Mr. K. NAMBANG Mr. K. YEKPLE-DJILAN Mr. Foli AKUE-AKPA Mr. O. Balikou KONDIMANE Mr. Soba ESSOWA Mrs. Geneviève TELOU Mrs. Ama DZIFA GAMETI	Ministère du Commerce, de l'Industrie et des Transports – Lomé
	Mr. Win'pang PESSINABA	Administration des Douanes - Lomé
	<b>International Organizations</b>	
<b>Organisations</b>	<b>Names</b>	<b>Addresses</b>
<b>ECOWAS Secretariat</b>	Mr. Gilles HOUNKPATIN Mr. Jules GOGOUA Mr. Ali A. Mr. Alain KONKOBO	Commercial and Customs Policies Department – Abuja, Nigeria
	Mr. M. O. AFOLABI Mr. Mohammed MANSARAY Mr. ElyY K. WOTOKO Mr. O.T. AGYEMAN-DUAH Mr. Mbissane DIENE Mr. Harouna OUEDRAOGO Mr. Thindo ATABRE Mr. Adama TOURE Mr. Ayissou KOUASSI Mrs. Emma AGBOGAN	Community Computer Center - Lomé, Togo
<b>ECOWAS Fund</b>	Mr. Barthelemy D. DRABO Mr. Martial KOFFI KOUAKOU Mr. Geoffroy E. O. MANIESON Mr. Antonio P. M. LIMA Mr. Bashir IFO Mr. Ousmane BOCOUM Mr. Phillippe KABORE Mr. Thierno B. TALL Mr. Hamadou HAINIKOYE Mr. Doe WEAH WALLACE Mr. Laurent AGOSSOU Mr. Jacques-F. TOKPLO Mr. Michel K. ASSIELOU Mr. Kingsley ODORO Ms. Laureta ROBINSON Mr. Akouete FOLLY Ms. Amy ARMAH Ms. Essie NASSAR Ms. Solange YAO AFFOUE	Lomé, Togo

<b>Organisations</b>	<b>Names</b>	<b>Addresses</b>
<b>Fonds Africain de Garantie et de Coopération Economique</b>	Mr. Souleymane GADO Mrs. Sofiath D. IBIKOUNLE	Cotonou, Bénin
<b>West Africa Union of Road Transporters</b>	Mr. Charles ANKOMAH Mr. Alh Lawal ISSA Mr. Alh Mallam BALA	Lagos, Nigeria
<b>ASECNA</b>	Mrs. Edith SANCHEZ Mrs. Fatima CHEIFFOU BAH	Dakar, Sénégal
<b>USAID</b>	Ms. Jean HARMAN Mr. Checick DRAME	Bamako, Mali
<b>Booz•Allen&amp;Hamilton</b>	Mr. Pierre A. POZZO-DI-BORGO Mr. George ATALLA Ms Fatoumata B. THIAM Mr. Maurice THORNE M. Rifat BAROKAS	McLean – Virginia, USA