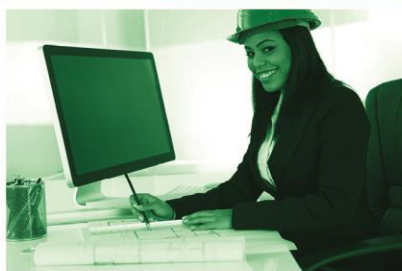




# SERVICES POLICY REVIEW



# ECOWAS (II)



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The publication is in two volumes. Volume I contains an overview of ECOWAS economy and its services sector. It also contains sectorial reviews of the following services: Banking and other financial services; Insurance and insurance-related services; Telecommunications services; Road transport services; Air transport services; and Tourism services. Volume II contains sectorial reviews of the following services: Energy services; Accounting services; Legal services; Architectural services; and Trade in education services. It also summarizes conclusions and recommendations for advancing development of key priority services sectors in ECOWAS Member States.

Values are presented in short scale and references to dollars are United States of America dollars, unless otherwise stated.

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The review draws on the ongoing substantive work of UNCTAD in the services sector. Draft chapters of the publication were prepared by Jonathan Aremu; Sekou Falil Dombouya and Abiodun Bankole, experts recruited by the ECOWAS Commission. Joy Kategekwa of the Regional Office for Africa of UNCTAD; Martine Julsaint-Kidane of TNCDB; Gregory Gbenga Obideyi, Peter Joy Sewornoo and Antoine Agbadome of the ECOWAS Commission contributed inputs to the draft chapters. Substantive comments were received from Liping Zhang and Vincent Valentine of TNCDB; Edwini Kessi, Director of the Agriculture and Commodities Division, World Trade Organization; Amanda Bisong, Head of Unit, Trade and Customs, Support Programme to the ECOWAS Commission; Bernard Tayoh, Senior Trade Advisor of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); and by Members of the ECOWAS Technical Working Group on Trade in Services. The publication was finalized by the UNCTAD team in consultation with the ECOWAS team.

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## ABBREVIATIONS AND ACRONYMS

AABWA	Association of Accounting Bodies in West Africa
ACP	African, Caribbean and Pacific
AEC	African Economic Community
AfDB	African Development Bank
AFCAC	African Civil Aviation Commission
AIO	African Insurance Organization
ASAs	air service agreements
AU	African Union
AVSEC	aviation security
BAGASOO	Banjul Accord Aviation Safety Oversight Organization
BASAs	bilateral air service agreements
BCEAO	Banque Central des Etats de L'Afrique de L'ouest
BPO	business processing outsourcing
CET	common external tariff
CIMA	Conference of Insurance Market
CPC	Central Product Classification
CREPM	Regional Council for Public Saving and Financial Markets
CTP	common trade policy
EAC	East African Community
EBID	ECOWAS Bank for Investment and Development
ECIM	ECOWAS Common Investment Market
ECOWAS	Economic Community of West African States
EEEP	ECOWAS Energy Efficiency Policy
EMCP	ECOWAS Monetary and Cooperation Programme
EPA	economic partnership agreement
EPSS	ECOWAS Payments and Settlements System
EREP	ECOWAS Renewable Energy Policy
ERERA	ECOWAS Regional Electricity Regulatory Authority
ERPSS	ECOWAS Regional Payments and Settlements System
ETLS	ECOWAS Trade Liberalization Scheme
FDI	foreign direct investment
FPI	foreign portfolio investment
FSPs	financial services providers
FTA	free trade agreement
GATS	General Agreement on Trade in Services
GATT	General Agreement on Trade and Tariff
GDP	gross domestic product
GSR	Global Symposium for Regulators
ICAO	International Civil Aviation Organization
ICT	information and communication technology
IIP	international investment position
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
JBP	joint border post
LMT	labour market test
MANPADs	man portable air defence systems
MFN	most favoured nation
MTN	mobile telephone network
MTS	multilateral trading system
NAB	National Accounting Board
NEPAD	New Partnership for Africa's Development
NIPA	national investment promotion agency
ODA	official development assistance
OECD	Organization for Economic Co-operation and Development
PPIAF	Public-Private Infrastructure Advisory Facility

R&D	research and development
RCH	regional clearing house
RIA	regional integration arrangement
RTA	regional trade agreement
RTGS	Real-Time Gross Settlement System
SADC	Southern African Development Community
SAFA	Satellite in Africa
SDGs	Sustainable Development Goals
SME	small and medium-sized enterprise
SPR	Services Policy Review
TEVET	Technical and Vocational Education and Training
TNC	trans-national corporation
UEMOA	West African Economic and Monetary Union
UIA	<i>Union Internationale des Architectes</i>
UNCPC	United Nations Central Product Classification
UNCTAD	United Nations Conference on Trade and Development
UNECA	United Nations Economic Commission for Africa
UNESCO	United Nations Educational, Scientific and Cultural Organization
USAID	United States Agency for International Development
WAEC	West African Examination Council
WAEMU	West African Economic and Monetary Union
WAGP	West African Gas Pipeline
WAPCo	West African Gas Pipeline Company limited
WAMA	West African Monetary Agency
WAMI	West African Monetary Institute
WAMZ	West African Monetary Zone
WAPP	West African Power Pool
WARTU	West African Road Transporters Union
WFP	World Food Programme
WTO	World Trade Organization
YD	Yamoussoukro Decision

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# Chapter I: Energy services

## A. INTRODUCTION

A broad perspective of the energy sector includes a number of activities (goods and services which are difficult to distinguish) involved in the supply chain: exploration, extraction, production, transportation, transmission, distribution, marketing and consumption, that is to say selling to the final consumer. It is also possible to include offshore activities, as a significant portion of oil and gas production takes place offshore; highly specialized equipment and services are developed for location, prospection, extraction, production and transportation of energy resources at sea.

It is not certain which activities in the energy supply chain could be considered as services. It may be recalled that neither the W/120 document nor the provisional CPC contain a separate section on energy services. Energy-related activities are nevertheless covered by these classifications and the three main ones which, expressly refer to energy in the upstream value chain of the oil sector are defined as follows:

- **Recognition** is the set of activities carried out to acquire geo-scientific data including geological, geophysical and geochemical surveys as well as processing, interpretation of data and information acquired on predefined areas.
- **Prospection or Exploration** is an operation, which consists in superficial or deep investigations in order to discover the existence of commercial quantities of hydrocarbon deposits.
- **Development** is all the activities related to preparation, construction and installation of Hydrocarbon Production Facilities, including drilling of development wells and various pipelines of production activities.
- **Production** is the extraction of hydrocarbons from deposits, including drilling for the production of hydrocarbons, injection for improvement of recovery, assisted recovery, treatment, storage and preparation for transportation of hydrocarbons, construction and use of facilities for hydrocarbons production.
- **Transportation** refers to transport of hydrocarbons from the place of extraction of the deposits to the points of storage, processing, loading or delivery within the country.
- **Abandonment** is all activities related to preparation and implementation of interruption of petroleum activities, including interruption of the use of Facilities, their dismantling and removal, as well as rehabilitation of the site.

The downstream hydrocarbon services are classified as:

- i. Transportation: road transport of hydrocarbons, gas transportation, marine transport of hydrocarbons, railway transport of hydrocarbons, hydrocarbon transportation by pipeline
- ii. Storage: hydrocarbon storage, offshore oil and gas storage, gas storage
- iii. Marketing: fuel distribution, distribution of aviation products and distribution of gas.

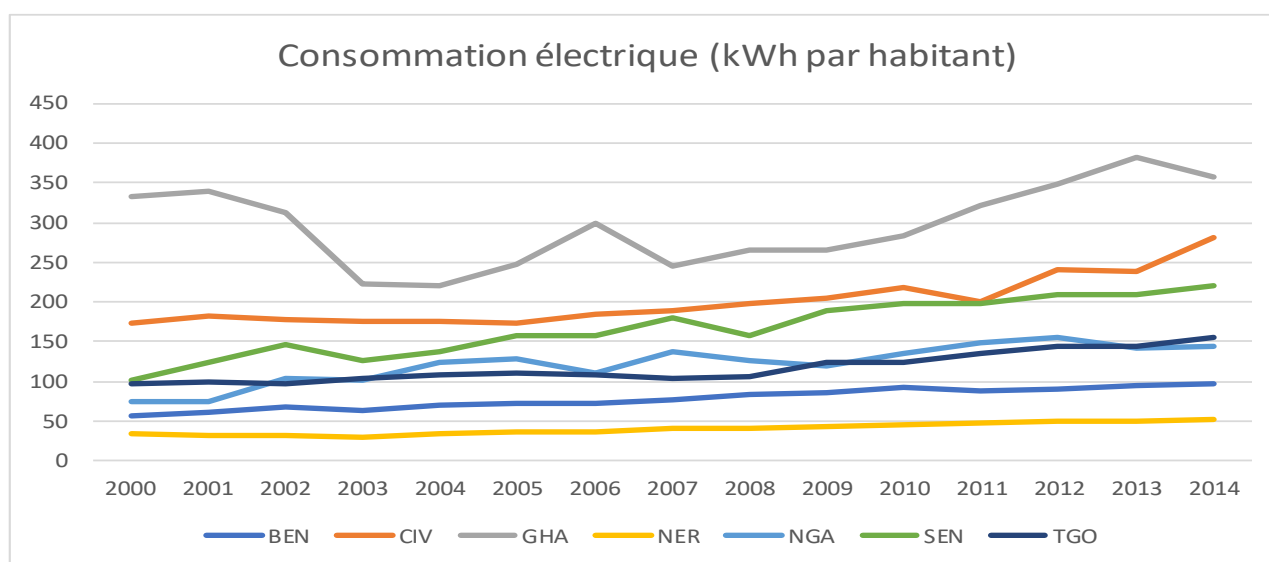
For electricity generation, services are classified as transmission of electricity, services incidental to distribution of energy, distribution of electricity and services incidental to distribution of energy.

## B. PERFORMANCE OF THE SECTOR

Given the ambitions of the ECOWAS region to provide decent living conditions to its population by promoting a dynamic regional economy it is only natural that the issue of access to reliable, and affordable energy services is a key priority for the region and an area of focus for regional cooperation, policy development and investment. The projected continued growth of the region's population which already accounts for around one third of Sub-Saharan Africa's total population will imply rising energy demand in the year to come, fuelled by population growth, rapid urbanization, and economic development will place additional strain on the region's energy system. By harnessing the region's tremendous, ECOWAS Member States have started to address these challenges, including by focusing on developing the region's renewable energy potential across a diverse set of resources, including modern biomass, hydropower, solar, and wind.

The current situation in Member States remains diverse with varying energy demand profiles. Not only does energy consumption differ from country to country (as shown for electricity in Figure 1) it also varies from sector to sector in the different countries. As the ECOWAS Renewable Energy and Energy Efficiency Status Report 2014 highlights in low-income economies, the household sector tends to account for the vast majority of energy consumption; in other Member States other economic sectors (e.g. transport and industry) also represented a significant share. The report notes that this information is essential for targeting specific sectors of the economies for energy efficiency improvements and renewable energy deployment (REN 21, 2014).

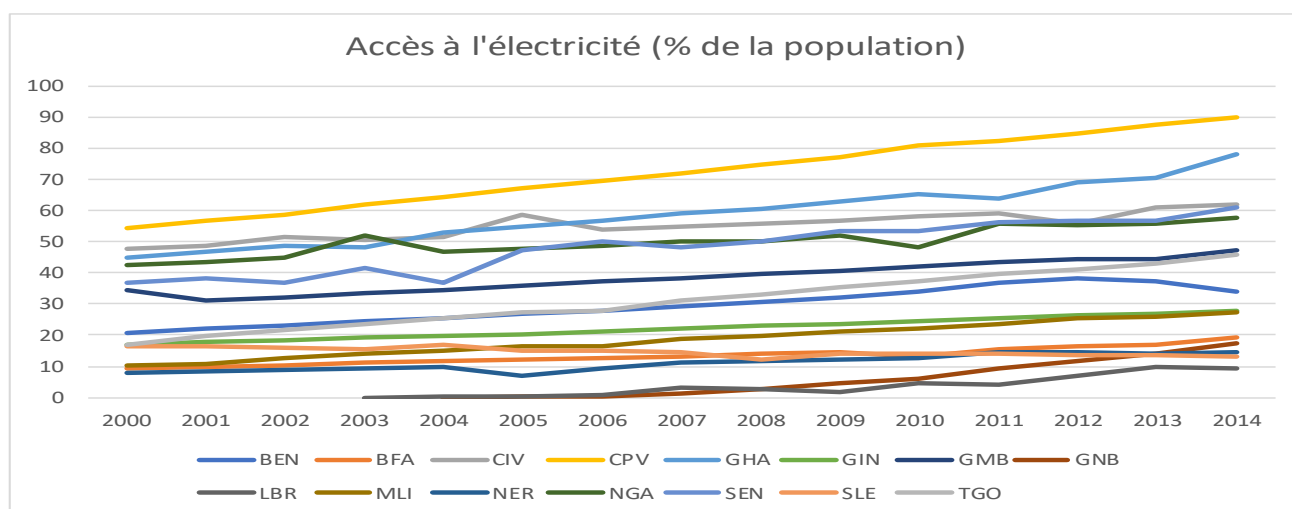
**Figure 1: Consumption of electricity in ECOWAS countries (kwh per inhabitant)**



Source: World Development indicators.

While the region has set out for itself the objective of providing its population and its economic operators access to modern energy services it remains heavily dependent on traditional biomass resources like wood and charcoal, particularly in rural areas. Access to electricity remains a challenge in the ECOWAS as it does in other parts of Sub-Saharan African. Within ECOWAS, national electricity access rates vary widely as can be seen in Figure 2. The figures for 2014 show that while one Member State still remained with an access rate as low as 10 per cent, at the other extreme a country like Cabo Verde had already nearly universal access at 90 per cent.

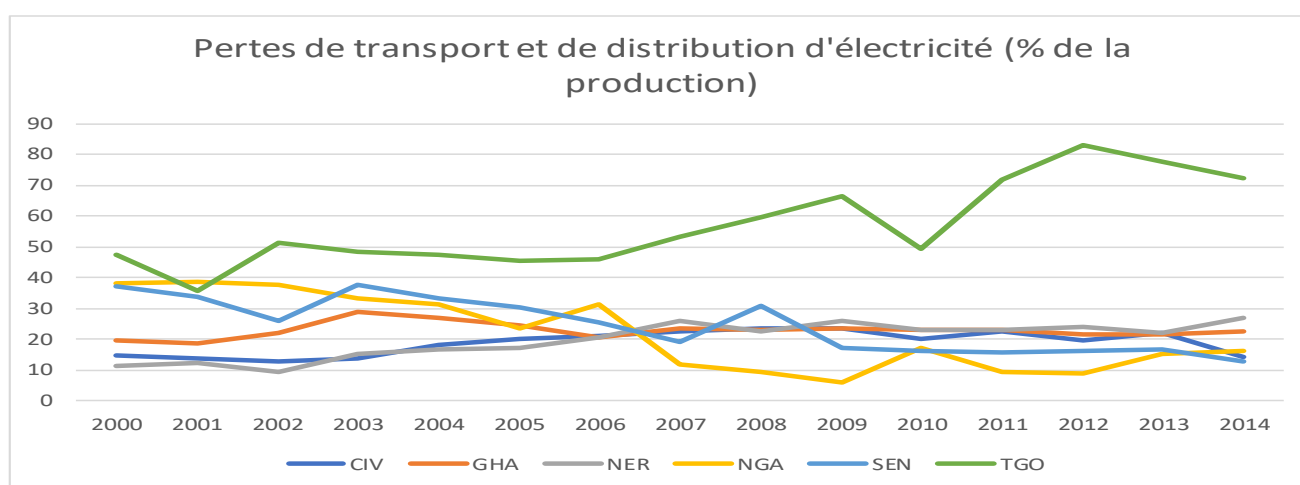
**Figure 2: Access to electricity in ECOWAS Member States (in percentage of population)**



Source: World Development Indicators.

Despite the relative success of a few Member States in achieving commendable access rates it nonetheless remains that energy security in the ECOWAS region is threatened by various factors including poor system reliability; limited infrastructure; and heavy reliance on fossil fuels, hydropower, and traditional biomass resources. Also, it is particularly noteworthy that the region is dependent on imports of fossil fuels. A closer look at the electricity sector, also indicates that the growing gap between generation capacity and demand is compounded by high losses which have been estimated at 21.5 per cent in West Africa in 2010 (REN21, 2014). It should be noted that technical and non-technical losses in the grid networks represent a major barrier to further energy sector development. Once again, the losses vary significantly from member to member as can be seen in Figure 3. The schemes, which can reduce losses include improving and maintaining existing equipment; removing illegal connections; and optimizing billing to increase cost recovery (REN21, 2014).

**Figure 3: Electricity transportation and distribution losses in ECOWAS Member States (in percentage of production)**



Source: World Development Indicators.

### C. LINKAGES WITH OTHER SECTORS

Article 28 of the revised ECOWAS Treaty sets out the major orientations of ECOWAS targets and policies in energy services sector. It states that Member States agree to coordinate and harmonize their energy policies and programs and commit to:

- Effectively enhance the region's energy resources;
- Establish appropriate cooperation mechanisms to ensure the regular supply of hydrocarbons;
- Promote the development of new and renewable energies, including solar energy as part of an energy diversification policy;
- Harmonize national energy development plans, including the interconnection of electricity distribution networks;
- Design a common energy policy, particularly in terms of research, exploitation, production and distribution; and
- Create a mechanism for consultation and coordination to jointly solve the problems associated with energy development within the Community, in particular those related to energy transport, inadequacy of qualified technical staff and shortage of financial means for the realization of energy projects.

The existence of an efficient energy sector is essential for economic and social development, as almost all human activities use energy. Ensuring reliable and affordable energy supply is seen as one of the fundamental responsibilities of governments that regulate the sector in order to achieve various objectives, including the following:

- i. Provide people with reliable and affordable energy goods and services; (universal service for electricity, for example);
- ii. Mitigate the environmental effects of energy production and consumption;
- iii. Diversify energy sources to ensure security of supply; and
- iv. Ensure the preservation and sustainable use of natural resources.

#### D. INSTITUTIONAL FRAMEWORK AND MAIN ACTORS

The ECOWAS Energy Institutional Framework consists of the following:

##### i) The ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE)

ECREEE is a specialized agency of ECOWAS with a public mandate to promote regional renewable energy (RE) and energy efficiency (EE) markets. It acts as an independent body but within the legal, administrative and financial framework of ECOWAS. The Centre was established in 2010 with support of ECOWAS, the Governments of Austria and Spain and key technical assistance of the United Nations Industrial Development Organization (UNIDO). ECREEE aims at the following objectives:

- to promote sustainable development in West Africa by improving access to modern energy services, energy security and climate change mitigation through the use of RE and EE; and
- to create an enabling environment for regional RE and EE markets by mitigating various barriers for the dissemination of green energy technologies and services.

The Centre promotes the following energy technologies/solutions:

- All appropriate renewable energy and energy efficiency technologies and solutions, including partly renewable energy-based hybrid systems and mini- grids;
- Small- scale hydro- power projects usually with a maximum capacity of 30mw;
- Biofuel projects which prove to be sustainable; and
- Liquid Petroleum Gas cooking projects are eligible due to their high relevance for low- income population groups.

The institutional structure of the Centre includes:

- the Secretariat based in Praia, Cabo Verde;
- the Executive Board;
- the Technical Committee; and
- the National Focal Institutions in the 15 ECOWAS Member States.

##### ii) The West African Power Pool

**West African Power Pool (WAPP)** brings together the utilities of 14 of the 15 ECOWAS Member States, save for Cabo Verde without electrical connection with the African continent. Its vision is to develop and put in place a cooperative power pooling mechanism for integrating national power system operations into a unified regional electricity market. WAPP is promoting the development of infrastructures and the elaboration of common electrical standards to promote and achieve a complete synchronization of the WAPP area. Some countries like Ghana, Mali have several utilities represented (for example the 3 Ghanaian utilities: GRIDCO, VRA, and ECG).

WAPP's present priorities are to develop and build the necessary conditions of the emergence of a single power market within its boundaries, by developing and coordinating the WAPP Master Plan which should provide at the horizon 2020/25 a sufficient transmission and power capacity at the regional level; In 2011 the revised Master Plan was adopted.

### iii) The ECOWAS Regional Electricity Regulatory Authority

The **Regional Electricity Regulatory Authority** (ERERA) is the regional regulator for cross- border electricity interconnections in West Africa. The mission and objectives of ERERA include the following:

- Regulation of cross- border electricity connections and trading among ECOWAS Member States;
- Establishment of clear and transparent tariff setting methodology for regional power pooling;
- Facilitating the setting up of regulatory and economic environment for the development of the regional market;
- Technical regulation of the regional power pooling and monitoring of regional market operations;
- Assisting the ECOWAS Commission in defining the strategy for the regional energy policy;
- Establishing effective dispute resolution methods among regional market participants; and
- Assisting national regulatory bodies in ECOWAS on capacity building and technical issues upon request.

ERERA is governed by a decision- making and managerial body called the Regulatory Council. The Regulatory Council currently consists of three members, headed by the Chairman with two other members (to be enlarged to 5 members later). Council members appointed are for a fixed non- renewable term of 5 years. The Council is supported by a pool of experts who are responsible for the day to day operations of ERERA.

### iv) The West African Gas Pipeline Company limited

The **West African Gas Pipeline Company** (WAPCo) is a limited liability company that owns and operates the West African Gas Pipeline (WAGP) under the auspices of ECOWAS. The company has its headquarters in Accra, Ghana, with an office in Badagry, Nigeria, and field offices in Cotonou - Benin, Lome - Togo, Tema and Takoradi, both in Ghana.

WAPCo is a joint venture between public and private sector companies from Nigeria, Benin, Togo and Ghana. The company's main mandate is to transport natural gas from Nigeria to customers in Benin, Togo and Ghana in a safe, responsible and reliable manner, at prices competitive with other fuel alternatives. WAPCo is owned by Chevron West African Gas Pipeline Ltd (36.7%); Nigerian National Petroleum Corporation (25%); Shell Overseas Holdings Limited (18%); Takoradi Power Company Limited (16.3%), Societe Togolaise de Gaz (2%) and Societe BenGaz S.A. (2%). The West African Gas Pipeline Authority based in Abuja is the regulatory body for WAPCo.

The energy efficiency agency's institutional capacity is contained in Table 1.

**Table 1: The Energy Efficiency Agency's institutional capacity**

Member State	Name of institution	Human resources	Financial resources
Benin	Agence Béninoise d'Electrification rurale et de Maitrise de l'Energie (ABERME)	43 people, among whom 27 are technical experts and managers. Needs capacity- building on S&L program management.	About XOF 3 billion (USD 6 million), depending on ongoing projects and the operating budget. Needs moderate support.
Burkina Faso	Direction de la Promotion de l'Économie d'Énergie, a division of the National Directorate of Energy	3 people. No further detail available	No specific budget allocated. Depends on the Ministry of Energy budget. Needs sufficient funding support.
Cabo Verde	Directorate of Energy of the Ministry of Energy	Engaged in households EE promotion program	N/A
Côte d'Ivoire	<i>Bureau Économie d'Énergie</i> (BEE) of the National Directorate of Energy	37 agents, among whom 16 are technical experts, mostly being engineers and technicians.	XOF 100 million (USD 200,000) allocated as 2013 budget. No S&L funding. Needs financial support.

Member State	Name of institution	Human resources	Financial resources
Gambia	Ministry of Energy		
Ghana	Ghana Energy Foundation	Has been implementing the Ghana Electrical Appliance Labelling and Standards Program (GEALSP) for room air-conditioners, CFLs, and refrigerators/freezers since 1998. Human resources seem sufficient in terms of technical experts and logistics.	Lack of funding to develop standards for other appliances, such as electric motors, and to strengthen its staff's competence. Developing one set of MEPS costs approximately USD 50,000
Guinea	No EE agency. National Directorate of Energy (DNE)/ Electricité de Guinée (EDG)	DNE: 1 employee. EDG: 10 employees. Both organizations coordinate the CFL distribution program.	DNE: No funding for EE EDG: Not mentioned.
Guinea-Bissau	Direction générale de l'énergie	Currently participating in some regional initiatives, such as the WAEMU regional energy program and the OMVG studies.	Insufficient
Liberia	No specific designated EE Agency. Ministry of Energy, Department of Energy or Rural and Renewable Energy Agency (RREA)	Ministry of Energy: Capacity-building required RREA: Very few staff. No specialized expert on EE.	Lack of funding
Mali	No specialized EE agency. Agence Malienne de Développement de l'Énergie Domestique et des Énergies Renouvelables (AMADER)	3 agents with very limited knowledge and experience regarding appliances EE programs. Needs capacity-building and HR strengthening related to S&L programs.	USD 75,000, depending on National Directorate of Energy's budget.
Niger	No EE agency. Energy and Petroleum Ministry	114 agents, among whom 100 are high-level managers. Planning to hire 119 agents in 2013. No EE program experience. Needs much capacity-building among staff Members.	No funding for S&L programs
Nigeria	Energy Efficiency Unit (EEU) of Energy Commission of Nigeria (ECN)	N/A	N/A
Senegal	Agence Nationale d'Économie et de Maîtrise de l'Énergie (ANEE)	13 agents, among whom 2 are experts. The ANEE is a newly created agency, so there is a need of much capacity-building.	XOF 300 million (USD 600,000) each year. One part is devoted to S&L, but the exact amount has not been specified.
Sierra Leone	Energy division of the Ministry of Energy	Very limited capacity.	N/A
Togo	No EE agency. The National Energy Directorate (DGE) /	DGE: 21 employees. CEET: 750 employees.	DGE: XOF 25 million (USD 50,000) per year



Member State	Name of institution	Human resources	Financial resources
	compagnie énergie électrique du Togo (CEET)	Both organizations are participating in the Lamps S&L program, which is currently ongoing in the country.	CEET: XOF 36 billion (USD 72 million)

Source: ECONOLER (2013).

## E. POLICY FRAMEWORK

As far as energy issues are concerned, the 15 ECOWAS Member States evolve in a complex framework where regional, sub- regional policies and national policies coexist at the same time:

- The ECOWAS White Paper for increasing access to energy services for rural and peri- urban populations by 2015;
- The 2011 Master Plan of the West African Power Pool (WAPP);
- The UEMOA context with its energy policy and programmes as the former PRBE for the biomass and the present Regional Initiative for Sustainable Energy (IRED);
- The Permanent Inter- State Committee for Drought Control in the Sahel which is covering six of the ECOWAS countries (Burkina Faso, Cabo Verde, Guinea-Bissau, Mali, Niger and Senegal), and is focusing on woody biomass, sustainable management of forest and wooded lands and sustainable use of wood-fuel, inclusive substitution strategies (LPG and kerosene); and
- Each country's energy policy and strategies (Table 2).

In the 1980s, ECOWAS Member States identified the need for a more pragmatic approach to address energy needs by taking the major decisions on the regional energy programme. These included the adoption in December 1982 the ECOWAS Energy Policy, the December 1999 decision to establish a regional electricity market (WAPP), the January 2003 adoption of the ECOWAS Energy Protocol, the January 2006 adoption of the ECOWAS Generation and Transmission Master Plan, as well as the adoption in January 2008 of a Supplementary Act establishing a regional regulator to ensure open and transparent energy trade in West Africa.

In 2006, ECOWAS/WAEMU adopted the White Paper on access to modern energy services for populations in rural and peri- urban areas. These initiatives reflect an increasing drive for integrated energy markets in the region and hence justify a regional approach in developing the renewable energy and energy efficiency sectors. For example, the ECOWAS/WAEMU White Paper foresaw that at least 20 per cent of new investments in electricity generation in the region will be driven by renewable resources. It was against this background that the ECOWAS Council of Ministers at its 61st Session in Ouagadougou, Burkina Faso, requested the Commission to re- focus its energy access agenda towards promoting the use of alternative energy sources, including solar, wind and other Renewables and set the base for the establishment of the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) on 23 November 2008.

ECOWAS key legal instruments on energy included:

- The Revised ECOWAS Treaty and the ECOWAS Energy Protocol, which birth the legal context to the West African Power Pool (WAPP);
- Articles of Agreement of the West African Power Pool Organization and Functions (October 2005) defining the compulsory character of regional power projects. The WAPP has been created in 2006 and is based in Cotonou – Benin;
- Regulation C/REG.27/12/07 on the Composition, Organization, Functions and Operation of the ECOWAS Regional Electricity Regulatory Authority;
- Supplementary Act A/SA.2/1/08 establishing the ECOWAS Regional Electricity Regulatory Authority ERERA, which is constituted and based in Accra, Ghana since 2007; and



- Regulation C/REG.23/11/08 establishing the ECREEE, the Regional Centre for Renewable Energy and Energy Efficiency based in Praia, Cabo Verde.

**Table 2: Summary of the national energy policies of the ECOWAS Member States**

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of energy efficiency
Benin	Politique nationale de maîtrise de l'énergie (PONAME, 2009)	<ul style="list-style-type: none"> <li>• Develop institutional and regulatory frameworks and capacities.</li> <li>• Foster public awareness</li> <li>• Construct and implement adequate financial instruments and technical instruments for EE.</li> </ul>	At the early stages of applying the PONAME; a steering committee has been put in place.	Agence d'Electrification Rurale et de la Maîtrise de l'Energie du Bénin (ABERME)
Burkina Faso	The Policy Letter on Development of the Energy Sector (LPDSE, 2009) and the Strategy for Accelerated Growth and Sustainable Development (SCADD, 2011)	<ul style="list-style-type: none"> <li>• Look for sustainable solutions to a major gap in the power generation capacity (LPDSE).</li> <li>• Reduce the share that energy occupies in production costs (SCADD).</li> <li>• Promote rational use of energy (SCADD).</li> </ul>	Between 2006 and 2012, part of the objectives of the first LPDSE (2000) was accomplished through the Policy on Development of the Energy Sector (PDSE).	Direction de la Promotion des Économies d'Énergie
Cabo Verde	The Energy Policy of Cabo Verde, 2008	<ul style="list-style-type: none"> <li>• 50 per cent of electricity production from renewable energy in 2020.</li> <li>• Promote efficiency and technological innovation in generation, transmission, distribution and use of electricity in the country.</li> </ul>	Most actions have so far focused on RE, such as tax exemption on importation of RE equipment. An EE Policy is expected to be adopted in early 2014.	General Direction of Energy
Côte d'Ivoire	The National Plan for Development (PND 2012–2015) and the Strategic Plan for Development (PDS, 2011- 2030)	<ul style="list-style-type: none"> <li>• Build awareness about energy savings (PND).</li> <li>• Implement efficient public lighting projects and conduct energy audits in public buildings (PND).</li> </ul>	Unclear. Ten audits in public buildings were completed.	Bureau des Economies d'Énergie

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of energy efficiency
		<ul style="list-style-type: none"> <li>• Develop a labelling project for home appliances (PDS).</li> </ul> <p><i>N.B.:</i> The PDS is accompanied by a detailed budget for each activity and an action plan.</p>		
Gambia	National Energy Policy (NEP, 2005)	No specific actions are related to EE, though the objective “Provide adequate security of energy supply” and “increasing energy efficiency” are mentioned.	No reports were found on the implementation progress.	Ministry of Energy
Ghana	National Energy Policy (NEP, 2010)	<ul style="list-style-type: none"> <li>• Establish an appropriate pricing regime for energy services that would provide incentives to consumers to voluntarily manage their energy consumption.</li> <li>• Develop and implement programs and measures to help consumers optimize their energy use.</li> <li>• Support a sustained and comprehensive public education and awareness-building campaign about the methods and benefits of energy conservation.</li> <li>• Work toward establishing a center for energy efficiency</li> <li>• Discontinue, through legislation, local production, importing and use of high energy-consuming vehicles and inefficient electric equipment and appliances.</li> </ul>	Complete mandatory S&L program enforced	Ghana Energy Commission

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of energy efficiency
Guinea	Policy Letter for the Development of the Energy Sector (DPG/LPDSE—II, December 2012) Electrification Master Plan (2008)	<ul style="list-style-type: none"> <li>• Creation of an Energy Management Fund.</li> <li>• Creation of the Guinean Agency for Energy management.</li> </ul>	4 million EE lamps bought and to be installed in households.	National Directorate of Energy (Direction Nationale de l'Énergie – DNE)
Guinea-Bissau	Energy Policy Letter (2010)	Program of replacing one million light bulbs by energy-efficient light bulbs	No report was found on the progress of the EE light bulbs distribution.	Since there was no dedicated EE structure, the Ministry of Commerce, Energy, Industry and Environment has developed the policies and the <i>Direction Générale de l'Energie</i> is applying them.
Liberia	National Energy Policy (NEP, 2009)	<ul style="list-style-type: none"> <li>• Improve energy efficiency by 20 per cent by 2015.</li> <li>• Maximize energy efficiency and demand-side management (DSM) to minimize the financial and environmental costs of energy development.</li> </ul>	The 2012 National Sustainable Development Report mentions no progress in any of the EE actions mentioned in the NEP.	Rural and Renewable Energy Agency (RREA)
Mali	National Energy Policy (PNE, 2006) Policy on the Electricity Sector (PSE, 2009-2012) Development Strategy for Energy Management in Mali (SDMEM, 2010)	<p>Specific actions were mentioned in the SDMEM:</p> <ul style="list-style-type: none"> <li>• Distribute energy-efficient lights.</li> <li>• Pilot projects aimed at increasing buildings energy efficiency.</li> <li>• Energy performance classification of air-conditioners and refrigerators.</li> <li>• Pilot projects in the industrial sector.</li> </ul>	300,000 energy-efficient lights and 1,800 evaporative air coolers have been installed. The support project for energy management is currently being carried out in the industrial sector.	Since there was no structure dedicated to EE, the <i>Direction Nationale de l'Energie</i> has developed the energy policy.
Niger	The Energy Policy of Niger (PEN, 2004) The Strategy for Accelerated Development and	<ul style="list-style-type: none"> <li>• Improve energy efficiency in the residential sector (PEN).</li> </ul>	None	Since there is no governmental structure dedicated to EE, the Ministry of Mines, Energy and Petroleum is the major relevant

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of energy efficiency
	Poverty Reduction (SDRP, 2008- 2012)			authority in charge of implementing the energy policies.
Nigeria	National Energy Efficiency Policy (under development)	<ul style="list-style-type: none"> <li>• Provide guidelines on all the key components of EE by 2015.</li> <li>• Enact all relevant legislation required for policy implementation by 2015.</li> <li>• Nigeria aims at attaining 60% penetration for energy-efficient lighting, refrigerators, freezers and air-conditioners by 2016, and 100 per cent by 2020</li> </ul>	The previous policy did not address EE directly, but some actions were conducted, such as the enactment of the Nigerian CFL Standard.	Energy Commission of Nigeria
Senegal	The Policy Letter on the Development of the Energy Sector (LPDSE, 2008)	<ul style="list-style-type: none"> <li>• Distribute energy-efficient lights.</li> <li>• Conduct energy audits.</li> <li>• Reduce the public's electricity bill by 10 to 20 per cent by 2015.</li> <li>• Accelerate the operationalization of the AEME.</li> </ul>	<ul style="list-style-type: none"> <li>• A study was conducted in 2009 on electricity demand management.</li> <li>• Ban on the importation or manufacturing of incandescent bulbs.</li> </ul>	<i>Agence pour l'Economie et la Maîtrise de l'Energie (AEME)</i>
Sierra Leone	National Energy Policy and Strategic Plan of Sierra Leone (NEPSP, September 2009)	<ul style="list-style-type: none"> <li>• Regulate the safety and energy efficiency of household appliances.</li> <li>• Promote energy conservation measure implementation in commercial, institutional and industrial sectors.</li> <li>• Promote energy management and energy audits in industrial sector.</li> <li>• Launch an awareness campaign to</li> </ul>	None	Ministry of Energy and Water Resources (MEWR)

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of energy efficiency
		promote energy efficiency.		
Togo	The Energy Policy of Togo (still being developed) The Strategy for Accelerated Growth and Employment Promotion (SCABO, 2013)	<ul style="list-style-type: none"> <li>Further implement the program of EE and access to energy services.</li> </ul>	Not yet applied	Since there is no governmental structure dedicated to EE, the energy policies are under the supervision of the Ministry of Mines and Energy and its <i>Direction Générale de l'Energie</i> .

Source: ECONOLER (2013).

## F. REGULATORY FRAMEWORK

As mentioned earlier, the ECOWAS Energy Programme has developed coherent projects for all components of the energy value chain: (a) The West African Gas Pipeline (WAGP), (b) the West African Power Pool (WAPP), (c) the ECOWAS regional policy on access to energy and (d) the promotion of renewable energy.

UNECA (2015) provides a good description of the development of these components:

### a) The West African Gas Pipeline

The project was initially aimed at the construction of a 678-kilometre pipeline starting from the Escravos gas fields in the Niger Delta in Nigeria, through Benin and Togo, and ending in Ghana. The project began in 1982, when ECOWAS proposed the development of a pipeline to transport natural gas throughout West Africa.

In the early 1990s, a report on the feasibility had deemed the project to be commercially viable. Therefore, in September 1995, the Heads of State of the four countries involved signed an Agreement. The feasibility study was conducted in 1999. On 11 August 1999, participating countries signed a Memorandum of Understanding in Cotonou.

In February 2000, an Inter-Governmental Agreement was signed. The WAGP implementation agreement was signed in 2003. Construction works began in 2005 and the project has been fully completed, with 70 per cent of the onshore facilities are in place. Steps have also been taken to bypass the compressor station at Lagos Beach and the pipeline is now ready to transport gas. A feasibility study is underway to extend the project to Côte d'Ivoire, and the discovery of gas and oil deposits in Ghana gives the project further impetus. Offshore activities, such as the laying of the pipeline, have been completed.

The pipeline has been operational since March 2011. However, the volume of gas transported by the pipeline is not enough to compensate for the energy deficit in the region.

### b) The West African Power Pool

Since 2006, the West African sub-region has been experiencing an energy crisis mainly due to low rainfall. This crisis has led to severe power cuts in several countries and has had a negative impact on the economies of ECOWAS Member States.

To address this issue, the Authority of Heads of State and Government of ECOWAS hastened the creation of WAPP, which became operational in 2006, to provide a mechanism and institutional framework for integrating national power systems of the Member States. This achievement is helping to meet the energy needs of ECOWAS Member States by providing a reliable and sustainable supply of electricity for economic development. As adopted by its General Assembly in 2006, the WAPP Plan of Action has defined the implementation strategy for infrastructural development

up to year 2020, at the cost of about \$16 billion, and which is expected to result in the emergence of a regional electricity market.

The infrastructure programme involves the installation of about 5,500 km of high voltage power transmission lines, interconnecting all national power grids in ECOWAS Member States, and the injection of about 10,000 megawatts of new electricity capacity to be achieved during this period.

Furthermore, in January 2008, ECOWAS adopted a Supplementary Act on an Emergency Power Supply Security Plan (EPSSP) for WAPP Member States. The EPSSP is a regional approach to the energy crisis, aimed at using the West African natural gas pipeline and economies of scale to create regional interconnection centres with "Free-Zone Status" of 400 MW at Maria Gleta in Benin, 400 MW at Aboadze in Ghana, 150 MW within the OMVS system, and mobile infrastructures to generate electricity in autonomous electrical systems in Gambia, Guinea, Guinea-Bissau and Sierra Leone.

Concerning the connection and boosting of electricity grids of Member States, WAPP's first interconnection priority project linking Ikeja West (Nigeria) to Sakete (Benin) was inaugurated in January 2007. The 330 KV interconnection projects currently underway or being finalized are the 215 km transmission line from Aboadze to Volta (Ghana), the transmission line project from Bobo Dioulasso to Ouagadougou (Burkina Faso), and the 338 km power line from Volta (Ghana) to Sakete (Benin) via Mome Hagou (Togo). Moreover, feasibility studies have been conducted for the North Core Transmission line project, which links Nigeria, Niger, Benin, and Burkina Faso, and the transmission line project which connects Bolgatanga (Ghana) to Ouagadougou (Burkina Faso).

WAPP also works in close collaboration with OMVG to complete the mobilization of funds for the OMVG energy programme for the interconnection between Gambia, Guinea, Guinea-Bissau and Senegal, while additional hydropower capacity is being installed for Mali, Mauritania and Senegal which are already. In addition, there are a number of cross-border medium voltage electrification projects targeting rural, peri-urban and island communities, estimated at 3.6 million euros for Ghana and Togo, 1.5 million euros for Ghana and Burkina Faso, and 9.9 million euros for Côte d'Ivoire and Liberia. These projects are at an advanced stage, while funds are being raised for similar projects between Senegal and Gambia, and between Senegal and Guinea-Bissau.

As part of the WAPP project, ECOWAS Member States adopted in principle the establishment of a Regional Regulatory Authority (RRA) during the third ministerial meeting of the WAPP Steering Committee held in Accra on 5 April 2002. This Authority was created to: (1) encourage open and transparent border trade in electricity in the ECOWAS sub-region, (2) ensure more efficient electricity supply in Member States, (3) improve citizens' access to energy, and (4) promote the regulation of the regional energy market by establishing good contractual practices and cooperation between national regulatory authorities in cross-border electricity trade.

In January 2008, Supplementary Act A/SA.2/1/08 to establish the ECOWAS Regional Electricity Regulatory Authority (ERERA) was adopted by the ECOWAS Authority, to complement Council Regulation C/REG.27/12/07 of 15 December 2007 on the composition, organisation, functions and operations of the Regional Electricity Regulatory Authority (ERERA). This Authority seeks to promote the development of electrical infrastructure and create a suitable environment to attract investments, based on facilitation which leads to unrestricted cross-border electricity exchanges between Member States, in a competitive environment, with the application of non-discriminatory trade rules and the settlement of disputes, the protection and promotion of private investment, environmental protection, and promotion of energy efficiency.

### c) Regional energy access programme

The ECOWAS energy access programme is fully consistent with the development goals and seeks to meet the goals of the NEPAD Action Plan. Its regional policy includes a Regional Action Plan and an implementation strategy for the development of a common investment programme within the region.<sup>[11]</sup> During its December 2007 session in Ouagadougou, the ECOWAS Council of Ministers adopted a decision requesting the ECOWAS Commission to set up a special unit responsible for implementing the ECOWAS White Paper on access to energy services, and for preparatory activities in view of the establishment of a Regional Agency to facilitate energy access. In the same vein, the Council requested the Commission to explore ways and means to promote the use of alternative energy sources, notably solar, wind, and other renewable energy sources.

#### d) Promotion of renewable energy

A regional centre for renewable energies, known as ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE), was created and set up in Cabo Verde in 2010. In September 2012, the Centre published an ECOWAS policy document on renewable energy. The policy seeks to provide renewable energy supply for 19 per cent of peak demand in MW by 2030, and to achieve universal access to energy within the Community.

Most ECOWAS countries have developed their own policy framework to tackle their energy issues. Table 3 summarises the national energy policies in ECOWAS Member states.

Most ECOWAS Member States have developed their own regulatory framework to tackle their energy issues. Annex 5 describes the national energy regulatory frameworks of the ECOWAS Member States.

**Table 3: Summary of the national energy and energy Efficiency, regulatory frameworks of the ECOWAS countries**

Member State	Main energy sector regulations	Consumer protection law	Energy efficiency law
Benin	Law n° 2006-16	Law n° 2007-21	None
Burkina Faso	Law n° 53-2013/AN (electricity sector)	Law n° 33-2001	None
Cabo Verde	Decree-Law n° 1/2011 of January 3	Consumer Protection Act – Law No. 88/V/98 of December 31	None
Côte d'Ivoire	Decrees 2011-472 and 2011-394	None	None
Gambia	Electricity Act, 200	None	None
Ghana	Energy Commission Act, 1997 (Act 541)	Consumer protection bill not yet adopted into a law.	None. MEPS were adopted as Legislation Instruments, as per the Energy Commission Act (1997)
Guinea	Decree n° D/2011/103/PRG/SGG, (mars 2011) Law L/93/039/CTRN (September 1993) <sup>[1]</sup>	Consumer protection law: 94/003/CTRN of February 1994	None
Guinea-Bissau	Laws n° 2/2007 and n° 3/2007	None	None
Liberia	Liberian law on energy (2009)	Chapter 9 of Energy Law governs consumer protection (for the energy sector only).	None
Mali	Electricity Act	None	None
Niger	Law n° 2003-004 (January 2003) Decree n° 2004-266/PNR/MME (September 2004)	None	None
Nigeria	Electricity to Act n° 32 of 1989 EPSRA Cap E7 LFN 2004	Consumer Protection Council Act (1992)	None
Senegal	Energy Law n° 83-04, January 1983	None	None (Regulations on incandescent lamps are being enforced through decrees.)



Member State	Main energy sector regulations	Consumer protection law	Energy efficiency law
Sierra Leone	National Electricity Act 2011	None	Energy Efficiency and Conservation Act (to be enacted soon)
Togo	Energy Laws: <sup>[11]</sup> <sup>[SEP]</sup> <ul style="list-style-type: none"> <li>• Electricity: Law 2000-012<sup>[11]</sup><sup>[SEP]</sup></li> <li>• Fossil fuels: Law 1999-003 and 2002-029</li> </ul>	No consumer protection law available other than the Law 1999-011 (December 1999), which forbids importing products that are not compliant with international standards	

Source: ECONOLER (2013).

## G. TRADE COMMITMENTS AFFECTING THE SECTOR

Cabo Verde, Liberia, and Sierra Leone have taken GATS commitments for energy services.

Cabo Verde has taken commitments on services incidental to mining. For both market access and national treatment Liberia has made no limitations to modes 1, 2 and 3. Mode 4 is unbound, except as indicated in the horizontal commitments that detail the requirement for the entry and stay of natural persons, which are business visitors, intra-corporate transferees, managers, specialists as well as contractual service suppliers.

Liberia has taken commitments on services incidental to mining (liquefaction and regasification of national gas for transportation; derrick erection, repair and dismantling services and related services incidental to oil and gas extraction; services necessary for oil or gas extraction such as well casing cementing, pumping, plugging and abandoning of wells; specialized fire extinguishing services). For both market access and national treatment Liberia has made no limitations to Modes 1, 2 and 3. Mode 4 is unbound, except as indicated in the horizontal commitments.

Sierra Leone has taken a commitment on the category of other Business Services. As Sierra Leone did not detail further (e.g. by providing a detailed list of specific UN CPC codes) it is understood that the commitment applies to all the subsectors listed under other business services in the W/120 list. This category includes services incidental to mining. For both market access and national treatment Sierra Leone has made no limitations to modes 1 and 2. For market access under Mode 3 a joint venture requirement is indicated, while national treatment indicates no limitations. Mode 4 is unbound, except as indicated in the horizontal commitments.

## H. ENERGY SERVICES: STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

### Strengths

- The region is endowed with important enormous natural energy resources for electricity generation including vast oil and gas reserves (Côte d'Ivoire, Ghana and Nigeria); hydro resources (Ghana, Guinea, Niger, Nigeria, Mali and Niger); coal reserves (Nigeria) and uranium (Niger). Other renewable energy sources like solar and wind abound in the region;<sup>1</sup>
- The regional energy policy is one of the pillars of regional integration in West Africa;
- The ECOWAS Energy Programme has developed coherent projects for all components of the energy value chain, including the WAGP, the WAPP and it has developed policies for access to energy as well as the promotion of renewable energy; and
- ERERA works to promote the development of electrical infrastructure and create a suitable environment to attract investments in the region,



## Weaknesses

- Only 35 per cent of the ECOWAS population have access to electricity which includes 10 per cent in rural areas;<sup>2</sup>
- None of the 14 WAPP countries making up the meets its national power demand;
- Severe power cuts in several countries continue to have a negative impact on the economies of ECOWAS Member States;
- The volume of gas transported by the WAGP is not enough to compensate for the energy deficits in the region;
- Achievement in terms of access to and consumption of electricity varies widely across ECOWAS countries; efforts are required to bring the less advanced countries to the level of the more advanced ones; and
- The uncertainty surrounding whether the economic activities in the energy supply chain are services or goods may affect the development of negotiating positions for the sector and its inclusion as priority sector for ECOWAS or AfCFTA services trade negotiations.

## Opportunities

- The recently established regional programme on “Improving the Energy Governance in West Africa will contribute to harmonise national, legislative and regulatory frameworks in order to promote investments in renewable energy, energy efficiency and universal access to modern energy.
- ERERA’s success would set a positive example for the establishment of other regulatory bodies in the different sectors of the ECOWAS economy.

## Threats

- Most of the national regulators did not have the requisite powers to carry out core regulatory activities such as tariff setting and market monitoring, most are under-funded and lack the requisite human and technical capacity to function effectively.<sup>3</sup>

## I. SPECIFIC RECOMMENDATIONS

The knowledge of the effects of energy services policies on the performance of ECOWAS manufacturing and agricultural firms/sectors would be essential for determining what type of ECOWAS countries commitments should be considered for the sector in trade integration agreements such as the ECOWAS CTP or the AfCFTA to help support welfare-enhancing structural transformation. The recent experience of the SADC with liberalizing trade in energy-related services would be relevant in this regard. Therefore, it is recommended that:

- In making trade commitment in energy sector, the state and development of other services related to discovery and development of energy resources such engineering, construction, distribution, transport, etc. should be considered;
- There is need for more empirical analysis on the effects of energy services trade policies on the performance of firms in ECOWAS, employment levels, productivity and export performance in ECOWAS “downstream” manufacturing and agricultural firms/sectors that rely on energy services as input.

## Chapter II: Accounting services

### A. INTRODUCTION

Accounting services can be defined as services focusing on the preparation and analysis of financial information to be communicated to internal and external users through financial statements. Auditing services involve assessment of reliability and credibility of financial information, as well as “systems and processes responsible for recording and synthesizing such information” (Messier, Glover and Prawitt 2006, 5–6).

Accountants analyze record, quantify, accumulate, summarize, classify, report and interpret financial facts and their cumulative effects on an organization. Their activities also include preparation and auditing of taxes and certification of accuracy of a company’s financial status. According to the Services Sectoral Classification (MTN.GNS / W / 120), accounting, auditing and bookkeeping services are included in sub-sector “A” of section “1. Services provided to companies”, which corresponds to position 862 of the United Nations Central Provisional Product Classification (CPC).

In the provisional CPC, “Accounting, auditing and bookkeeping services” category is subdivided into:

- Accounting and auditing services (CPC 8621);
- Financial auditing services (CPC 86211);
- Chartered Accounting Services (CPC 86212);
- Financial statement reporting Services (CPC 86213); and
- Other accounting services (CPC 86219), vi) bookkeeping services, except for preparation of tax returns (CPC 8622), vii) and bookkeeping services, except for tax reporting (CPC 86220).

### B. DESCRIPTION AND PERFORMANCE OF THE SECTOR

Many ECOWAS Member States’ accounting bodies belong to the Pan African Federation of Accountants (PAFA), which is the continental body representing Africa’s Professional Accountants. PAFA’s mission is to accelerate and strengthen the voice and capacity of the Accountancy profession to work in the public interest, facilitate trade, and enhance benefits and quality services to Africa’s citizens. PAFA engages with its stakeholders at continental, regional and national levels to develop the profession in Africa. This is envisaged through the organisations drive for good financial management practices, accountability, transparency and good governance across public and private entities.

Table 4 shows the existence of substantial export and import of professional and management consulting services in WAEMU and non-WAEMU country groups between 2005 and 2016 which run into millions of dollars. The UEMOA group has higher trade in professional and management consulting services than the non-UEMOA group probably because of lack of data for Nigeria and Ghana. For the group which has data, imports are higher than exports signifying a deficit in this services trade.

**Table 4: Professional and management consulting services (in million dollars)**

	Exports			Imports		
	UEMOA	Non-UEMOA	ECOWAS	UEMOA	Non-UEMOA	ECOWAS
2005	114.9	0.3	115.2	183.5	11.6	195.1
2006	138.9	0.2	139.1	168.0	60.2	228.2
2007	160.7	3.5	164.2	188.5	35.1	223.6
2008	215.4	2.9	218.4	227.9	60.3	288.3
2009	200.3	2.1	202.3	196.6	43.9	240.5
2010	186.2	0.7	186.9	249.1	67.8	316.9

	Exports			Imports		
	UEMOA	Non-UEMOA	ECOWAS	UEMOA	Non-UEMOA	ECOWAS
2011	202.5	4.7	207.2	266.2	164.9	431.1
2012	205.3	21.2	226.5	259.5	260.1	519.6
2013	211.9	16.6	228.5	305.3	202.7	508.1
2014	202.2	18.7	220.9	264.3	240.8	505.1
2015	228.8	17.3	246.1	269.7	71.3	341.0
2016	168.1	44.4	212.5	235.9	84.3	320.2
2005-2010	169.4	1.6	171.0	203.6	50.6	254.2
2011-2016	207.3	21.5	228.7	276.2	176.1	452.3

Source: <https://unctadstat.unctad.org/wds/TableView/downloadPrompt.aspx>

### C. LINKAGES WITH OTHER SECTORS

Accounting services are essential for transparency, financial integrity and good governance. Therefore, they can bring significant benefits to developing countries. This is particularly true insofar as large international accounting firms rely on domestic firms in developing countries to understand the language, rules and operational procedures in the relevant markets. As a result, developing countries could benefit from training programs, knowledge transfer, software implementation and timely staff support.

The analysis of the accounting services sectors in West Africa is hampered by lack of information on demand and supply, including data on market conditions and policies and regulations in accounting services.

According to ACCA (2012),<sup>4</sup> accountancy plays an important role in economic development. For example:

- A strong accountancy profession is essential to economic development and also economic confidence, both in the public and the private sectors;
- The accountancy profession can enhance its contribution to world trade by establishing globally credible standards that allow comparability of information and hence facilitate capital flows; and
- Business benefits from not having to bear the compliance costs associated with struggling with a plethora of different financial reporting rules. (This was stated in support of the use of global standards which is generally what accountancy firms try to adopt but would also be relevant in the case of regional harmonization).

### D. INSTITUTIONAL FRAMEWORK AND MAIN ACTORS

The existence and independence of the regulatory authority, the right to appeal and the possibility of prior observations in accountancy sector are important elements of the quality of the accountancy regulatory institutions. To evaluate the effectiveness of the institutional framework for trade in accountancy services, it is instructive to know whether an authority responsible for regulating the sector exists, or the regulatory authority was established under the relevant law as an independent body of the line ministry overseeing the sector or whether services providers have recourse to appeal procedures before the implementation of the new regime. In addition, the procedure that gives services providers the possibility to be consulted and submit their views when new regulations are proposed under consideration is also important in the analysis of regulatory framework. Table 5 reveals responses regarding the countries' situations.

**Table 5: Quality and heterogeneity of regulatory institutions in accountancy sector**

Sectors/sub-sectors	Existence of a regulatory body	Autonomy of the regulatory body	Right to appeal	Prior observations
<b>Côte d'Ivoire</b>				
Accounting	Yes	No	Yes	No
Auditing	Yes	No	Yes	No
<b>Ghana</b>	<b>Yes</b>			
Accounting	Yes	...	Yes	Yes
Auditing	Yes	Yes	Yes	Yes
<b>Mali</b>	<b>Yes</b>			
Accounting	Yes	No	Yes	No
Auditing	Yes	No	Yes	No
<b>Nigeria</b>	<b>Yes</b>			
Accounting	Yes	Yes	Yes	Yes
Auditing	Yes	Yes	Yes	Yes
<b>Senegal</b>	<b>Yes</b>			
Accounting	Yes	No	No	No
Auditing	Yes	No	No	No
<b>Guinea</b>	<b>Yes</b>			
Accounting	Yes	No	Yes	No
Auditing	Yes	No	Yes	No

Source: World Bank's Services Trade Restrictions Database and Doumbouya (2013).

There is homogeneity in accountancy regulatory institutions in the region with regards to the existence of sectoral regulatory authority. But the heterogeneity of accountancy regulatory institutions is persistent in regards of other criteria of governance such as the independency of the regulator, the right to appeal and the possibility of prior observations for sectoral law changes.

An Association of Accountancy Bodies in West Africa (ABWA) was established in 1982 in Lagos, Nigeria, to develop accounting in the region. Its members are the various councils of experts in the region. The Association of Accounting Bodies in West Africa (ABWA) has an intention to collaborate with the ECOWAS Commission in 'harmonizing economic and financial policies as well as the legal framework to enhance cross border businesses and mobility of labour.'<sup>5</sup>

Regional cooperation in the field of accountancy has been much greater in WAEMU region, which involves 8 ECOWAS Member States. They have collaborated on a number of issues ranging from institutional framework and regulation to the reduction of trade barriers in accounting services in WAEMU. The outcomes of such collaborative efforts include:

- A common accountancy framework: SYSCOA (West African Accounting System);<sup>6</sup>
- Harmonization of legal regimes of the National Council of Chartered Accountants, accredited Accountants (ONECCA);<sup>7</sup>
- Establishment of National Accounting Board;<sup>8</sup>
- Common training curriculum: DECOFI;<sup>9</sup>
- Free movement and the right for establishment;<sup>10</sup>
- Backup measures at the community level: the West African Accounting Council, the Permanent Council of the Accounting Profession, Technical Secretariat; and
- Backup measures (Aid to Trade) at national level: the Accredited Management Centers, the Single Window for submitting Financial Statements.

## E. POLICY FRAMEWORK

The Protocol on the Right of Establishment in the ECOWAS region is the basis of the work program on regional free trade in accounting services and the Article 3.2.i of the revised ECOWAS Treaty on Standards which seeks to promote harmonization could serve as a basis for the work program on a common commercial policy for this sector. There has not been much progress in the two areas.

In order to appraise the quality of accounting/auditing regulatory policies and the heterogeneity of accounting/auditing regulatory policies in the region, it will important to examine the transparency, the responsibility and the predictability in the issuing of accounting/auditing licenses (Table 6). For that, the answers to the following questions contained in the World Bank database on trade services restrictions were used:

- Are the criteria which a company must meet to get an accreditation made public?
- Is the competent authority required by law to inform applicants of the reasons for the rejection of an application?
- Does the fulfillment of publicly available criteria automatically ensure issuance of accreditation?

**Table 6: Quality and heterogeneity of regulatory policies in accounting/auditing sector in ECOWAS**

Sectors/sub-sectors	License criteria are made public	Obligation to inform applicants on reasons for rejection	License is automatic if public criteria are met
<b>Côte d'Ivoire</b>			
Accounting	Yes	Yes	Yes
Auditing	Yes	Yes	Yes
<b>Ghana</b>			
Accounting	Yes	n/a	n/a
Auditing	Yes	n/a	n/a
<b>Mali</b>			
Accounting	n/a	n/a	n/a
Auditing	n/a	n/a	n/a
<b>Nigeria</b>			
Accounting	Yes	...	Yes
Auditing	Yes	...	Yes
<b>Senegal</b>			
Land phone	...	...	...
Mobile	...	...	...
<b>Guinea</b>			
Accounting	Yes	Yes	Yes
Auditing	Yes	Yes	Yes

Source: World Bank Services Trade Restrictions Database and Doumbouya (2013).

Note: n/a = not available.

## F. REGULATORY FRAMEWORK

According to the World Bank's database on restrictions on services trade, the main trade restrictions on services and accounting services providers are indicated in Table 7.

**Table 7: Nature of trade restrictions in accounting and auditing services in ECOWAS**

Country/Sectors	Mode 1	Mode 3	Mode 4
Côte d'Ivoire			
Accounting	Allowed, but a foreign firm based abroad can only provide advice, and not certify or sign financial statements.	A branch is not allowed. Ownership by foreign nationals is limited to 25 per cent. Ownership by non-locally licensed professionals is also limited to 25 per cent.	There is a nationality requirement, but an exception applies if there is a reciprocity or mutual recognition agreement. At least five years' residency is required. There is an education requirement; foreign degrees from France and Senegal are recognized. Three years of training are required; training done in France, and in all countries adopting the French system of training in accounting, is recognized. Candidates must pass an examination. Foreign-licensed professionals are subject to LMT.
Auditing	Allowed, but a foreign firm based abroad can only provide advice, and not certify or sign financial statements.	A branch is not allowed. Ownership by foreign nationals is limited to 25 per cent. Ownership by non-locally licensed professionals is also limited to 25 per cent.	There is a nationality requirement, but an exception applies if there is a reciprocity or mutual recognition agreement. At least five years' residency is required. There is an education requirement; foreign degrees from France and Senegal are recognized. Three years of training are required; training done in France, and in all countries adopting the French system of training in accounting, is recognized. Candidates must pass an examination. Foreign-licensed professionals are subject to LMT.
Ghana			
Accounting	Allowed, as long as the foreign firm is staffed with professionals licensed to provide the service desired.	There is a limit on ownership by non-locally licensed professionals, but no specific percentage limit except that they cannot have control. The firm must have at least one chartered accountant licensed in Ghana.	Foreign-licensed professionals are eligible to practice, subject to conditions: they must be Members of societies or institutes of accountants approved by the Council of the Institute of Chartered Accountants Ghana, including those in England and Wales, US and Scotland. Three years of work experience (foreign experience may be accepted) and passing an examination are required. Entry is possible only as an IP. The quota on foreign employees depends on the amount of foreign capital investment. Foreign-licensed professionals are subject to LMT & ENT. The duration of

Country/Sectors	Mode 1	Mode 3	Mode 4
			stay initially allowed differs on a case by case basis; extensions are possible.
Auditing	Allowed, as long as the foreign firm is staffed with professionals licensed to provide the service desired.	There is a limit on ownership by non-locally licensed professionals, but no specific percentage limit except that they cannot have control. The firm must have at least one chartered accountant licensed in Ghana.	Applicants must first become Members of the Institute of Chartered Accountants Ghana (which means the foreign-licensed applicant should be a Member of a society or an institute of accountants approved by the Council of the Institute of Chartered Accountants), and then apply for a practice license. Four years of work experience (foreign experience may be accepted) and passing an examination are required. Entry is only possible as an IP. The quota on foreign employees depends on the amount of foreign capital investment. Foreign-licensed professionals are subject to LMT & ENT. The duration of stay initially allowed differs on a case by case basis; extensions are possible.
Mali			
Accounting	Allowed	Not allowed	There is a nationality requirement, but exceptions apply to foreign accountants from WAEMU Member States, or from countries having a reciprocity agreement with Mali. There is a residency requirement, namely of a 'tax residence (domicile fiscal)' in Mali. There is an education requirement, but foreign degrees are recognized. If the exception does not apply, candidates may be authorized to practice under exceptional circumstances, but must have resided in Mali for the past five years. ICT not allowed.
Auditing	Allowed	Not allowed	There is a nationality requirement, but exceptions apply to foreign accountants from WAEMU Member States, or from countries having a reciprocity agreement with Mali. There is a residency requirement, namely of a 'tax residence (domicile fiscal)' in Mali. There is an education requirement, but foreign degrees are recognized. If the exception does not apply, candidates may be authorized to practice under exceptional circumstances, but must have resided in Mali for the past five years. ICT not allowed.

Country/Sectors	Mode 1	Mode 3	Mode 4
Nigeria			
Accounting	Allowed	A branch is not allowed. There is a limit on ownership by foreign nationals; there must be at least one Nigerian professional sharing control.	Foreign-licensed professionals are eligible to practice subject to conditions, including their Membership in recognized accountancy Board of Directors such as in England and Wales, Scotland, Ireland, the United States, Canada and Ghana, and in some other international associations. Candidates must go through a two-week intensive conversion course in Nigeria. They must also have 'sufficient' work experience; foreign experience is acceptable. There is a quota on foreign employees; the employer must make an application. The duration of stay initially allowed is two years. Extensions are possible, for 10 years maximum.
Auditing	Allowed	A branch is not allowed. There is a limit on ownership by foreign nationals; there must be at least one Nigerian professional sharing control.	Foreign-licensed professionals are eligible to practice subject to conditions, including their Membership in recognized accountancy Board of Directors such as in England and Wales, Scotland, Ireland, United States, Canada and Ghana, and in some other international associations. Candidates must go through a two-week intensive conversion course in Nigeria. They must also have 'sufficient' work experience; foreign experience is acceptable. There is a quota on foreign employees; the employer must make an application. The duration of stay initially allowed is two years. Extensions are possible, for 10 years maximum.
Senegal			
Accounting	Authorized, but a foreign company cannot certify the financial statements of a local company.	A branch is not allowed. The participation of foreign nationals is limited to 33 per cent (1/3).	There is a nationality requirement, but there are exceptions for foreign accountants from UEMOA Member States, France or countries with reciprocal agreements with Senegal. (none to date). In this case, applicants must have their tax residence in Senegal, which generally means living in Senegal for more than 183 days in a calendar year; they must also be members of an accounting committee of an UEMOA Member State (under reciprocity) or have an accounting degree or equivalent. A foreign degree may be accepted if it is recognized as equivalent to the relevant benchmark. Period of stay for one year, which can be



Country/Sectors	Mode 1	Mode 3	Mode 4
			extended depending on the duration of the employment contract.
Auditing	Same requirement for accounting	Same requirement for accounting	Same requirement for accounting
Guinea			
Accounting	Authorized, but a foreign company can only offer counselling, and not certify or sign financial statements.	Individuals must be Guinea citizens. The owners or shareholders of companies must have: at least two Guinean experts duly registered with the Council; demonstrate that two thirds (2/3) of their shares are held by Chartered accountants registered with the Council; elect their Chairman or Chief Executive Officer; their managers or attorneys should be certified public accounting associates who are also entitled to manage the company either in law or fact	There is nationality requirement, but an exception applies in case of reciprocal arrangements with other countries or where a mutual recognition agreement has been struck. In these cases, the following conditions apply: tax residence in Guinea, recognition of foreign degrees by the Equivalence Committee of the Council which is Member of the National Equivalence Committee; the degree must be one in chartered accounting recognized by the Ministry in charge of Higher Education or any other degree deemed equivalent by the Equivalence Committee; 3 years of internship must be done with possibility of reduction of duration if the internship has been done abroad. There is no professional examination, but an internship report is required every 6 months.
Auditing	Same requirement for accounting	Same requirement for accounting	Same requirement for accounting

Source: World Bank Services Trade Restrictions Database and Doumbouya (2013).

Trade restrictions are persistent in the sector and very diversify in their nature: restrictions on market access and discriminatory measures. ECOWAS has no explicit specific rules on market access, as like GATS Article XVI, to address easily such restrictions. ECOWAS Common Trade Policy (CTP) needs to establish a work program on that. Experiences from UEMOA and GATS negotiations in the sector can help.

## G. TRADE COMMITMENTS AFFECTING THE SECTOR

Table 8 shows ECOWAS Member States, which have undertaken commitments covering all three subsectors, namely accounting, auditing and bookkeeping services.

**Table 8: WTO Commitments in accounting/auditing services by ECOWAS Member States**

Member States	Accounting	Auditing	Bookkeeping	Total
Cabo Verde	X	X	X	3
Gambia	X	X	X	3
Liberia	X	X	X	3
Sierra Leone	X	X	X	3
Total	4	4	4	

Source: Member States Specific commitments lists.

## H. ACCOUNTING SERVICES: STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

### Strengths

- Experiences from UEMOA and GATS negotiations in the sector can help trade in accounting services in the region; and
- Existence of a protocol on the Right of Establishment in the ECOWAS region as the basis for regional free trade in accounting services.

### Weaknesses

- Persistence of trade restrictions in the accountancy/auditing sector; and
- Lack of a work programme in the ECOWAS CTP on the sector.

### Opportunities

- Existence of and the Article 3.2.i of the revised ECOWAS Treaty on Standards which seeks to promote harmonization could serve as a basis for the work program on a common commercial policy for this sector. There has not been much progress in the two areas.

### Threats

- Presence of a high degree of heterogeneity regulatory policies and institutions; and
- Absence of market integration in the sector in west Africa.

## I. SPECIFIC RECOMMENDATIONS

- Persistent trade restrictions on market access and discriminatory measures in the accountancy/auditing sector in ECOWAS should be negotiated for removal;
- Explicit specific rules on market access, as like GATS Article XVI, to address easily such restrictions should be drafted for implementation. ECOWAS Common Trade Policy (CTP) needs to establish a work program on that;
- The conditions for market integration in the sector should integrate a regulatory cooperation on regulatory policies and institutions which currently are heterogeneous; and
- The knowledge on services issues on accountancy sector in ECOWAS countries is limited. There is a need to generate more research that will help inform policy dialogue and more effective advisory services in the area of trade in accountancy services and trade agreements/trade negotiations. Activities should comprise: the economic and commercial profile, detailed SWOT analysis, extension of the building datasets on accountancy applied services trade and investment policies in ECOWAS countries.

## Chapter III: Legal services

### A. INTRODUCTION

Legal service is otherwise known as legal aid which is set up with the aim of providing support to people that could not afford legal representation and access to the court system. It is a fundamental way of providing access to justice or allowing justice to reign by ensuring that equality before the law, the right to counsel and the right to a fair trial are being practised. This practice will kick against jeopardizing the fundamental rights and needs of people. Essentially, legal aid has also been described as a means to guaranteeing equal access to justice system for all, as provided for by Article 6.3 of the European Convention on Human Rights regarding criminal law cases (Abel, 1985).

In a broader context, legal services would include counselling and advocacy services and all activities relating to administration of justice (judges, clerks, prosecutors, attorneys general, etc.). Nevertheless, in reality, the latter activities are excluded from the scope of trade in services agreements, as they are considered in most countries as “services provided by the government”. Counselling and representation in various areas of law and regulatory procedures are, however, include in trade in services agreements.

In WTO “Sectoral Services Classification” (document MTN.GNS/W/120), “Legal Services” is a sub-sector of “(1) Services offered to corporations” and “A) Professional services”. This entry corresponds to code 861 of the 1991 United Nations Central Product Classification (CPC). In the CPC, the “Legal services” category is subdivided into “Legal advice and representation services in criminal law” (86111), “Legal Counselling and Advocacy Services in Other fields of Law” (86119), “Legal Counselling and Representation in Regulatory Procedures in almost-Judicial Courts, Councils, etc.” (86120), “Legal documentation and certification services” (86130) and “Other legal counselling and information services” (8619). Sectoral Classification of Services and CPC refer to legal services of any jurisdiction whether such foreign services are considered to be legal services or not under the legislation of various jurisdictions.

In legal services, two categories of organizations are involved: those funded by the federal Legal Services Corporation (LSC) and those funded by the private bar and donor agencies (non-LSC). The LSC-funded programs that receive LSC funding must abide by certain restrictions in their legal practice, as LSC-funded organizations are prohibited from engaging in class-action litigation and substantive lobbying. Also, they also are restricted from opposing welfare reform and representing undocumented immigrants. On the other hand, the organizations that strictly rely on funding from private bar and other donor agencies are free to involve in any forms of advocacy.

### B. LINKAGES WITH OTHER SECTORS

An effective legal and judicial system is regarded as one of the main structural pillars of sustainable development and poverty reduction. The World Bank and the European Union have played a key role in promoting a number of legal reforms in ECOWAS economies. However, the commercial component of legal and justice reforms have received scant attention. Although international integration appears not to be a priority for judges, judicial personnel or judicial officers, trade in legal services may be important in mitigating bottlenecks in resources and skills for other legal professionals, including lawyers, and thus help ensure the availability and quality of legal services in the region.

Unlike trade in goods, services trade have long been considered as non-tradable. Legal services, especially, were considered country specific and supposed to be embodied in a country’s legal heritage, tradition, and culture. But this opinion has proved obsolete. Developments in public international law have led to the adoption of a large body of common rules in areas such as investment law, trade law, and transportation law. Also, globalization and the resultant movement of individuals, merchandise, and capital has surged trade in legal services. In recent time, legal services is rapidly progressing with the growth of manufacturing and services among multinational firms. This is an indication that the bigger the client, the more diversified its needs, and the broader the legal expertise to be provided. This trend forms the foundation of the concept of the global law firm that is capable of servicing its clients across regional blocs, countries, time zones, cultures, and the spectrum of legal needs, from mergers and acquisitions to labour, environmental, tax, and real estate law (Cattaneo, O. and P. Walkenhorst (2010).

Effective legal and justice systems and access to legal services improve the predictability of the business environment, facilitate commitments in contracts and mitigate investment risks (Cattaneo and Walkenhorst, 2010).<sup>11</sup>

The analysis of legal services sectors in West Africa is hampered by the lack of information on demand and supply, including data on market conditions and policies and regulations in legal services.

### C. INSTITUTIONAL FRAMEWORK AND MAIN ACTORS

Legal practice is conducted under the supervision of certain regulatory bodies that have been established to help guide legal practitioners across countries and ensure that fit and proper behaviours are exhibited by those called to the Bar Association. The bodies charged with these enormous tasks in each of the ECOWAS Member State are demonstrated in the Table 9.

**Table 9: Institutional framework and main actors**

Countries	Institutional framework	Main Actors
Benin	Barreau du Benin/Conseil de l'ordre	Barreau du Benin/Conseil de l'ordre
Burkina Faso	Le Conseil de l'Ordre des Avocats du Burkina Faso	Le Conseil de l'Ordre des Avocats du Burkina Faso
Cabo Verde	<p>The National Council (<i>Conselho Nacional</i>) of the Cabo Verde Bar Association (<i>Ordem dos Advogados de Cabo Verde</i>) is responsible for approving the Code of Conduct for Lawyers (<i>Código Deontológico dos Advogados</i>) and the Board of Ethics and Discipline (<i>Conselho de Deontologia e Disciplina</i>) is responsible for ensuring compliance on the part of lawyers and trainee lawyers of ethics and standards of professional ethics.</p> <p>The Superior Council (<i>Conselho Superior</i>) of the Cabo Verde Bar Association (<i>Ordem dos Advogados de Cabo Verde</i>) is responsible for the regulations and general organization and orientation of the internship (<i>Estágio</i>).</p>	The Board of Ethics and Discipline ( <i>Conselho de Deontologia e Disciplina</i> ) of the Cabo Verde Bar Association ( <i>Ordem dos Advogados de Cabo Verde</i> ) is responsible for taking disciplinary actions.
Côte d'Ivoire	Conseil de L'Ordre des Avocats de Côte d'Ivoire; Commission de l'Union Économique et Monétaire Ouest Africaine	Conseil de Discipline du Conseil de L'Ordre des Avocats de Côte d'Ivoire
Gambia	General Legal Council (Chief Justice, Attorney General, nominees of the Gambian Bar Association plus some other Members)	Disciplinary Committee of the General Legal Council.
Ghana	General Legal Council	Disciplinary Committee of the General Legal Council
Guinea-Bissau	<i>Ordem dos Advogados da Guiné Bissau</i>	<i>Ordem dos Advogados da Guiné Bissau</i>
Mali	Conseil de l'Ordre des Avocats du Mali	Conseil de l'Ordre des Avocats du Mali
Niger	Le Conseil de l'Ordre des Avocats	Le Conseil de l'Ordre des Avocats
Nigeria	<p><b>Body of Benchers</b></p> <p>A body of legal practitioners of the highest distinction in the legal profession in Nigeria, are responsible for the formal call to the Bar of any persons seeking to become legal practitioners.</p> <p>Subsection 3 (1) of the Legal Practitioners Act (LPA), Cap L11, LFN, 2004 provides that there shall be a body of legal practitioners of the highest distinction in the legal profession in Nigeria to be Known as the 'Body of Benchers'.</p>	Legal Practitioners Disciplinary Committee (Art. 11 - Legal Practitioners Act, CAP L11, LFN 2004)

Countries	Institutional framework	Main Actors
	<p>The LPA states that the Body of Benchers shall be responsible for:</p> <ol style="list-style-type: none"> <li>1. The formal call to the Bar of persons seeking to become legal practitioners in Nigeria;</li> <li>2. The exercise of disciplinary jurisdiction over Members of the profession and over students seeking to become legal practitioners;</li> <li>3. Taking all measures which appear to it to be necessary for maintaining at all times the traditional values of the legal practice;</li> <li>4. Prescribing fees to be paid by legal practitioners pursuant to the provisions of this Act.</li> </ol> <p>In a bid to perform the above stated functions, the Body of Benchers has prescribed three key requirements for persons seeking to become legal practitioners in Nigeria and these are:</p> <ol style="list-style-type: none"> <li>1. Keeping Dining Terms;</li> <li>2. Sponsorship of aspirants to the bar by two Benchers;</li> <li>3. The person seeking to become a legal practitioner must be a fit and proper person.</li> </ol> <p><b>Council of Legal Education;</b></p> <p>Subsection 1 (2) of The Legal Education Act, Cap L10 LFN, 2004 provides that there shall be a body to be known as the Council of Legal Education which shall be a body corporate with perpetual succession and a common seal.</p> <p>The Council performs four main functions which are:</p> <ol style="list-style-type: none"> <li>1. Legal education of persons seeking to become Members of the legal profession (B.L not L.L.B);</li> <li>2. Continuing Legal Education;</li> <li>3. Set standards for the law faculties in the universities through the accreditation programme;</li> <li>4. Incidental matters.</li> </ol> <p><b>The Nigerian Bar Association</b></p> <p>The Association comprises of all legal practitioners in Nigeria; Membership here is automatic upon being called to the Nigerian Bar. All Members of the association are mandated to pay their practicing fees as at when due, which is on or before the 31st of March of each year. In the event a lawyer defaults in paying his fees, he cannot appear in court.</p>	

Countries	Institutional framework	Main Actors
	<p>The Constitution of the NBA provides for the following functions thus:</p> <ol style="list-style-type: none"> <li>1. To ensure the highest standard of professional conduct;</li> <li>2. To maintain the integrity and independence of the Bar and the judiciary;</li> <li>3. To promote good cordial relationship amongst Members of the association and legal practitioners in other countries;</li> <li>4. To promote the improvement of the system of administration of justice;</li> <li>5. To promote legal education, law reform and the establishment of a National library;</li> <li>6. To establish an Endowment Fund for the proper discharge of its functions.</li> </ol> <p><b>Other include:</b> Supreme Court of Nigeria; The Registrar of the Supreme Court; and Bar Council of the Nigerian Bar Association.</p>	
Sierra Leone	General Legal Council	General Legal Council
Togo	Le Conseil de l'Ordre des Avocats	Le Conseil de l'Ordre des Avocats

Source: International Bar Association, 2016.

## D. POLICY FRAMEWORK

From the main trade restrictions imposed on services and legal services providers are that companies establishing in many ECOWAS Member States, it is clear that the trade in legal services is not only underdeveloped but it is also being shielded by a policy of import prohibition. According to the World Bank's database on restrictions on trading services, in Côte d'Ivoire for example for a company to offer legal counselling on foreign law (i.e. mode 3), it must be set up by national lawyers, but an exception may be made for lawyers from WAEMU Member States. There are no restrictions on the acquisition of property. Also, in the same country, legal counselling on national law must be done by national lawyers, but an exception may be made for foreign lawyers from WAEMU Member States. There are no restrictions on the acquisition of property.

For Ghana Mode 1 of Legal counselling on national law is authorized as long as the foreign firm is staffed with professionals authorized to provide the desired service. For Mode 3, there is limit to the acquisition of property by non-locally licensed professionals, but there is no specific percentage limit except that they cannot have control. Other countries' policy regarding imports of legal services are contained in Table 10.



## E. REGULATORY FRAMEWORK

**Table 10: Nature of trade restriction in legal services sector in ECOWAS**

Country/Sectors	Mode 1	Mode 3	Mode 4
Côte d'Ivoire			
Legal counselling on foreign law	Authorized	This must be set up by national lawyers, but an exception may be made for lawyers from Member states of West African Economic and Monetary Union (UEMOA). There are no restrictions on the acquisition of property.	There is nationality requirement, but quality requirement, but there is an exception in the case of countries with reciprocal agreements with Côte d'Ivoire or those with which mutual recognition agreements have been concluded (usually countries using the French system), otherwise a foreign license will be automatically recognized. Foreign-licensed professionals are subject to LMR (Labor Market Review).
Legal counselling on national law		Same requirements for counseling on foreign law.	Same requirements for counseling on foreign law.
Representation in Court		This must be done by national lawyers, but an exception may be made for foreign lawyers from Member States of the West Africa Economic and Monetary Union (UEMOA). There are no restrictions on the acquisition of property.	There is a nationality requirement, but there is an exception for countries with reciprocal agreements with Côte d'Ivoire or those with which mutual recognition agreements have been concluded (usually countries using the French system), otherwise a foreign license is automatically recognized. Entry in the form of PIS (Independent Employees) or PIC (Independent Contractual Workers) is possible.
Ghana			
Legal counseling on national law	Authorized, as long as the foreign firm is staffed with professionals authorized to provide the desired service.	There is limit to the acquisition of property by non-locally licensed professionals, but there is no specific percentage limit except that they cannot have control.	Professionals licensed abroad are entitled to practice, under certain conditions: they must be qualified in a country with a common law system similar to that of Ghana. They must also take a three-month course in Ghana, which covers Ghana's constitutional and customary law and then take examinations on these subjects. Entry is only possible as PI. The quota of foreign employees depends on the size of investment of foreign capital and is subject to an LMA and

Country/Sectors	Mode 1	Mode 3	Mode 4
			ENR. The initial authorized period for stay differs case by case; extension of stay is possible beyond the initial period.
Legal counselling on national law		Same requirements for counselling on foreign law.	Same requirements for counselling on foreign law.
Representation in Court		Same requirements for counselling on foreign law.	Same requirements for counselling on foreign law.
Mali			
Legal counselling on national law	Authorized	Not authorized	There is automatic recognition of foreign licenses. Applicants can only work as consultants. Intra-Corporate Transfers are not allowed.
Legal counselling on national law		Not authorized	There is nationality requirement; exception applies only if the country of origin ensures reciprocity. There is requirement for education, but foreign qualifications are recognized. Two-year training is required; foreign training is recognized for a part of the requirement, under reciprocal agreement. Successful examination is required. Intra-Company Transfers are not allowed.
Representation in Court		Not authorized	There is a nationality requirement, but there is an exception for foreign accountants from WAEMU Member States or countries with reciprocal agreements with Mali. Lawyers admitted in reciprocating countries can plead before Malian courts, but to do so, they have to be established in the office of a local lawyer for each case. All other lawyers must be explicitly authorized in advance to plead in a particular case. There is a requirement for an educational qualification, but foreign qualifications are recognized. Two-year training is required; foreign training is recognized for a part of the requirement under reciprocal agreement. Successful examination is required. Only entry in the form of EFS (Service Provider Employee) is allowed.
Nigeria			

Country/Sectors	Mode 1	Mode 3	Mode 4
Legal counseling on foreign law	Authorized	Authorized	There is automatic recognition of foreign licenses. There is quota for foreign employees. The employer must apply for a permit for the foreign employee. Period of stay for two years, which can be extended for 8 years, making the maximum period of stay for 10 years.
Legal counseling on national law		A branch is not authorized	Foreign-accredited professionals are eligible to practice subject to the following conditions: applicants must have a law degree from a common law country. They must attend the Nigerian Law School for two years and then take an exam. There is a quota for foreign employees. The employer must apply for a permit for them. Period of stay for two years, which can be extended for up to 8 years, making the maximum period of stay for 10 years
Representation in Court		A branch is not authorized	Foreign-accredited professionals are eligible to practice subject to the following conditions: applicants must have a law degree from a common law country. They must attend the Nigerian Law School for two years and then take an exam. There is a quota for foreign employees. The employer must apply for a permit for them. Period of stay for two years, which can be extended for up to 8 years, making the maximum period of stay for 10 years. Only Independent Professionals are allowed.
Senegal			
Legal counseling on foreign law	Authorized	Authorized	There is automatic recognition of foreign licenses period of stay for one year, which can be extended depending on the duration of the employment contract.
Legal counseling on national law		Authorized	There is automatic recognition of foreign licenses Period of stay for one year, which can be extended depending on the duration of the employment contract.
Representation in the Court		A branch is not authorized. There are limits to the acquisition of property or control by foreigners.	There is a nationality requirement, but there is an exception for foreign lawyers from countries with reciprocal agreements with Senegal (no agreement of this type has been concluded to date with any country). The exception to

Country/Sectors	Mode 1	Mode 3	Mode 4
			appear in a specific case is only possible with prior authorization of the President of the Bar Association and this also requires reciprocity.
Guinea			
Legal counseling on foreign law	Authorized	Authorized	There is automatic recognition of foreign licenses.
Legal counseling on national law		Authorized	There is automatic recognition of foreign licenses
Representation in Court		Only lawyers have the capacity to plead, to apply and represent parties in all matters. Legal entities governed by private law, state-owned companies and semi-public companies may intervene in court proceedings only through a lawyer registered with the Bar. A lawyer cannot be admitted to the Bar Association if he does not meet the following conditions: being <b>Guinean</b> or a national of a reciprocating State.	No <b>foreign</b> lawyer can practice in Guinea, even on temporary basis.

Source: World Bank Services Trade Restrictions Database and Doumbouya (2013).

## F. TRADE COMMITMENTS AFFECTING THE SECTOR

An analysis of legal services commitments of ECOWAS Member States shows (Table 11) that in terms of law of the host country, Cabo Verde is neither committed to counsels nor representation. However, it is only committed to counsels in the case of international law and law of the host country. Gambia and Sierra Leone are both committed to counsels and representation under the law of the host country, international law and law of the host country. For Liberia, its commitment under law of the host country, international law and law of the host country is only limited to counsels and not representation. However, none of the Member States is engaged in other activities. In terms of modes of supply, all the Member States are committed in the area of cross-border supply, consumption abroad, commercial presence and movement of natural persons.

**Table 11: Overview of the legal services commitments of ECOWAS Member States at the WTO, 2017**

	Law of the host country		International law		Law of the host country		Other activities	Modes of supply
	a	b	a	b	a	b		
Cabo Verde			X		X			All
Gambia	X	X	X	X	X	X		All
Liberia	X		X		X			All
Sierra Leone	X	X	X	X	X	X		All
Total	3	2	4	2	4	2	0	

*Legend:*

- a. Counsels;
- b. Representation.

Regional cooperation in the field of legal services has been developed in WAEMU region. They have collaborated on a number of issues ranging from institutional framework and regulation to the reduction of trade barriers in legal services in WAEMU. The outcomes of such collaborative efforts include: the regulation dated 25 September 2014 governing the legal profession in UEMOA region, Regulation n010/2006/CM/UEMOA, dated 25 July 2006 on the free movement and establishment of Lawyers who are citizens of UEMOA Member states.

## G. LEGAL SERVICES: STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

### Strengths

- Ability to maintain high level of legal practice experience. This could be a result of high level of concentration on what the legal practitioners do well, perfect their knowledge and skills in order to deliver unparalleled results in all areas of expertise. The targeted legal services could be in the area of employment and labour law, employment practices and professional liability claims, commercial disputes, and general liability claims;
- The law firms would also be accorded with reputation for high level customer service or a proven record for high-dollar case outcomes;
- Effective Communication through keeping clients and insurance carriers informed and abreast of changes and developments in the case from beginning to end. Ensure that interested parties know what is going on, and work with clients and carriers to successfully reach a favourable result and as well keep files up to date. This enables a law firm to distinguish its responsive approach to the practice of law; and
- Proven Results through striving to find the most efficient way to resolve disputes and re-establish positive working relationships. Hard-working in pursuing a solution to every problem and look for a

resolution up front that is in the client's best interests, avoiding unnecessary setbacks, delay, and postponements.

### Weaknesses

- A small profit margin which could a result of operating a legal practice in a client-to-client financial crisis;
- Lack of adequate staffing or limited skill sets among current staff Members; and
- Inefficient administrative procedures.

### Opportunities

- The opportunities of legal services are the outside market forces that could benefit the practice if leveraged correctly. There could be an unexploited practice area that looks promising, or a new factory just opened up in town, bringing new residents and potential clients. Opportunities could be in the area of forming a partnership with another more established firm.

### Threats

- A legal threat is a statement by a party that it intends to take legal action on another party, mostly accompanied by a demand that the other party take an action demanded by the first party or refrain from taking or continuing actions objected to by the demanding party;
- Legal threats could be in several forms but most common is that the party making the threat will take some form of action of a legal nature. Most common is the threatened initiation of a lawsuit against the second party; and
- Other threats might include an administrative law action or complaint, referring the other party to a regulatory body, turning the party into the legal authorities over a crime or civil infraction, or the like. Legal threats are often veiled or indirect, e.g. a threat that a party "shall be forced to consider its legal options" or "will refer the matter to legal counsel."

## H. SPECIFIC RECOMMENDATIONS

- Policies should be established to increase cross border operation of legal services in ECOWAS;
- Strategies should be put in place to increase the number of staff and the skill sets among current staff Members; and
- The administrative procedures should be rendered efficient.

## Chapter IV: Architectural services

### A. INTRODUCTION

An architectural service is defined as a contractual economic relationship between the architect and his or her client. This transaction leads to an “architectural design”, which could go through the process of implementation. Architecture, however, enjoys a double status because if the transaction is of a private commercial nature, the result may not only be for private use. Indeed, any intervention shapes public perception or discourse. An architectural work can sometimes reach the quality of artwork which endures for a long time.

Architectural services mean services related to the art and science of designing and building structures for human habitation or use and includes planning, providing preliminary studies, designs, specifications, working drawings and providing for general administration of construction contracts.

According to the WTO, the sector includes work by engineering firms to provide blueprints and designs for buildings and other structures and by engineering firms to provide planning, design, construction and management services for building structures, installations, civil engineering work and industrial processes. As a result of the Uruguay Round and subsequent accessions to the WTO by new Members, 70 Members have made commitments in this sector.

### B. DESCRIPTION AND PERFORMANCE OF THE SECTOR

In the Sectoral Classification of Services (MTN.GNS/W/120), architectural services fall under a sub-sector of professional services. The Associated Classification of the United Nations Provisional Central Product Classification (CPC), Department of Architecture (8671), contains five subdivisions:

#### i) Counseling and draft Architectural design services (86711)

Assistance services, counseling and recommendations on matters relating directly or indirectly to architecture: The services in this sub-class include, for example, preliminary studies on issues such as project philosophy, development strategy, climatic and environmental conditions, occupancy requirements, financial constraints, Site selection analysis, timing for planning and construction, and all other issues related to design or implementation of a project. These services do not necessarily involve a new construction project. These may include counseling on how to maintain, renovate, restore or recycle buildings, estimate the value and quality of buildings, or any other issue related to architecture.

#### ii) Architectural design services (86712)

Architectural design services for the construction of buildings and other structures: These design services may include one or more of the following services: simplified plan preparation services, where the service provider meets with the client to determine the main characteristics of the project, i.e specify the end product of the project, space requirements, financial constraints and desired timeframes, and to prepare draft designs including floor plans, overall plans and external views. There are also project development services, which consist of presenting the project in terms of layout sketches, appearance of the building, materials to be used, building systems and mechanical and electrical systems to be adopted as well as the estimate cost of construction. There is also the final plan preparation services, which include written plans and specifications sufficiently detailed to be able to launch tenders and carry out the construction as well as providing counseling services to customers when launching calls for tenders or accepting offers.

#### iii) Contract administration services (86713)

Counseling and technical assistance services provided to clients during the construction phase to ensure that the structure is constructed in accordance with the final plans and specifications. These services include both administrative and field services; examples include inspection of works, preparation of progress reports, issuance of certificates for payments to be made to contractors, providing counseling services to the



customer and contractor on the interpretation of the contractual documents, as well as any other advice on technical matters that may arise as a result of the construction works.

#### iv) Combined architectural design and contract administration services (86714)

Combinations of architectural services typically used for construction projects, namely: simplified planning services, project development services, final plan preparation services and contract administration services. These services may include services provided after completion of construction work, such as the evaluation of defects in construction and instructions on repairs to be made within 12 months after completion of the work.

#### v) Other Architectural Services (86719)

All other services requiring the intervention of architects, such as the preparation of promotional materials and exhibition, the drawing up of site plans for existing structures, permanent representation at the construction site during the construction phase, manuals development, etc.

Economic contribution of architectural services is embedded in construction sector in virtually all the countries in the sub-region probably due to poor record keeping of the sector in the region. According to the National Bureau of Statistics (NBS), the construction industry has become a key contributor to the Nigeria's economic recovery since the meltdown in 2016. The National Bureau of Statistics (NBS) recently released Gross Domestic Product (GDP) figures for the second quarter of 2018 indicating that for the first time since the country's exit from recession in 2017, economic growth was driven by the non-oil sector. According to the report, the construction sector grew by 7.66 per cent in Q2 2018 from -1.54 per cent in Q1 2018 and 4.14 per cent in Q4 2017. Although these figures hint at an improving industry, the Nigerian architectural service sub-sector is made up of a lot of potentials in terms of employment generation and income provision.

### C. INSTITUTIONAL AND POLICY REGULATORY FRAMEWORK AND MAIN ACTORS

Regional cooperation in the area of architectural services has been developed in the WAEMU Region. They have collaborated on a number of issues ranging from institutional framework and regulation to the reduction of trade barriers in architectural services in WAEMU. The outcomes of such collaborative efforts include:

- Directive n007/2005/CM/UEMOA dated 16 December 2005 on the free movement and establishment of architects who are citizens of UEMOA Member States; and
- Directive No. 01/2013/CM/UEMOA on harmonization of rules governing architectural profession in UEMOA region.

These UEMOA directives aim specifically to liberalize the GATS Mode 3 and the GATS Mode 4 of trade in architectural services at UEMOA level, and to harmonize regulatory issues.

Meanwhile, in Nigeria there are two professional bodies overseeing and asserting authority in this sector. These include Nigerian Institute of Architects (NIA) and Architects Registration council of Nigeria (ARCON). NIA is a nongovernmental organization; it performs some statutory functions on behalf of ARCON and cooperates with governmental and nongovernmental agencies and institutions with the objective of ensuring and sustaining the quality of the built environment. The NIA/ARCON conducts periodic accreditation exercises at the schools offering architecture to ensure that set standards are met and that students are adequately prepared for professional practice. NIA code of conduct and the byelaws regulate the practice of architecture from the point of view of client-architect; architect-architect; architect-employee and architect-public relationships.

### D. TRADE COMMITMENTS AFFECTING THE SECTOR

Regional cooperation in the area of architectural services has been developed in UEMOA region. They have collaborated on a number of issues ranging from institutional framework and regulation to the reduction of trade barriers in architectural services in UEMOA. The outcomes of such collaborative efforts include:

- Directive n007/2005/CM/UEMOA dated 16 December 2005 on the free movement and establishment of architects who are citizens of UEMOA Member states; and
- Directive n01/2013/CM/UEMOA on harmonization of rules governing architectural profession in UEMOA region.

These UEMOA directives aim specifically to liberalize the GATS Mode 3 and the GATS Mode 4 of trade in services at UEMOA level, taking into account the commitments made by its Member States in WTO (Table 12) and to harmonize regulatory issues.

**Table 12: Commitments at WTO in architectural services for ECOWAS Member States**

Member State	Size of the sector	Limitations to Market Access	Limitations to National Treatment
Cabo Verde	CPC 8671	1) None 2) None 3) None, but only by incorporation of a company in Cabo Verde, foreign participation in the capital being limited to 65 per cent. Within five years from the date of incorporation, 100 per cent foreign ownership will be allowed 4) Unbound except for PBT and ICT (PE, E, S) and CSP	1) None 2) None 3) None 4) Unbound except for PBT and ICT (PE, E, S) and CSP
Gambia	CPC 8671	1) None 2) None 3) None 4) Unbound except for ICT (E and S). Companies must also offer training programs to Gambian citizens to enable them gain access to specialized functions. Approval for expatriate staff or expatriate contingent is subject to the following conditions and requirements: <ol style="list-style-type: none"> <li>1) Payment of 10,000 D as salary contributions</li> <li>2) Investment of 1,000,000 D</li> <li>3) Impossibility of recruiting qualified Gambians to fill positions.</li> </ol>	1) None 2) None 3) None 4) Unbound except for persons referred to in the column on market access
Liberia	CPC 8671	1) None 2) None 3) None 4) Unbound except for PBT and ICT (SS and E)	1) None 2) None 3) None 4) Unbound except for PBT and ICT (SS and E)

Member State	Size of the sector	Limitations to Market Access	Limitations to National Treatment
Senegal	CPC 8671	1) Unbound 2) None 3) Unbound 4) Unbound	1) None 2) None 3) None 4) Unbound
Sierra Leone	CPC 8671	1) None 2) None 3) None, except that commercial presence must take the form of an association of persons. Foreign companies must be competitive and registered in their country of origin. 4) Unbound except for senior managers and expert technicians who cannot be found on local labour market.	1) None 2) None 3) None 4) Unbound except for senior managers and expert technicians who cannot be found on local labor market.

Source: GATS Schedules

Note: ICT: Intra-Company Transfer; PBT: Person on Business Trip; SS: Supervisory staff; E: Executives; S: Specialist; CSP: Contractual Services Providers.

## E. ARCHITECTURAL SERVICES: STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

The aim of the SWOT analysis presented here is not to provide a summary of the above little information on the sector at regional level but to present a case on the perceptions of sector players in a specific country. This is based on the recent report written by Ndiaye and Doumbouya for the firm ICD<sup>12</sup> in 2017 in the context of Senegal. According this report, the analysis of SWOT for the architecture sector in Senegal is the following:

### Strengths

- College of Architects: a strong professional organization, engaging with the public authorities on issues of common interest;
- The Order of Architects is a Member of the Union of Architects of Africa (UAA), and the International Union of Architects (IUA);
- Senegalese architecture that has proven itself in Africa;
- Members familiar with the African context;
- Architects oriented towards research, innovation and education; and
- Induced effects: the architects are the promoters, specifiers and inventors of Senegalese industry products.

### Weaknesses

- Low involvement of architects in major PSE (Senegal Emergent Plan) works for an architect adapted to the climate, aesthetics and genius of the people;
- An orientation law of the architecture not applied;
- A public procurement price schedule that dates back to 1947 and is not updated;
- The absence of a school of architecture and urbanism; habitat research center;
- The shortage of architects in the public sector and local communities;
- The importation of almost all building materials and equipment, with the exception of locally produced cement; and

- Absence of a local materials recycling policy to reduce construction costs, to allow as many people as possible to access decent housing.

## Opportunities

- Construction Code: the architect is obligatory for areas of 200 square meters; but passage to 150 m<sup>2</sup> with a declining system;
- Promotion of partnerships with foreign architects in major works;
- Award of architectural public contracts by competition versus shortlists and references;
- UEMOA:
  - accelerate the transposition in progress;
  - harmonization of architectural price scales;
  - harmonization of selection modes.
- Senegal Emergent Plan (PSE): fostering partnership with foreign architects; and
- In the context of Sustainable Development, with the fight against climate change:
  - At the strategic level, architects have a primary responsibility to contribute to the implementation of international requirements and commitments through the Sustainable Development Goals, the Paris Agreement for Climate, and the New Urban Agenda;
  - At the operational level, architects have the skills to integrate all scales of environmental, economic, social, cultural and spatial planning (spatial planning, urban planning, architecture, construction, heritage and landscape), thanks to the synergy of the habitat bioclimatic, energy and thermal efficiency, and renewable energies integrated into the typology of the habitat.

## Threats

- Non-application of texts (urban planning code, construction code and the law of orientation of Senegalese architecture);
- Inadequacy between the code of contracts and the law of orientation of the Senegalese architecture;
- Confusion between architects, draughtsmen and engineers in tenders and procedures for issuing building permits;
- In WAEMU we do not have the same scale according to the countries;
- Procurement Code: the references do not take into account the creative potential of architects, namely their triple scientific, artistic and technical competence;
- Young architects (therefore without references) are in fact excluded in tendering procedures;
- Senegal Emergent Plan: PPPs are harmful to the order of architects;
- Foreign investors land with strung projects (where national architects are excluded because of the preponderance of financial considerations);
- Non-compliance with the urban planning code by foreign investors;
- Achievements of turnkey projects by Chinese, Turkish, Moroccan, who impose their industrial products, and thus blocking the emergence of an industrial fabric adapted to the needs of the population and job creator; and
- Low involvement of architects in programming, design and management of works.

## F. SPECIFIC RECOMMENDATIONS

- Increase the involvement of architects in major Plan designs in the region adapted to the climate, aesthetics and genius of the people;
- There is the need to update public procurement price schedule which dates back to over half century;
- The training and capacity of regional architects need o be strengthened to reinforce the professionalism of architecture in the region;
- There is needed to urgently address the shortage of architects in the public sector; and
- A regional materials recycling policy is required to reduce construction costs, to allow as many people as possible to access decent housing construction.

## Chapter V: Cultural services

### A. INTRODUCTION

The cultural services industry is a dynamic and rapidly growing sector of the global economy. The industry is contributing to growth, allowing diversification of national economies, income generation and job creation.

Culture plays an important role in uniting people, building identities, fostering tolerance, facilitating trade, creating revenue, and promoting linguistic and cultural diversity. All these attributes make it an essential vehicle in the quest for regional integration. In light of the evolving socio-political and economic context, and the enormous cultural challenges to development, it is indispensable for ECOWAS to have a regional cultural policy that would strengthen the cultural sector's role in the regional integration process.

ECOWAS Member States have enormous cultural and creative assets, a wealth of ideas, artists and creative people. The AfCFTA offers the opportunity for ECOWAS Member States to increase cultural exchanges and business cooperation on the continent and beyond.

### B. DESCRIPTION AND PERFORMANCE OF THE SECTOR

According to UNESCO, cultural heritage comprises cultural and natural heritage on the one hand and intangible heritage on the other hand. Cultural and natural heritage comprises museums, archaeological and historical tourist sites (such as archaeological sites and monuments), cultural landscapes (combined works of humanity and nature) and natural heritage (natural monuments, geological and physiographic formations and demarcated areas constituting habitats for animal and plant species). Intangible cultural heritage, on the other hand, is composed of "practices, representations, expressions, knowledge and know-how – as well as related cultural instruments, objects, artefacts and spaces – that communities, groups and, where necessary, individuals recognise as being part of their cultural heritage".

In 1987, Heads of State and Government adopted the ECOWAS Protocol on the Cultural Framework Agreement with the objective of promoting the cultural dimensions of development to create Community awareness with a sense of belonging founded on historical, linguistic and geo-political links. The Agreement encompassed several sectors, ranging from education to training, scientific and technological research, cultural tourism and exchanges. Culture was considered in its largest dimension, extending beyond the usual aspects of the sector.

Since the adoption of the Agreement, the stakes in the cultural dimension have increased and diversified. The cultural sector, which was marginal at the outset, has recorded immense boom and growing interest from stakeholders. The emergence of other cultural development issues, notably political and particularly economic, stemming from the recognition of the sector's growth potential in terms of contribution to GDP, foreign and domestic trade, tourism, etc., justifies the renewed interest of States and Communities. Hence, the Convention on the protection and promotion of the diversity of cultural expressions played an important sensitisation and incentive role. By adopting this international legal instrument, ECOWAS Member States have become aware of both the huge benefit of culture to the economy and the threats confronting their cultures. Indeed, culture is often perceived as a marginal sector, while its contribution to development seems to be sparsely shared. The image portrayed by certain categories of artists has improved over the years, but it should be noted that generally, the cultural sector continues to suffer from the mistrust of certain decision makers, opinion leaders and investors. Additionally, the flow of interstate cultural exchanges seems to be weaker than that of trade with countries of the North.

There's no doubt that culture, being a regional development sector just as other sectors, should effectively contribute to co-operation and integration objectives.

### C. LINKAGE WITH OTHER SECTORS

ECOWAS Member States cultural stakeholders have instituted numerous organisations that constitute many networks working for the region's cultural development. They include PANAFEST for Africans and people of

African descent (Ghana); FESPACO for films (Burkina Faso); DAK'ART for visual arts (Senegal); MASA for performing arts (Côte d'Ivoire); SIAO for crafts (Burkina Faso), FITHEB for theatre (Benin); FIMA for fashion and textiles (Niger); Atlantik Music Expo for music (Cabo Verde); and Chale Wote for arts (Ghana); among many others.

Prior to 1990, most activities in the cultural sector were led by States or communities. Since then, there has been a massive influx of increasingly organised and structured independent actors, initially motivated to volunteer. In 2010, on the initiative of the Fund for Cooperation and Cultural Exchange in West Africa, funded by the European Union and under the aegis of ECOWAS and UEMOA, some 245 cultural organisations were identified as ECOWAS Member States plus Mauritania, including 182 in UEMOA Member States with the exception of Guinea Bissau: Benin (27), Burkina Faso (39), Côte d'Ivoire (25), Mali (18), Niger (13), Senegal (38) and Togo (22).

#### D. INSTITUTIONAL AND ORGANIZATIONAL FRAMEWORKS

The Revised ECOWAS Treaty provided for the setting up of a technical and specialised Commission for Social and Cultural Affairs.<sup>13</sup> Chapter 11 of the Revised ECOWAS Treaty is devoted to Cooperation in Human Resources, Information, Social Affairs and Culture. The desire of Member States to map out culture as a regional co-operation sector came to fruition in 1987 with the adoption of the Cultural Framework Agreement and the adoption of a Cultural Development Program in Lomé (1996), which was relaunched in 2002 as part of NEPAD, laying the groundwork for a regional cultural policy.

The Cultural Framework Agreement has remained the only roadmap to date in terms of guidelines for the cultural sector. According to the Cultural Framework Agreement, "culture is a fundamental dimension of development, of which economic growth is only one aspect and that the integration of cultural factors in development strategies will ensure a well-balanced development, and further, that development, when rooted in the culture of the peoples concerned, and a part of their system of values, will emancipate them from any form of economic, social and cultural dependency". Member States were also mindful of the need to establish a form of cultural co-operation which will make it possible to take into account the cultural aspect of projects within the framework of regional development plans and strategies, and to foster a sense of belonging to the same cultural community.

In 1985, a specific division called the "Culture Division" was created within the Department of Education, Science and Culture of the ECOWAS Commission. The key programmes run by the division are:

- the copyright and intellectual property rights programme;
- the heritage and cultural exchange programme;
- the education for the culture of peace programme; and
- the Cultural Industries Development Programme.

This division is highly understaffed, which seriously undermines the ambitions of the Division.

Most Member States of the Community have a Department in charge of Culture. A central administration (the Ministry of Culture), exists in the French-speaking part of the Community, with many decentralised cultural institutions. The adoption by these countries of formal national cultural policies was a gradual process: Niger in 2008; Burkina Faso in 2009; Benin in 2011 (cultural charter); Togo in 2012; and Côte d'Ivoire in 2014, among many others.

In the English-speaking Member States, cultural policy is implemented by a semi-public organ called the National Council of Arts and Culture, under the auspices of the Ministry of Culture. The organ, in collaboration with specialised institutions (offices, agencies and other public and private institutions such as cultural associations, houses and centres, art workshops, theatres, etc.), is in charge of the development, promotion and dissemination of arts and knowledge throughout the country. This model is found in Ghana, Nigeria and also in the Gambia.

In the case of Portuguese-speaking Member States, a country like Guinea-Bissau also drew on the French model, but with small institutions attached to a General Directorate of Culture.

The statistics of ECOWAS Member States with formal cultural policies are indicated in Table 13.



**Table 13: ECOWAS Member States cultural policies**

No	Member State	Title of cultural policies	Date of Adoption
1	Benin	National Cultural Policy	2013
2	Burkina Faso	National Strategy for Culture and Tourism	2018
3	Cabo Verde	2016-2021 Outlook	2016
4	Côte d'Ivoire	2014 Law on the National Cultural Policy of Côte d'Ivoire	2014
5	Gambia	Cultural Policy of The Gambia	1988
6	Ghana	Cultural Policy of Ghana	2004
7	Guinea	The New Cultural Policy of the Republic of Guinea	2018
8	Guinea-Bissau	Non-existent	-
9	Liberia	National Cultural Policy of Liberia	2003
10	Mali	National Cultural Policy Framework Document	2013
11	Niger	National Cultural Policy Declaration	2008
12	Nigeria	Cultural Policy of Nigeria	1998
13	Senegal	Letter on the development of cultural sector policy	2016
14	Sierra Leone	Non-existent	2006
15	Togo	National Cultural Policy	2011

Source: ECOWAS Commission.

Thirteen (13) ECOWAS Member States have formal cultural policies set forth in special documents and adopted by governments or parliaments. Public policies on culture suffer from the limited publication of cultural works and lack of statistical data. As a matter of fact, few cultural studies of socio-economic impact have been conducted in the region to determine the strengths and weaknesses of the sector, in view of formulating sound policies or strategies.

## E. POLICY FRAMEWORKS

The inventory, safeguard and preservation of tangible, natural and intangible cultural heritage was one of the priority axis of the Regional Action Plan for Culture, adopted by the First Conference of ECOWAS Ministers of Culture held in Dakar in 2003. A review of the state of West African cultural heritage reveals the following:

### i) Major Centuries-old but inadequately safeguarded relics

The protection and promotion of tangible cultural and natural heritage is governed by several conventions, including the 1972 UNESCO Convention, which promotes the identification, protection and conservation of cultural and natural heritage, considered invaluable to humanity. The Convention was ratified by all ECOWAS Member States, demonstrating their will to protect cultural and natural heritage.

Table 14 presents the statistics of properties inscribed on the world heritage list.

**Table 14: Statistics of properties inscribed on the world heritage list**

Member State	Benin	Burkina Faso	Côte d'Ivoire	Gambia	Ghana	Guinea	Mauritania	Niger	Nigeria	Senegal	Togo	TOTAL
No. of Properties inscribed	02	02	04	02	02	01	04	03	02	07	01	30

Source: ECOWAS Cultural Policy.

Of a total of 1092 properties inscribed on the world cultural and natural heritage list, the ECOWAS region has 30 properties (1972 Convention), that is 2.74 per cent of the total properties inscribed. This situation suggests a low level of inscription and protection of its tangible cultural heritage, despite the enormity of relics inherited from old empires and kingdoms.

The movable cultural heritage is preserved in more and more museums,<sup>14</sup> of which 145 public and private museums were listed in 2000. A significant part of this heritage is also preserved in museums in the North (Europe and America) including objects with high symbolic value as the throne of King Béhanzin of Dahomey. Since 2017, the President of the French Republic has pledged to repatriate African cultural properties unduly taken and held in French public museums. African states are working to return these properties to their heritage.

## ii) A rich, diversified, but poorly harnessed intangible cultural heritage

The protection and promotion of intangible cultural heritage is governed by UNESCO's 2003 Convention for the Safeguarding of the Intangible Cultural Heritage. The Convention encourages the adoption of legal, administrative and financial measures necessary to ensure the safeguarding of the heritage through inventories and special offices, in order to involve communities in charge of their intangible cultural heritage, encourage scientific, technical and artistic studies, and ensure the recognition, respect and enhancement of that heritage. ECOWAS Member States have over 325 million inhabitants within about 600 ethnic communities speaking many languages. This reflects the enormous cultural diversity and the resulting multiplicity of cultural expressions, constituting an inexhaustible potential for wealth that can be exploited for sustainable development. Of a total of 399 elements inscribed, 17 belonging to 10 countries of the Region are inscribed on the Representative List of the ICH of Humanity, representing a 4.26 per cent rate of the total number of elements. Despite the potential of the region, it must be noted that there is a low level of protection (4.26 per cent of the total number of elements) and exploitation of intangible cultural heritage due to lack of inventories and appropriate strategies. Statistics of the items inscribed in Table 15.

**Table 15: Culture diversity in ECOWAS**

Member State	Member State's element	Shared elements
Benin		The oral Gèlèdè heritage (Benin, Nigeria, Togo) 2008
Burkina Faso		Cultural practices and expressions linked to the balafon of the Senufo communities of Mali, Burkina Faso and Côte d'Ivoire, 2012
Côte d'Ivoire	Zaouli, popular music and dance of the Guro communities in Côte d'Ivoire Côte d'Ivoire (2017) Gbofe of Afounkaha, the music of the transverse trumps of the Tagbana community (2008)	Cultural practices and expressions linked to the balafon of the Senufo communities of Mali, Burkina Faso and Côte d'Ivoire
Gambia		Kankurang, Manding initiatory rite (Senegal and The Gambia) 2008
Guinea	Cultural space of Sosso-Bala (2008)	
Mali	Coming forth of the masks and puppets in Markala (2014) Manden Charter, proclaimed in Kurukan Fuga (2009)	Cultural practices and expressions linked to the balafon of the Senufo communities of Mali, Burkina Faso and Côte d'Ivoire

Member State	Member State's element	Shared elements
	Septennial re-roofing ceremony of the Kamablon, sacred house of Kangaba (2009) Cultural space of the Yaaral and Degal (2008) "Kôre dougaw" wisdom rite of the Sénoufo and the bambaras "Sanké mon" collective fishing rite of the Sanké.	Practices and knowledge linked to the Imzad of the Tuareg communities of Algeria, Mali and Niger (Algeria-Mali-Niger) 2013
Niger	Practices and expressions of joking relationships in Niger (2014) Argungu international fishing and cultural festival (2016) Ijele masquerade (2009) Ifa divination system (2008)	Practices and knowledge linked to the Imzad of the Tuareg communities of Algeria, Mali and Niger (Algeria-Mali-Niger) 2013 Oral heritage of Gelede (Benin-Nigeria-Togo) 2008
Senegal	Xooy, a divination ceremony among the Serer of Senegal (2013)	Kankurang, Manding initiatory rite (Senegal and The Gambia) 2008
Togo		The oral Gèlèdè heritage (Benin, Nigeria, Togo) 2008
<b>TOTAL</b>	<b>12</b>	<b>05</b>
<b>OVERALL TOTAL</b>	<b>17 Elements</b>	

Source: ECOWAS Commission.

Some countries, such as Mali and Nigeria, have apparently made significant effort to inscribe several elements. On the contrary, 5 countries have no items inscribed. In general, the tangible and intangible cultural heritage of the Region suffers from the lack of strong public safeguarding and development policies.

## F. REGULATORY FRAMEWORK

ECOWAS Member States have signed many agreements and conventions that stipulate rights related to culture. These international texts define the normative framework and guide the adoption of measures for the sector. International conventions and agreements have considerably influenced the drafting of national legal instruments. The main legal instruments influencing regional public policies described in Table 16.

**Table 16: List of key cultural treaties and conventions**

	Title	Issue covered
1.	1886 Berne Convention for the Protection of Literary and Artistic Works, supplemented by the 1971 Convention	Intellectual Property Governance
2.	1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property	Control of archaeological excavations, conservation of products derived from them, and control of the export and import of cultural assets
3.	1972 Convention on the Protection of the World Cultural and Natural Heritage	Definition of elements of cultural and natural heritage; National and international protection measures

Title		Issue covered
4.	1996 WIPO Copyright Treaty;	Intellectual Property Governance
5.	2003 Convention for the Safeguarding of the Intangible Cultural Heritage	Safeguarding cultural heritage in the areas of oral traditions and expressions, performing arts, social practices, rituals and festivities, knowledge and practices
6.	2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions	Protection and promotion of cultural and artistic expressions; promotion of cultural activity sectors; promotion of cultural cooperation
7.	1995 General Agreement on Trade in Services	Liberalisation of global trade in services (including tourism)
8.	2006 Charter for African Cultural Renaissance	Cultural policy; integration of culture into economic and social development plans
9.	1987 ECOWAS Cultural Framework Agreement	Culture, Education, Science and Cultural Tourism

Source: ECOWAS Commission.

While ECOWAS Member States have signed a number of international conventions, the domestication of these conventions into national public policies remains problematic because of the weak capacity of the departments in charge of culture. Note that the Charter for Cultural Renaissance is yet to be ratified by many Member States, jeopardising its entry into force.

## G. CULTURAL SERVICES: STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

### Strengths

- Existence of major relics and heritage sites;
- Predominance of rich and diversified intangible cultural heritage;
- Nearly complete value and production chain in various Member States;
- Dynamic stakeholders;
- Success stories;
- Cultural training institutions in many countries;
- Cultural Framework Agreement setting the guidelines for cultural development;
- Cultural administration through a specific department and division in charge of culture;
- A department in charge of culture in all Member States;
- Formal cultural policies in some Member States;
- the UEMOA cultural development program;
- Creation of the Regional Observatory in 2016;
- Existence of many regional and subregional organisations;
- Minimal production, dissemination and preservation infrastructure;
- Gradual emergence of funding mechanisms in States; and
- Implementation of a 2015-2017 cultural programme focused on 4 components.

## Weaknesses

- Poor protection of vestiges;
- Insufficient strategies for safeguarding and exploiting intangible cultural heritage
- Fragile small and medium cultural enterprises;
- Weakness in some links of the production chain;
- Low product competitiveness;
- Low collection of royalties from copyright and neighbouring rights;
- Insufficient staff at the Commission's Culture Division;
- Absence of formal cultural policies in some Member States;
- Low production of information and statistics on culture;
- Weak ratification of the Charter for African Cultural Renaissance;
- Low inter-state cultural co-operation;
- Low level of organisation of stakeholders in Member States;
- Non-operationalisation of the Regional Intellectual Property Observatory;
- Low implementation of international conventions in Member States' policies;
- Absence of a policy that would improve peaceful coexistence among tribes, traditional religious leaders and the youth;
- Absence of cultural exchanges among Member States
- Insufficient qualified human resources;
- Many dilapidated cultural infrastructures;
- 90 per cent of cinemas closed;
- Low public budgets for culture funding;
- Difficulty in accessing private funding; and
- Ignorance of cultural orientations and actions by Member States.

## Opportunities

- An international normative framework for heritage protection and development of CCIs (Cultural and Creative Industries); and
- Growing interest of universities in cultural and artistic education;

## Threats

- Proliferation of piracy and counterfeiting;
- Stiff competition from Asian and Northern goods and services; and
- Low consideration for the cultural sector by some key stakeholders.

## H. SPECIFIC RECOMMENDATIONS

The following recommendations are relevant to advance the impact of the cultural service sector on the economy:

- Development of an ECOWAS Cultural Policy;

- Government and the ECOWAS need to strengthen the mechanisms for the national and regional recognition of the economic gains of creative arts;
- There is the need to increase the export opportunities of cultural and creative arts by policies that will enhance the tourism industry;
- Institutional support is required to create and improve experience in creative service production;
- Incentives need to be created to reliably access to visual arts raw material;
- The regional and national institutions responsible for generating market information should be supported to increase their foreign market surveillance and access to provide understanding of foreign market and the competition for regional and national practitioners;
- Making market for University graduates who majored in the arts is inevitable to grow the cultural sector and maintain the interests of artistically inclined citizens of the region; and
- All stakeholders involved in the cultural services sector should be encouraged to cooperatively work together to develop the sector.

## Chapter VI: Education services

### A. INTRODUCTION

Education is a key part of strategies to improve individuals' well-being as well as societies' economic and social development. Progress towards better governance, more effective conflict resolution, increased competitiveness and specialization, controlled population, improved health and general wellbeing and most importantly accelerated poverty reduction, are ultimately related to progress in education and training.

In line with ECOWAS objectives, the ECOWAS education sector was established in 2003 to provide all community citizens with greater access to quality education and training opportunities available in the region through harmonization of policies, strategies, programmes and activities, as well academic programmes and certificates.

### B. DESCRIPTION AND PERFORMANCE OF THE SECTOR

Trade in education services refers to the real or virtual mobility of students, teachers, knowledge and academic programmes across borders and involves the export and import of education services from one country to the other (Table 17).

**Table 17: Categories of education and activities**

Sectoral classification list	Activities included in each category
Primary education services (CPC 921)	<ul style="list-style-type: none"> <li>• Preschool education services [excludes child day-care services (CPC 93321);</li> <li>• Other primary education services [excludes adult education services n.e.c (CPC 92400)]</li> </ul>
Secondary education services (922)	<ul style="list-style-type: none"> <li>• General secondary education services;</li> <li>• Higher secondary education services;</li> <li>• Technical and vocational secondary education services;</li> <li>• Technical and vocational secondary school-type education services for handicapped students.</li> </ul>
Higher education services (CPC 923)	<ul style="list-style-type: none"> <li>• Post-secondary, technical and vocational education services;</li> <li>• Other higher education services.</li> </ul>
Adult education (CPC 924)	<ul style="list-style-type: none"> <li>• Adult education services n.e.c. [excludes post-secondary technical; and vocational education services (92310)] and [Other higher education services (CPC 92390)];</li> </ul>
Other education services (CPC 929)	<ul style="list-style-type: none"> <li>• Other education services [excludes Sporting services (CPC 9641) and Private households with employed persons (CPC 98000)].</li> </ul>

Source: United Nations, Provisional Central Product Classification, 1991.

The distinction between various categories is mainly based on teaching at different levels of education, from primary education to higher education. The other two categories, adult education and other types of education, are educational services provided to a large extent outside the formal education system<sup>15</sup>. Adult education is somewhat a separate category not only because education is provided outside the formal educational system but also because it is defined in relation to beneficiaries of the service.<sup>16</sup> In addition, this category overlaps with the category of "other educational services" (CPC 929), a residual category that also includes educational services that cannot be categorized by level of education. In the category of "higher education services", a distinction is made between post-secondary education leading to a university degree or the equivalent (i.e. other higher education services) and studies which do not lead to such outcomes (i.e. vocational and technical education). The dynamic nature of the education sector, along with the evolution of



curricula and qualifications, has greatly shifted the lines separating the different categories, especially as regards to post-secondary education (i.e. higher education, adult education and other educational services).

These four modes correspond to the cross-border supply of programmes, students and suppliers of education services (Table 18):

**Table 18: Four modes of education services supply**

Mode of supply	GATS definition	Examples in education
Mode 1: Cross-border supply	The supply of a service “from the territory of one Member into the territory of any other Member”. The service travels, but both the provider and the consumer stay home. Comparable to the export of a good.	<ul style="list-style-type: none"> <li>• Distance or online education;</li> <li>• Virtual education institutions;</li> <li>• Education software;</li> <li>• Corporate training through ICT delivery.</li> </ul>
Mode 2: Consumption abroad	The supply of a service “in the territory of one Member to the service consumer of any other Member”. Comparable to tourism or business travel by the consumer.	<ul style="list-style-type: none"> <li>• A student travels to another country to enrol in a school for a course or study/degree programme.</li> </ul>
Mode 3: Commercial presence	The supply of a service “by a service supplier of one Member, through commercial presence in the territory of any other Member”. GATS-speak for foreign direct investment.	<ul style="list-style-type: none"> <li>• Local university or satellite campuses;</li> <li>• Language training companies;</li> <li>• Private training companies, e.g. Microsoft, CISCO, etc.</li> </ul>
Mode 4: Movement of natural persons	The supply of a service “by a service supplier of one Member, through presence of natural persons of a Member in the territory of any other Member”. Comparable to temporary emigration or business travel by the service provider.	<ul style="list-style-type: none"> <li>• Professors; lecturers; teachers; and researchers providing education services aboard on a temporary basis.</li> </ul>

Source: OECD, 2004 (p. 360).

The future of education in the ECOWAS Region is bright. In the last decade, majority of ECOWAS Member States have made extraordinary gains. In Senegal, for example, 79 per cent of students are enrolled in primary school, up from only 46 per cent in 1990 (World Bank). Across the West African sub-region more students are completing primary school, and schools are enrolling more female students than ever before.

Student mobility in international educational education has also gained a lot of traction in the region. An analysis of the region’s higher education landscape shows that there has been a significant increase in the number of academic institutions. Nyarko and Ephraim (2016) noted the region’s education services have steadily increased since 2010. They attributed this to deliberate efforts by higher education institutions and Member States to provide their services to international students through various delivery modes such as these students coming and studying the in the different Member States or doing online programmes or remaining overseas and taking courses offered in the respective Member States. Some of the Member States’ export have also been boosted by joint programmes and the establishment of international private universities.

Stemming from the levels of education in which ECOWAS Member States were committed to, the level of literacy can easily be predicted. The literacy level predicted in Table 19 suggests that average literacy level is highest in Cabo Verde among the ECOWAS Member States. A total percentage of 88.5 per cent of the adult population in that country are literate for the period 2010–2015. This is diametrically opposed to the lowest percentage of 19.1 per cent of the adult population in Niger being literate. The countries that closely followed Cabo Verde, in terms of literacy level, are Ghana, with 76.6 per cent adult literacy level, Togo, with

66.5 per cent adult literacy level and Guinea-Bissau, with 59.8 per cent adult literacy level. Countries like Nigeria scored 59.6 per cent and the Gambia and Senegal performed moderately with 55.6 per cent each adult literacy level for the period 2010–2015.

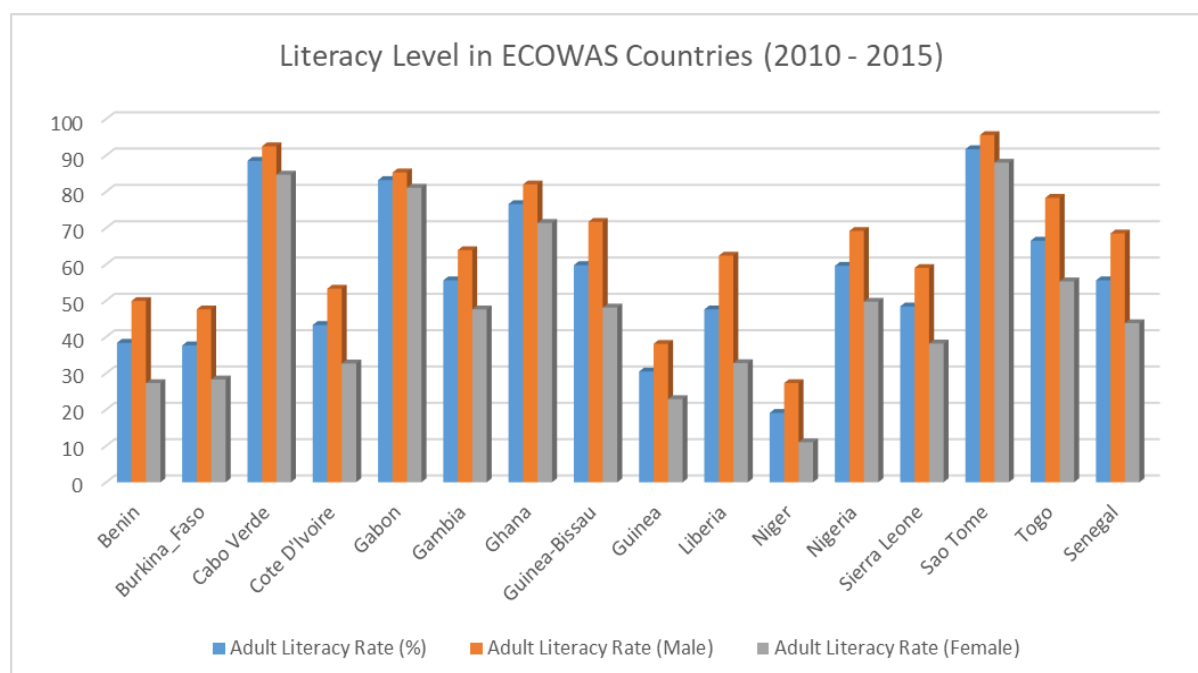
**Table 19: Literacy level in ECOWAS Member States, 2010–2015 (in percentage)**

Member State	Adult literacy rate	Adult literacy rate (Male)	Adult literacy rate (Female)
Benin	38.4	49.9	27.3
Burkina Faso	37.7	47.6	28.3
Cabo Verde	88.5	92.5	84.7
Côte d'Ivoire	43.3	53.3	32.7
Gambia	55.6	63.9	47.6
Ghana	76.6	82.0	71.4
Guinea-Bissau	59.8	71.7	48.1
Guinea	30.5	38.1	22.9
Liberia	47.6	62.4	32.8
Niger	19.1	27.3	11
Nigeria	59.6	69.2	49.7
Sierra Leone	48.4	59	38.2
Senegal	55.6	68.5	43.8
Togo	66.5	78.3	55.3

*Source:* African Development Bank Group (2017).

A moderate adult literacy level is recorded by Côte d'Ivoire with 43.3 per cent adult literacy level. Benin, Burkina Faso and Guinea have low adult literacy level of 38.4, 37.7 and 30.5 per cent for the period 2010–2015 respectively (Figure 4).

Figure 4: Literacy level in ECOWAS Member States, 2010–2015



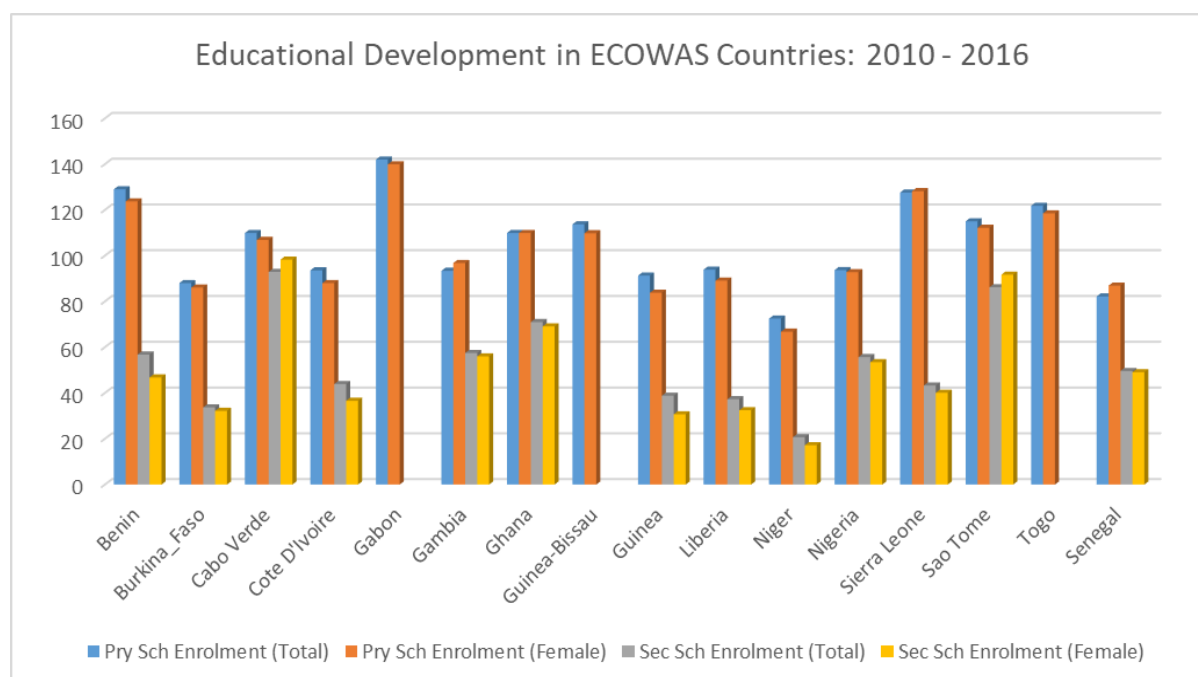
Source: African Development Bank Group (2017).

Largely, the gender distribution of this adult literacy in the West African sub-region indicates that the males are more literate than their female counterparts in virtually all the countries. However, a few countries have bridged the gap between their male and female counterparts; in terms of adult literacy. Cabo Verde takes the lead in this regard with 92.5 and 84.7 per cent adult literacy for the male and female adults respectively. Liberia, Senegal and Togo lead the packs of those countries that have large disparities between their male and female adult literacy levels for the period 2010–2015 respectively (Figure 5).

Expectedly, the primary and secondary school enrolments are the bases for adult literacy level. As detailed in Figure 5, Benin, closely followed by Sierra Leone and Togo, has the highest level of educational development as indicated by the primary school enrolment. Niger has the least primary school enrolment. Burkina Faso and Senegal have lesser primary school enrolment level.

However, it is evident that school enrolment drastically reduced from primary to secondary levels. The implication is that a number of students in the ECOWAS Member States were not able to continue to secondary school level. Benin reduced by more than 50 per cent; from 129.0 primary school enrolment level to 56.8 while Niger reduced from 72.5 of primary school enrolment to 20.7 per cent secondary school enrolment (Figure 5). This trend is consistent for all ECOWAS Member States, irrespective of gender. In order to assess the level of discrimination against the women, the primary and secondary school enrolment for the female is compared with the total and it is clear that access to education could not be considered to be of statistical difference; both for the primary and secondary school enrolment levels.

Figure 5: Educational development in ECOWAS Member States, 2010–2016



Source: African Development Bank Group (2017).

In relative terms, the GDP expenditure for these countries differ and the estimated percentage on education in these countries depend largely on the GDP expenditure. More so, the population figure for these countries differ. The amount expended on education also depends on the population figure in each country. By implication, the size of the economy and the growth of population are two important factors that determine the amount devoted to every sector of the economy; including education. Of also importance is the historical expenditure and the macroeconomic objectives set out by each country. However, these average percentage values within a five-year span should be considered be indicative enough to guide the discussion on the practical commitment that countries have devoted towards developing the educational sector.

Interestingly, the percentage of GDP devoted to the educational sectors did not correspond to the level of adult literacy in these countries. The continent average is 5.0 and only the trio of Ghana, Niger and Senegal spent above the continental average with 6.2, 6.7 and 7.2 per cent of their GDP devoted to the educational sector (Table 20). Of these three countries, only Niger has an abysmal adult literacy rate 19.1 per cent while the two others have adult literacy level above the 50 per cent mark. In contrast, Sao Tome, which has the highest adult literacy level only devoted 3.9 per cent of her GDP to the educational sector while Cabo Verde, with 5.0 per cent of her GDP expended on education, has a corresponding adult literacy level, being the second highest, in the sub-region.

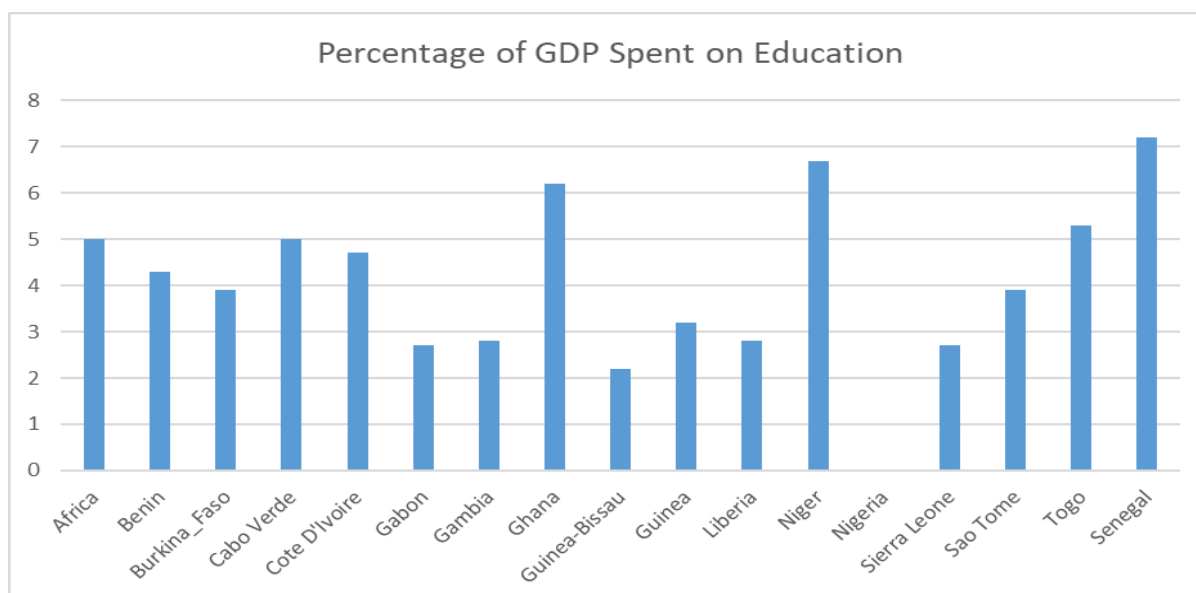
**Table 20: Percentage of gross domestic product spent on education in ECOWAS Member States, 2010–2015**

Member State	Percentage of gross domestic product spent on education
Africa	5.0
Benin	4.3
Burkina Faso	3.9
Cabo Verde	5.0
Côte d'Ivoire	4.7
Gabon	2.7
Gambia	2.8
Ghana	6.2
Guinea-Bissau	2.2
Guinea	3.2
Liberia	2.8
Niger	6.7
Nigeria	
Sierra Leone	2.7
Sao Tome	3.9
Togo	5.3
Senegal	7.2

Source: African Development Bank Group (2017).

As depicted in Figure 6, only four countries (Ghana, Niger, Senegal and Togo) exceed the continental percentage average of five per cent for the period 2010–2015.

**Figure 6: Percentage of GDP spent on education in ECOWAS Member States, 2010–2015**



Source: African Development Bank Group (2017).

## Factors affecting student mobility in ECOWAS

Several factors affect student movement, notable among them being the propensity of tertiary students to study abroad. UNESCO (2018) reported that there were over 4.8 million international students in 2016, up from 2 million in 2000. The top 6 leading countries in the international student market are the United States of America, United Kingdom, Australia, France, Germany and Russia. Prominent sending countries identified included China, India, Germany, South Korea and Nigeria.

Studies of student mobility in the ECOWAS region tend to focus on the conditions (push and pull factors) that motivate students to study abroad. Nyarko and Ephraim (2016) identified the following as key factors influencing the movement of international students into Ghana:

- Lower cost of education: cost is increasingly likely to motivate students to a particular destination and deter others from applying to others. Cost of living and tuition fees are generally lower in most ECOWAS Member States than in other countries and regions;
- Parity of admission requirements: flexibility of admission requirements to tertiary institutions in Ghana is also a significant factor. Already there are regional regulatory bodies like the West Africa Examinations Council (WAEC), which ensure quality standard of the appropriate level of education in its area of jurisdiction. Similarity of programmes and medium of instruction between Ghana and other Anglophone countries could be a great opportunity that will allow for easy mobility of students into Ghana;
- Socio-cultural similarities: socio-cultural similarities of the international students' home countries and that of Ghana always make the student feel at ease. The degree of homesickness of the international student is minimal due to similar socio-cultural factors among these West African nations. Linguistic, dietary, and cultural identities such as food, music, religion, dance etc are quite similar making the student feel more at home; and
- Immigration requirements/procedures: ECOWAS Free Movement Protocols allows for easy mobility in the region

In addition, it is believed that the students base their choice on a number of other factors including government policies, proximity to home country, fees and infrastructure capacity (Table 21).

**Table 21: Distribution of international students in Ghanaian universities**

University	2009–2010	2010–2011	2011–2012	2012–2013	2013–2014
Kwame Nkrumah University of Science and Technology (KNUST)	838	1 035	1 263	1 445	1 549
University of Cabo Coast	189	226	245	245	283
University for Development Studies	0	2	3	11	11
University of Education	1 214	9	773	22	12
University of Ghana	1 307	1 270	1 035	684	732
University of Mines and Technology	59	73	83	101	121
University of Professional Studies	-	-	-	20	12

Source: Nyarko and Ephraim (2016).

In Ghana, records available from the National Council for Tertiary Education (NCTE) showed a total of 3,607 international students pursued higher education in the country's public Universities as at the 2009/2010 academic year, 2,606 international students for the 2010/2011 academic year. For the 2011–2012 academic

year, a total of 3,356 international students enrolled in the country's public universities while a total of 2,507 enrolled for the 2012–2013 academic year. In the year 2013–2014 academic year, a total of 2,723 enrolled in the country's public universities. Records further indicate that most of these students came from Gabon, Liberia, Nigeria, Sierra Leone, United States, etc.

The opening of economies, the technology improvements, and the new needs derived from globalization and a more integrated international market have resulted in a new way of thinking about education services. Besides the importance of this sector on its own, there is a strong intrinsic relation between the skills and training required and the needs of a new workforce that are forced to operate in a global scenario. Education services are no longer destined to be provided just for the local market; higher education services and vocational and training services can be viewed very much as an export sector and an important earner of foreign exchange, replacing or supplementing the more traditional views of exported products and services. In this respect, William G. Tierney and Christopher Findlay<sup>17</sup> have identified some of the trends taking place during this 'next wave of globalization of education'. In their work, Tierney and Findlay also point out that the potential gains from the export of higher education services can be quite large.

### C. INSTITUTIONAL FRAMEWORK AND MAIN ACTORS

In 2003, ECOWAS adopted a convention on the recognition and equivalence of qualifications, requiring the mutual recognition (accreditation) of certificates among Member States.

In 2013, there were about 775 HEIs in the ECOWAS region. The educational programmes and curriculum of ECOWAS Member States vary depending on the respective country's colonial past. In the English-speaking Member States, secondary education lasts 6 years, while it is 7 years in the French-speaking Member States and only 5 years in the Portuguese-speaking Member States.

The post-secondary structure also varies, the titles, certificates and degrees being different from one Member States to another. In the English-speaking Member States, a Bachelor's Degree is awarded after 4 consecutive years, while in the French-speaking Member States a License is awarded after 3 years, punctuated by intermediate diplomas of general study at the end of the first and second years. Due to the continuing links between the African and European countries, current developments such as the Bologna Process have found their way into West Africa. In the French-speaking Member States, the Licence-Master-Doctorat (LMD) system is being actively promoted by *Conseil Africain et Malgache pour l'Enseignement Supérieur* (CAMES), an evaluation and accreditation body among the Francophone countries. There is also the Program on the Analysis of Education Systems, a French-speaking network for monitoring learning achievement. Following the British system, the English-speaking Member States already had a Bachelor-Master-Doctorate model. Regarding the Portuguese-speaking Member States, in Cabo Verde degrees are being revised in the framework of Bologna Process, which is facilitated through the Association of Portuguese-speaking universities. A Committee set up by ECOWAS on the harmonization of degrees and diplomas in ECOWAS Member States has recommended that the Bachelor's, Master's and Doctorate degrees of the higher education institutions in the Community should be standardized in terms of their entry requirements, credit load, graduation requirements and grading system.

The landscape of **Technical and Vocational Education and Training** (TVET) in ECOWAS Member States is not easy to capture well due to lack of information and data. While some countries such as Burkina Faso, Gambia, Ghana and Nigeria, have developed comprehensive strategies and action plans for improving TVET provisions, others such as Togo are yet to activate their policy documents into implementable action plans. On the other hand, Liberia has only recently in 2014 developed a national TVET policy that has been approved at the highest level of Government.

TVET provision in the region cuts across all levels of the education system, from the post-primary through secondary to the tertiary level. However, the bulk of TVET provision takes place at the secondary level. At the tertiary level, higher level skills training takes place in polytechnics, universities, institutes of technology and similar institution types. However, the informal sector accounts for about 80 per cent of all skills training in the region. Skills development in the informal economy is led by master crafts persons who impart the skills they themselves have acquired in the informal economy to their apprentices or trainees. In most Member States, apprenticeship training is unorganized, unrecognized and does not collaborate with the

formal TVET sector. While some countries have established national regulatory and coordination bodies to drive their TVET systems at all levels, both public and private, in others TVET is coordinated from the Ministries of Education or TVET.

Available data on the deployment of TVET teachers in Member States reveals inadequate numbers of pedagogically and professionally qualified staff in some countries, where teacher–student ratios can be as high as 1:35, well above the standard norm of between 1:15 and 1:20. Female TVET teachers are few, accounting for less than 20 per cent of the TVET academic staff in most Member States.

In general, access and participation in TVET is low at less than 10 per cent of enrolments at the secondary education level, a key factor being the low prestige and poor public perception of TVET. In most countries, female participation is less than that of males, averaging about only 28 per cent. In all countries, private providers dominate the TVET landscape. However, many private providers lack the human and material resources that are required for quality provision.

#### D. POLICY AND REGULATORY FRAMEWORK

As mentioned earlier, the educational programmes and curriculum of ECOWAS Member States vary depending on the respective country's colonial past. In the English-speaking Member States, secondary education lasts 6 years, while it is 7 years in the French-speaking Member States and only 5 years in the Portuguese-speaking Member States. Each ECOWAS Member State has its own university system, and majority of countries have several reputed public and private universities. However, access to higher education is not evenly distributed. In 2013, the Gambia had only one university, while Nigeria had 47 universities.

A major landmark in the delivery of education in the sub-region is the First Conference of ECOWAS Ministers of Education which was held in Dakar, Senegal on 24–26 September 2002. The conference laid a solid foundation for education in the region by adopting the ECOWAS Protocol on Education and Training; the ECOWAS Convention on Equivalence of Certificates; and 5 regional priorities in education:

- Promotion of school health and HIV/AIDS prevention education;
- Popularisation of the teaching of science and technology;
- Promotion of technical and vocational education and training and teacher training;
- Promotion of e-learning;
- Promotion of gender and culture;
- Education Management Information Systems (EMIS);
- Teacher development;
- Tertiary education;
- Technical and vocational education and training, including education in difficult situations;
- Curriculum and teaching and learning materials;
- Quality in all its ramifications;
- Promotion of Early Childhood Care and Development (ECCD); and
- Establishment of equivalence of certificates.

The Second Conference that was held at Accra on 9–10 January 2004, was dedicated to developing implementation strategies for the priority programmes. To that effect, lead countries were designated for each thematic group comprising Member States and strategic partners. The third edition that was held at the Commission's Headquarters on 17–20 March 2009 undertook a critical review of the structures and programmes that were put in place by the first and Second Conferences of Ministers and made concrete recommendations that will impact positively on the lives of people.

Fall outs from these frameworks and consultations are as follows:



- Adoption of regional education framework documents and regional priority programmes by the Ministers of Education and Heads of States;
- Regular consultation by experts in the identified priority areas;
- Constitution of regional networks of experts to promote uniformity and standards in education (HIV/AIDS preventive education, Vice Chancellors and Rectors, girls' education, technical and vocational education);
- Constitution of a regional task force on education;
- Constitution of an ECOWAS Task Force on e-learning to implement the ECOWAS e-learning Initiative; and
- ECOWAS Nnamdi Azikiwe Academic Mobility Scheme (ENAAMS).

#### i) Promotion of Higher Education – ECOWAS Nnamdi Azikiwe Academic Mobility Scheme

In order to promote access to education and by so doing produce high level personnel that can act creatively on the environment and engage in withy inventions that can solve the multi-faceted problems of the Community, the ECOWAS Academic Mobility Scheme (ENAAMS) was instituted beginning from the 2015/2016 academic year. The Scheme has been designed to cater for three categories of beneficiaries namely: Scholarship offers to 50 student at masters level; scholarships to 25 students at PhD level; and exchange programs for 13 lecturers across the region. In order to also promote integration, successful scholarship awardees were assigned to institutions outside their respective countries and language blocs.

After due consultation among specialized experts in the region, the Mobility Scheme has also been designed to focus on Science, Technology, Engineering and Mathematics ; Earth and Life Sciences including Environment and Climate Change; Health (Medical, Veterinary and Health Sciences); Agriculture; History of Africa and; Information Communication Technology which were considered to be of strategic importance to the Region.

#### ii) Equivalence of Certificates

Following the adoption of the ECOWAS Convention on the Recognition and Equivalence of Degrees, Diplomas, Certificates and other qualifications in 2003 as annex to the Protocol on Education and Training, a number of steps such as the inauguration of the Ad-hoc Committee in 2005, conduct of a feasibility study for the Convention in 2010; and series of consultations and validation meetings on the outcome of the study between 2010 and 2015. A major milestone was the development of regional benchmarks for the establishment of certificate equivalencies and ultimately; for the harmonization of education systems in the course of 2015. In Particular, the experts developed the benchmarks along the lines of bachelors, masters and PhDs and agreed on a broad framework for definition of terms or nomenclatures that will facilitate certificate equivalences and harmonization of education systems in the region.

#### iii) Harmonization of Basic Education and Literacy

In the course of 2015 also, the Department expressed the need to prepare a status report on basic education in the region with a view to harmonizing education at that level in the region. Through internal consultation, areas of harmonization were identified namely: administrative structure, duration, and curriculum content as well as evaluation procedure. In that regard, a meeting of a technical group of resource persons was planned but could not be executed due to logistical challenges. It is anticipated that the regional report that would be prepared, would be used to develop a mechanism for the harmonization of at least 9 years of basic education in the ECOWAS region. It is also hoped that the mechanism would be used for advocacy and as reference document for Member States.

#### iv) Technical and Vocational Education and Training

Survey was concluded in 10 Member States and the country reports consisting of two components general and Technical reports are available and these reports formed the basis for the development of an ECOWAS

Regional strategy on TVET in 2016. The issues for the revitalization of TVET in the region regarding access, quality, relevance, sustainability, curriculum and learning materials, articulation of TVET with the rest of Education systems; and harmonization of TVET policies will be holistically covered.

In addition, series of capacity building sessions were held in each country for over 1000 TVET personnel (teachers, curriculum developers, inspectors, advisors) on ICT, Entrepreneurship, Competency-based approach, curriculum and instructional materials development.

Additionally, innovative TVET programs and projects that will promote employability of ECOWAS citizens leading to the revitalization of TVET in the ECOWAS region shall be attained.

## E. TRADE COMMITMENTS AFFECTING THE SECTOR

According to the sector-based classification of services (W/120),<sup>18</sup> education services are classified into five categories: primary education services; high school education services; higher education services; adult education; and a residual category that includes other educational services. Table 22 indicates the commitments of selected ECOWAS Member States to some levels of educational services. Commitments to educational services are anchored on 5 major arms. These are primary education services (CPC: 921), secondary education services (CPC: 922), higher education services (CPC: 923), adult education (CPC: 924) and other education services (CPC: 929). As indicated in Table 22, only the duo of Liberia and Sierra Leone that are committed to the five levels of educational services. Mali focused only on one level (which is the adult education) while Ghana is more committed to secondary education and other education services. The is committed to primary education, adult education and other education services.

**Table 22: Overview of the education services commitments of ECOWAS Member States at the WTO, 2017**

	a	b	c	d	e	Total
Cabo Verde		X	X	X	X	4
Gambia	X			X	X	3
Ghana		X			X	2
Liberia	X	X	X	X	X	5
Mali				X		1
Sierra Leone	X	X	X	X	X	5
<b>Total</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>5</b>	

Source: WTO.

Legend:

- a. Primary education services (CPC: 921)
- b. Secondary education services (CPC: 922)
- c. Higher education services (CPC: 923)
- d. Adult education (CPC: 924)
- e. Other education services (CPC: 929)

## F. EDUCATION: STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Just like every sector of the economy, the educational sector has its avowed strengths that is employed to exploit the available opportunities and minimize its threats and eliminates its weaknesses. The SWOT analysis of the educational sector are as follows:

### Strengths

- The existence of a youthful population that is capable of taking on new opportunities and breaking new grounds;
- The absence of language barrier as the countries in the ECOWAS sub-region are largely English-speaking;

- The similarity of teaching syllabus and curriculum; going the commonality of Secondary School Certificate Examinations organized by the West African Examination Council (WAEC); and
- The renewed awakening to eliminate gender disparities within the sub-region has created opportunities for people of all backgrounds.

### Weaknesses

- Proliferation of private higher education institutions;
- Difficulties in ensuring quality standards in all these institutions;
- Presence of trainers who do not have the required pedagogical skills (no certification in training of trainers); and
- Outdated curriculum and non-committed teachers and trainers in the educational sector across the sub-region.

### Opportunities

- Increasing demand for training at national and continental level (explosion of the number of graduates); and
- The coexistence of several international programs facilitates the hiring of leavers by large companies and international organizations.

### Threats

- Loss of confidence as a result of their proliferation, which risks diverting some African students to other countries;
- Lack of funding for foreign students enrolled in West African institutions;
- Explosive population growth of the sub-region; and

Over-ambitious political class who do not see the need to revamping the educational sector as a panacea to the development of the sub-regional economy.

## G. SPECIFIC RECOMMENDATIONS

The problems with Africa, including the West Africa sub-region, is not lack of policy framework to guide the success of the educational sector but lack of implementation strategies and the political will to do the needful. The following policies are recommended:

- Develop a deliberate regional support policy for higher education exports;
- The academic curriculum must be made to align with job placements in the industries;
- Due to the explosive population growth in the sub-region, a stakeholder's approach must be adopted to make education available and affordable to all;
- Sound institutional framework should be put in place to check the procedure for expenditure made. A quality assurance mechanism in the form of a value-for-money audit should be established;
- Governments should provide sustainable regulatory framework that will not be affected by changing regimes and political portfolios; and
- There should be massive adoption of technology and the promotion of Sciences, Technology, Engineering and Mathematics courses in order to enhance rapid human capital development and stimulate virile economic development of the West African sub-region.

## Chapter VII: Construction and related engineering services

## A. INTRODUCTION

Activities covered under construction and related engineering services are listed below. Construction services are primarily supplied through the establishment of service suppliers at or near the site of the work by local, regional or international operators. On-site establishment is normally confined to the duration of a particular project, while regional or local presence may be ensured on a permanent basis to service or promote several projects at one time. Joint ventures between foreign and domestic firms are quite common, often out of necessity for the financing of projects, transfers of technology and know-how, and assistance to the foreign firms in clearing local laws, regulations and practices.

### i) General construction work for buildings (UNCPC 512)

Building construction including: Building of complete constructions or parts thereof; civil engineering (i.e. construction of buildings, homes and other buildings).

### ii) General construction work for civil engineering (UNCPC 513)

Building construction including: Building of complete constructions or parts thereof; civil engineering (i.e. construction of civil engineering structures and specialist structures).

### iii) Installation and assembly work (UNCPC 514, 516)

Civil Engineering and other construction including: Building Installation (i.e. plumbing, electrical contracting, shop-fitting).

### iv) Building completion and finishing work (UNCPC 517)

Civil Engineering and other construction Including: Building Completion (i.e. painting and decorating and other completion).

### v) Other (UNCPC 511, 515, 518)

Pre-erection work at construction sites, special trade construction work (e.g. foundation work, water well drilling, roofing, concrete work, steel bending and erection, and masonry work) as well as renting of construction of demolition equipment with operators and in particular (renting of construction and civil engineering machinery and equipment).

## B. PERFORMANCE OF THE SECTOR

Table 23 demonstrates that imports of construction far exceeded the exports for all ECOWAS Member States throughout the years under review (2010–2015). A further examination of Table 23 on the construction services of all ECOWAS Member States revealed that all West African countries are net importers of construction services. In fact, for the six years under review, Nigeria exported no construction services at all; while both Ghana and Sierra Leone had no figures for both exports and imports. The highest level of imports of construction services by all ECOWAS Member States was in 2013 when \$524.7 million worth of construction services was imported into the region; against the lowest of \$57.6 million in 2015. On the export side, the highest level of construction services exported from the region was in 2014 valued at \$196.9 million; against the \$0.5 million recorded the following year (2015). This analysis suggests the lack competitiveness of West African construction services in the export market as well as the high level of demand for foreign construction services providers in the region.

**Table 23. Construction services in ECOWAS Member States, 2010-2015 (in million dollars)**

Member State	2010		2011		2012		2013		2014		2015	
	Export	Import	EX	IM	EX	IM	EX	IM	EX	IM	EX	IM
Benin	2.8	5.0	6.9	10.2	9.2	20.1	25.5	30.5	50.5	68.6	-	-
Burkina Faso	71.1	75.8	62.7	69.0	65.7	68.8	65.6	80.6	86.3	75.1	-	-

Member State	2010		2011		2012		2013		2014		2015	
	Export	Import	EX	IM	EX	IM	EX	IM	EX	IM	EX	IM
Cabo Verde	-	-	0.5	2.6	6.2	13.4	4.5	22.9	1.1	1.5	0.5	2.1
Côte d'Ivoire	5.0	18.4	0.6	89.3	15.2	8.7	-	14.7	-	-	-	-
Gambia	5.9	2.0	3.5	0.6	1.9	0.9	0.7	0.5	-	-	-	-
Ghana	-	-	-	-	-	-	-	-	-	-	-	-
Guinea-Bissau	-	1.0	-	0.2	-	0.0	-	-	-	-	-	-
Guinea	6.7	5.8	14.2	10.5	17.6	45.4	1.4	1.3	-	-	-	-
Liberia	-	-	-	-	-	35.7	-	38.7	1.0	19.7	-	-
Mali	5.1	51.6	3.2	61.0	-	59.5	-	67.6	-	69.2	-	-
Niger	0.1	77.9	-	0.2	-	98.2	-	125.6	-	124.0	-	-
Nigeria	-	-	-	88.7	-	111.1	-	86.6	-	69.4	-	55.5
Senegal	69.2	51.9	63.2	52.6	68.5	40.9	61.3	47.4	57.5	42.7	-	-
Sierra Leone	-	-	-	-	-	-	-	-	-	-	-	-
Togo	5.7	10.3	3.8	11.3	3.2	10.4	2.3	8.3	0.5	8.1	-	-
<b>TOTAL</b>	<b>171.6</b>	<b>299.7</b>	<b>158.6</b>	<b>396.2</b>	<b>187.5</b>	<b>513.1</b>	<b>161.3</b>	<b>524.7</b>	<b>196.9</b>	<b>478.3</b>	<b>0.5</b>	<b>57.6</b>

Source: ITC International Trade Statistics, 2016.

Note: EX: export, IM: import

With the exception of Nigeria, many other ECOWAS Member States are small, with relatively low levels of construction activities. The essential benefit of regional infrastructure is to make possible the formation of large, competitive markets in place of the present collection of small, isolated, and inefficient ones. ECOWAS Commission, as a regional executive arm of the community has continued to drive the integration imperative as well as creating opportunities for an array of large infrastructure projects that span borders of Member States. The various road projects earlier mentioned in this document present massive opportunities for public private partnerships (PPPs) in construction activities. The idea behind the PPPs is the recognition that such arrangements could assist Member States governments to close material financial, managerial and technical gaps, while supporting further regional integration.

While opportunities abound, there are yet some risks and challenges that need to be navigated in undertaking construction projects on the in a regional context. They include:

- Challenges of accessing funding for property developments in many parts of the region;
- For construction projects that cross Member States' borders, there is a lack of alignment between national and regional priorities and legislative frameworks; and
- Construction costs (and professional fees) in the region are high due to the non-availability of specialist building materials as well as cost of land in some areas.

Regional integration is firmly in stakeholders' sights, with promotion of "infrastructure development to support a competitive business environment, sustained development and cooperation in the region" commitment to the ECOWAS Regional Strategic Plan (2011–2015). Although projects of this nature take time in West Africa as energy supply and backlogs can still present constraints, other construction initiatives such as rail, road and port developments are enabling the region to make significant activities in construction and related engineering services.

### C. LINKAGES WITH OTHER SECTORS

The construction industry is one of the oldest industries, retaining its role as a core economic activity from the early days of human civilization to this day. It not only provides the infrastructure for other industries, but

also constitutes one of the largest single sectors in most economies on its own. With its close link to public works and hence the implementation of fiscal policy, it has always been considered as a strategically important industry for creating employment and sustaining growth. It is for this reason that UNCTAD (2000) referred to it as a barometer of the health of the economy considering its strong linkage to cyclical fluctuations in the economy.

The industry is of importance to developing countries, not only because of its role as source of employment, but also because the sector carries the added responsibility of facilitating economic development by establishing basic infrastructure, and by contributing to technology and skills transfer. Construction services have the capacity to generate demand for services in other sectors following an increase in their own output. The importance of construction services as inputs for other sectors implies that not only is their availability essential for production to continue in other sectors of the economy but a cheap and better supply of services will substantially reduce the costs of production of other sectors.

The local characteristics of construction output delivery, and its high labour and material intensity, are also among the factors explaining why the industry remains mainly oriented towards domestic markets.

An important defining characteristic of construction services is that they may be costly to trade across borders (under modes 1 and 2 of the GATS). Hence foreign providers seem to have an advantage when they can set up commercial presence (Mode 3). Markusen, Rutherford, and Tarr (1999) developed a model to examine the benefits that a liberalized investment regime for intermediate services can have on a host economy even when the foreign provider “imports” from its home country much of the services that it supplies, and economizes on labour in the host country. Their results showed that:

- liberalization of restraints on inward FDI in the service sector has a very powerful positive impact on the income and welfare of the FDI importing country and the impact is much stronger than in traditional competitive models of goods trade;
- the increase in the variety of imported services leads to increased total factor productivity in downstream industries; and
- policies that aim to protect domestic skilled labour against competition from imported services can have the perverse effect of lowering the returns to domestic skilled labour.

While the first two points are directly analogous to trade and investment in goods, the third point merits special attention.

From their results it can be concluded that even when foreign providers are engaged to supply services, the positive productivity and scale effects on the downstream industry can be sufficiently powerful that the real wage of skilled labour increases after the liberalization. This implies that protecting a domestic construction services sector from foreign competition under Mode 3 could have adverse impacts not only on the various industries that consume those services, but also on service professionals themselves.

The commitment to trade in services liberalization could allow local and foreign contractors to establish joint ventures to carry out local construction projects. The benefits from such joint venture arrangements may range from acquisition of new technology, access to marketing and distribution experts, access to established distribution channels and increased profit margins for new construction projects. This will provide opportunities for local contractors to work with foreign contractors that have the expertise and technology. Indirectly, they can increase the capacity and capability of local contractors through transfer of expertise and technology from foreign contractors.

#### D. INSTITUTIONAL FRAMEWORK AND MAIN ACTORS

Foreign service suppliers of construction services are not only affected by the nature of the restrictions that they face but also by the fact that the required permits and licenses are granted by the regulatory agencies, local authorities or industry associations of each Member State. For instance, registration fees and other charges could place a burden, particularly on small operators.

In all ECOWAS Member States, the regulatory framework within which investors and enterprises have to operate are overseen usually the relevant Corporate Affairs Commissions (CAC) and National Investment



Promotion Agencies (NIPAs). While the CACs register the companies, the NIPAs are responsible for facilitating their work through the provision of *inter alia*, subsidies and tax incentives to promote construction work or to encourage growth of the construction sector. For instance, in Senegal, APIX (2006) offers various investment incentives to companies, including those in construction services, establishing there. The incentives provided are similar to those provided by other IPAs in the region, including the Ghana Investment Promotion Commission (GIPC) and the Nigerian Investment Promotion Commission (NIPC).

At the regional level, there is the Association of Investment Promotion Agencies of West Africa States (IPAWAS) comprising of all the IPAs of the 15 ECOWAS Member States. It is a Member of World Association of Investment Promotion Agencies (WAIPA). According to Nyakotey (2013), IPAWAS platform can play an important role by building consensus on issues and representing West African IPAs on appropriate platforms within ECOWAS and at continental level within the Africa Union Commission.

Subsidies and other forms of incentives granted by IPAs are usually not only to local suppliers but also to foreign service providers as not doing so may be inconsistent with a Member's national treatment obligations. However, restrictions on the ownership of land by foreigners are applied in many sectors in the ECOWAS region. These may have a strong effect on the construction industry, since property developers will not be able to own apartments and houses under construction until completion. When preferential treatment is provided to suppliers of certain countries in the bidding process, an MFN exemption is required. MFN exemptions concerning the movement of personnel, research and development subsidies, and foreign investment listed for all sectors would also affect this sector significantly.

Most ECOWAS Member States have registration requirements for qualified suppliers in the construction sector such as civil engineers, architects, and quantity surveyors and construction contractors. These requirements are administered by several professional bodies, regulated by the government or are self-regulating. However, the functions of these professional bodies tend to be similar. Registration is based on a minimum qualification, which is usually a degree from a recognized university, practical experience for a specified period of time, and adherence to a code of conduct.

The professional bodies also perform other functions such as monitoring and evaluation, studying developments in the profession, sharing of information, education, disciplinary actions and at times inspection. These requirements tend to be applied in a non-discriminatory manner, although there may be slight variations in requirements for foreigners in terms of work experience or fees payable. In addition, some ECOWAS Member States provide foreign construction professionals with the option of temporary registration for the duration of their project in the country. The absence of a region-wide authority increases costs and effectively acts as a barrier.

## E. POLICY FRAMEWORK

Despite the importance of the construction and engineering related services sector in terms of facilitating other sectors in the national and regional economy of ECOWAS Member States, not much has been done to have a harmonized construction policy. There is no ECOWAS Protocol or cooperation framework in the construction sector in support of liberalization commitments undertaken by the Member States. While specific policies and bodies vary across ECOWAS Member States, the overall areas of focus remain similar in terms of building codes/regulation; legislation governing the regulator/ministry; land use requirements such as land ceiling requirements or urban planning; environment and labour regulation amongst others. In addition to the above, public procurement policy affects this sector across Member States. Further, there has been slow progress in the recognition of qualifications across the region limiting the cross-border movement of professionals in the construction industry.

Currently, many domestically owned companies find it difficult to fund sizeable projects. With the notable exception of Nigerian-owned construction firms, only few large construction companies owned by Community citizens have the resources to fund large projects. Construction companies across the globe face challenge of limited resources to fund large projects but developed countries companies pool their resources together when bidding for large projects. However, ECOWAS-owned companies, in general, do not undertake such pooling of resources. This leads to a comparative disadvantage of ECOWAS Member States companies which do not have well-established and capitalised banks to lend to their construction firms at competitive

rates, hence no export credits at competitive interest rates to defer payments. In ECOWAS, the Commission for such credit opportunities is putting an Investment Guarantee Mechanism in place.

On the external front, the highly skill-intensive and technological capabilities requirement of trade in construction services disadvantage ECOWAS Member States. In addition, considerable weightage to non-price factors, such as prior international experience, size of firms, reputation and affiliations of firms are problematic for ECOWAS firms to meet. ECOWAS firms require organised transnational approach in getting managerial expertise, information systems, and linkages and scale for operating overseas affiliates and joint ventures to compete. Further, tied aid support from developed countries' construction industry and loans and grants for specific infrastructure, utility or other construction projects gives a distinct advantage over West African competitors while the recipient countries are pressurised to award contracts to firms from the donor countries.

## F. REGULATORY FRAMEWORK

Like all other services, construction services is affected by a variety of domestic regulations, including those relating to licensing and certifications, which differ according to the services industry in the economy. Hence, construction services trade is affected by a variety of regulations, which may pursue legitimate policy objectives such as building and product standards, restrictions on establishment and restrictions on the movement of personnel. Liberalization of trade in construction services normally takes more probing, in order to ensure that domestic regulations support rather than impede the development of this services sector.

In ECOWAS Member States, the construction sector is subject to many different aspects of domestic regulations. They include controls on land use, building regulations and technical requirements, building permits and inspection, registration of proprietors, contractors and professionals, regulation of fees and remunerations and environmental regulations. Such measures are applied not only at the national level, but also very frequently at the sub-federal or local government level. In all the countries, standards are fixed by the governments or by standard-setting bodies or private-sector associations.

A significant proportion of legislative measures by Construction and Development Control Agencies of the government is intended: (a) to maintain the safety of the objects constructed and the construction work involved, (b) to implement urban and land use planning, or (c) to protect the health and safety of workers and users, as well as environmental quality, all in the public interest (University of Port Harcourt, 2016). These measures are usually applied on a non-discriminatory basis, although some technical standards and specifications may be applied only to foreign suppliers. Even if the same measures are applied to all suppliers, domestic or foreign, they may be found to be more onerous on foreign suppliers. Measures which affect the mobility of labour at all levels of skills affect suppliers, but restrictions on the movement of experts or specialists may have a particularly strong impact on foreign construction firms, as high-level skills are not easily replaceable. Measures which affect the mobility of construction equipment and those which affect the supply of related services such as insurance and transport also have a bearing on the construction sector. Capital and exchange controls are also relevant, particularly for foreign suppliers (Kwaku, Lamia, and Valva, 2014).

Issues of concern include the lack of transparency concerning the rules that apply, as well as the informal nature of business practices, particularly at local government levels. Despite the importance of competition policy, foreign suppliers of construction services are engaged in anti-competitive behaviour and practices (Barbara and Lacey, 2006).

Restrictions on the establishment and operation of foreign firms' affiliates, as well as limits on foreign ownership or on the types of legal entity allowed (such as a local incorporation requirement) are not pervasive as most Member States have few restrictions on foreign suppliers in this sector, as domestic counterparts are rather weak and have limited experience. The formation of a joint operation or a joint venture company with local suppliers or subcontractors are permitted in all ECOWAS Member States (ECOWAS, 2008).

With its extensive use of skilled and unskilled labour, the construction sector is strongly affected by limitations on the movement of natural persons. Nationality and residency requirements or other staffing requirements for persons employed by foreign firms could constitute limitations on market access and national treatment. Since requirements to employ and train local staff may place a burden on foreign suppliers, they are sparingly



implemented. Such requirements, even if they affect equally domestic and foreign firms, could still constitute *de facto* discrimination against the Foreign Service provider. Although outside the scope of the GATS, immigration policy, labour market regulations levies and charges for social security feature in the relevant frameworks of all ECOWAS Member States.

Problems associated with the recognition of certificates, diplomas, credentials and licenses for foreign individuals and firms are also experienced in the construction industry. This is exacerbated by the fact that ECOWAS has three official languages (English, French and Portuguese), which *per se* may not constitute a trade barrier.

## G. TRADE COMMITMENTS AFFECTING THE SECTOR

Many ECOWAS Member States did not undertake any commitments in this sector under the GATS. Only seven out of the fifteen ECOWAS Member States have scheduled commitments in this sector. The seven countries are: Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Liberia, Sierra Leone and Togo. Furthermore, the individual commitments by the countries vary in scope. While some have scheduled commitments across all the subsectors of the construction services sector, others have scheduled just a few segments. Cabo Verde has the same commitment across all the subsectors. Ghana has the same commitments for 3 subsectors and Liberia for 4 subsectors. Four countries scheduled commitments in only one subsector. These are Côte d'Ivoire and Togo (installation and assembly work); Gambia (other construction services); and Sierra Leone (General construction work for Civil Engineering). A further breakdown of the commitments shows as follows:

### i) General construction work for buildings (UNCPC 512)

Cabo Verde, Ghana and Liberia have scheduled commitments under this subsector.

For Cabo Verde, market access is unbound for Modes 1 and 4 (except as scheduled in the horizontal commitments) but free of limitations for modes 2 and 3. There are no limitations on national treatment for all the modes, except Mode 4, which is unbound, except as scheduled in the horizontal commitments.

Ghana's commitment under this segment has no limitations for both market access and national treatment for Modes 1, 2 and 3. Mode 4 is left unbound, except as indicated under the horizontal commitments, which provides for automatic entry and work permit for up to 4 expatriate senior executives and specialized skill personnel. Approval is required for any additional expatriate workers. Moreover, training in higher skills must be provided for Ghanaians.

Liberia's commitments on market access and national treatment are identical. Modes 1 and 4 are unbound, while there are no limitations on Modes 2 and 3.

### ii) General construction work for civil engineering (UNCPC 513)

Countries that have scheduled commitments under this subsector are Cabo Verde, Ghana Liberia and Sierra Leone.

Cabo Verde, Ghana and Liberia maintain the same commitments as in "i." above.

For Sierra Leone, there are no limitations on market access and national treatment across all the modes, except Mode 3, which is unbound both ways. However, market access and national treatment for Mode 4 are subject to the regulations in force concerning the employment of foreign personnel;

### iii) Installation and assembly work (UNCPC 514+516)

Cabo Verde, Côte d'Ivoire, Ghana and Togo are the countries that have commitments in this segment.

Cabo Verde and Ghana have the same commitments as in "i." above.

Côte d'Ivoire has left its commitments on market access unbound for Modes 1, 2 and 4 and liberalised mode 3. Mode 4 allows the entry and temporary stay of natural persons (managers, senior executives, and specialists) who are employees of a company and transferred to a company incorporated in Côte d'Ivoire belonging to, controlled by or a subsidiary of the former. National treatment is unbound for

Modes 1 and 2, while Mode 4 is free of limitations. Côte d'Ivoire scheduled a specific regulatory requirement under mode 3 obliging foreign enterprises to receive government approval. The criteria for the grant of approval include the preferential use of local services to the extent that they are available under competitive conditions – quality, price, and delivery – and equivalent to like products of foreign origin; and the employment and training of local executives and supervisors.

For Togo, market access and national treatment on Modes 1, 2 and 4 are free of limitations; while Mode 3 is unbound both ways. Furthermore, market access and national treatment under Mode 4 are subject to the regulations in force concerning the employment of foreign personnel.

#### iv) Building completion and finishing work (UNCPC 517)

Cabo Verde and Liberia are the only countries that have scheduled commitments under this segment. The individual country commitments are the same as those under “i.” above.

#### v) Other construction services (UNCPC 511+515+518)

The commitments for Cabo Verde are the same as those in the other segments.

The Gambia has a commitment in relation to services covered by UNCPC maintains no limitation on market access and national treatment across the different modes, except Mode 4, which is unbound, except as indicated in the horizontal commitments in both cases. The horizontal commitments refer to the entry and stay of natural persons in management and expert jobs for the implementation of foreign investment.

Across ECOWAS Member States, the most commonly observed market access limitations specific to the construction services sector are limitations on the type of legal entity allowed for commercial presence of service suppliers, followed by limitations on the participation of foreign capital and on the value of transactions or assets, applying to commercial presence. Restrictions on the number of natural persons to be employed are also relatively common (Mode 4). With regard to national treatment limitations, the most prevalent were references to licensing, standards and qualifications as they relate to the presence of natural persons (Mode 4). Nationality and residency requirements are also fairly common.

## H. CONSTRUCTION AND RELATED ENGINEERING SERVICES: STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

### Strengths

- The construction industry is crucial to ECOWAS' economic growth and contributes a significant portion to the region's GDP.
- It is also a significant source of employment.

### Weaknesses

- Most of the big players in the construction sector in the ECOWAS region are foreign-owned;
- Growth within the ECOWAS construction industry has declined in the recent years;
- The deterioration of business confidence and the volatility of the labour markets have resulted in limited foreign investments in ECOWAS Member States generally, and specifically in the construction industry;
- Governments have been reducing expenditure on infrastructure related projects;
- Competition between construction firms has continued to drive down profit margins, leading to declining productivity in construction network across the region; and
- Expansion into a new market has been hindered by volatile commodity prices and exchange rates.

## Opportunities

- Deeper regional and continental integration will lead to new opportunities for many construction businesses looking beyond domestic markets.

## Threats

- The economies of ECOWAS Member States have been affected by the global economic downturn causing the economic growth of the region to slow substantially affecting the construction industry;
- Major domestic currencies witnessed serious knocks and their value decreased drastically, thus raising project costs along with the price of construction materials such as steel and reducing the profitability of construction companies; and
- The unreliable power supply in most ECOWAS Member states continues to be a significant concern for construction companies.

## I. SPECIFIC RECOMMENDATIONS

The importance of the construction sector in the regional economy is widely acknowledged. It is evident from the foregoing that the sector has not performed well as a result of a number of constraints. The ECOWAS construction and engineering services industries have great potential for growth, especially considering the ambitious infrastructural programmes that governments wish to implement at the national and regional level. Increased services exports in this sector could have significant multiplier effects, as the export of consulting engineering services could lead to considerable capital equipment exports, while exports of architectural services could enhance inflow of foreign exchange. Consulting engineers can export services *via* a variety of means; designs and feasibility assessments can be supplied cross-border (Mode 1 and 2), or a team of engineers can visit the site (Mode 4). The larger consulting engineering firms have also set up a commercial presence (Mode 3) in their main overseas markets. In all these scenarios, however, the major beneficiaries have tended to be foreign companies and not local companies. For the construction sector to realise its full potential:

- It is imperative that there is a steady flow of finances, which would enable the necessary investments to be made; and
- There needs to be less restrictions in the ECOWAS region.

## Chapter VIII. Conclusions and recommendations

The ECOWAS region is endowed with abundant natural resources but remains among the poorest regions in the world. The vehicle through which its leaders hope to turn this situation around is economic integration. In this context and given the increasing role of services in productivity and economy-wide growth, it is expected that policymakers and researchers attention would turn to the sector and to services trade as a vehicle for growth. Not only do services act as essential inputs to other products and services many of them have emerged as promising tradable services for developing countries and as catalysts for the structural transformation of economics and the expansion of regional and global value chains. ECOWAS Member States would do well to continue exploring the growing importance of services for the achievement of regional integration and of the overall sustainable development objectives of the region.

Despite the ambition goals that the ECOWAS Member States have set for themselves this report acknowledges that deeper progress on regional collaboration has so far been negatively affected by the lack of consistent political commitment from Member States, the weakness of certain ECOWAS institutions and the significant differences between the English – and French – speaking countries stemming from historical antecedents which have led to two distinct sub-regional groupings within ECOWAS. Indeed, the existence within the region of two sub-regional blocs - WAEMU and WAMZ – has led to a situation where the emergence of common policies, the harmonization of regulations and the establishment of centralized institutions are occurring at varying paces, with WAEMU progressing at a faster pace in several of the services sectors analysed in this report. While this will allow the ECOWAS regional block to learn lessons from WAEMU's experiences in specific sectors and to build on these achievements in ECOWAS-wide initiatives the region should also be mindful that recent developments in the AfCFTA will imply that countries further away on the continent will also be expecting to increase their economic and trade ties with the region. In order to clearly determine the extent and depth of the economic relation and trade liberalization that it is ready to extend at continental level, ECOWAS Member States need to have clearly identified their interests and objectives in terms of deeper, intra-ECOWAS integration. What the region will be in a position to offer at continental level will to a large extent be determined by how far it wishes to pursue deep integration amongst the 15 Member States and the REC-level *acquis* on which their negotiating positions in the AfCFTA negotiations can be based.

Several of the sectors analysed have confirmed that the Community has not reached higher levels of trade due to lack of trade-related hard and soft infrastructure and of an enabling environment; the non-implementation of regional protocols and decisions; and persisting trade barriers and high levels of informal trade. Also, in given sectors the absence of a sufficiently skilled labour force to expand the provision of quality services, including for export markets.

The following recommendations could be considered:

- In order to increase the potential leverage of the services sector and of services liberalization for the achievement of regional integration it may be useful to assess whether the existing approach of harmonization of regulatory regimes across Member States is sufficient to address the existing barriers to trade in services. Alternatively, a more formal liberalization framework with specific liberalization targets or schedules of liberalization could be useful to promote deeper integration of the services economies of ECOWAS Member States.
- Services liberalization is complex and should ideally be accompanied by adequate policies, regulations and institutional frameworks aimed at pursuing services sector performance while ensuring universal access to essential services, the promotion of regional supply capacity, a competitive trade environment, and sustained investment flows. Not all the services sectors across the ECOWAS economies may necessarily be ready for immediate or full liberalization. ECOWAS Member States with the support of the ECOWAS Commission should seek to determine which sectors could be prioritized and the ideal sequencing of liberalization, particularly at intra-REC and continental level.
- The pursuit of policy coherence and coordination should not solely be limited to highlighting the linkages between service sectors. Though many ECOWAS economies may be undergoing structural change, in many cases marked by agriculture ceding its pre-eminent role to industry and the services

sector, both agricultural production and manufacturing are likely to remain politically and economically important. The trend towards *servicification* of economies – the growing importance of services in all economic sectors – should be incorporated in the development of the regional strategy as it highlights the role of services in facilitating production and exports throughout productive processes.

- It may be appropriate to focus on the least complex and least costly elements that generate significant benefits first and subsequently on the more difficult, more costly elements or those that generate fewer benefits. Different criteria could be considered in making this determination including that status of existing liberalization within ECOWAS; the existence of regional institutions or policies at the regional level; multilateral commitments of ECOWAS Member States at the WTO level, and the selection of specific services sector for liberalization in the context of the AfCFTA. Also, ECOWAS Member States may wish to consider interim agreements or phasing in of commitments. There could be an agreement that certain sensitive provisions in the agreements would take effect after the lapse of a period of time. Pre-commitments preserves the policy space of countries, while allowing time for the establishment of appropriate regulatory frameworks before liberalization or to strengthening or emergence of regional service suppliers before they are exposed to increased competition.
- The ECOWAS region could seek to increase awareness-raising of the trade in services dimension of the regional integration project and of the specific approach that the Community will use to incorporate going forward services in the CTP. Not only should such awareness-raising target the trade-related institutions in Member and at the Community level but also the services-specific institutions (line ministries, regulators, SOEs, etc.) but also the private sector (professional associations, services coalitions) and related institutions such as national statistics offices.
- The difference in pace between the WAEMU and WAMZ integration should be specifically addressed in the services trade liberalization strategy that will be developed both for intra-regional integration and continental-wide integration under the auspices of the AfCFTA. A detailed mapping of these differences will be needed and the work of the Joint Technical Secretariat of ECOWAS and WAEMU of various programmes which provide assistance to the technical secretariat (such as the enhanced regional trade information system supported by the EU and GiZ) could be particularly relevant in this area. There is a need to generate more research that will help inform policy dialogue and more effective advisory services in the area of ECOWAS CTP in services and ECOWAS Member States participation in AfCFTA, GATS and future EPA negotiations in services.

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## ANNEXES

### Annex 1. Illustrative classification of upstream hydrocarbon services and the link with the United Nations Central Product Classification

Classification	Description (non-exhaustive)	Corresponding service according to CPC provisions	CPC Code
Recognition	Acquisition of seismic data	Underground prospection services	86752
	Processing of seismic data	Geological, geophysical and other scientific prospection services	86751
	Interpretation of seismic data	Geological, geophysical and other scientific prospection services	86751
Prospection or Exploration of resource	Prospection Management Services	Project Management Services other than Construction Projects	86601
	Positioning Services	Surface Survey Services	86753
	Gravimetry surveys	Underground prospection Services	86752
	Magnetic Measuring Campaigns	Underground prospection Services	86752
	Geoelectrical measurement campaigns	Underground prospection Services	86752
	Rock properties	Geological, geophysical and other scientific prospection services	86751
	Dating	Geological, geophysical and other scientific prospection services	86751
	Analysis of cores and other laboratory tests	Technical testing and analysis services	8676
Resource Development	Design and Construction Design Services	Engineering Drafting Services for Industrial Processes and Production	86725
	Preliminary design study services	Engineering Drafting Services for Industrial Processes and Production	86725
	Engineering, procurement and construction services	Engineering Drafting Services for Industrial Processes and Production	86725
	Design and construction of production platforms	Engineering Drafting Services for Industrial Processes and Production	86725
	FPSO (Floating Production, Storage and offloading unit)	Engineering Drafting Services for Industrial Processes and Production	86725
Resource production	Services related to stimulation (fracturing and acidification, pressure pumping)	Services incidental to extractive industries	88300
	Maintenance and repair of wells Services	Services incidental to extractive industries	88300

Classification	Description (non-exhaustive)	Corresponding service according to CPC provisions	CPC Code
	Deposit Engineering and Assisted Asset Recovery Services	Related Scientific and Technical Consulting Services	8675
	Design, construction and installation of production equipment	Engineering services	8672
	Production control services	Services incidental to extractive industries	88300
	Management and Engineering Services for Energy Resources Development	Consulting Services for Production Management	8311 (Ver. 1.1)
	Firefighting and crisis management services in oil and gas fields	Services incidental to extractive industries	88300
	Oil spillage prevention services	Services for protection of environment, pollution control, sewage, or pollution prevention	94900
	Distribution services (separators, oil pipelines, storage)	Services incidental to energy distribution	8870
	Mining and quarrying services	Services incidental to extractive industries	88300
	Site Preparation Services	Site Preparation Works for Mining	5115
	Installation work	Installation work	5161
Transportation	Transportation of crude oil or gas by pipeline	Transportation of crude oil or gas by pipeline	7131**
	Preparation and positioning of drilling rigs	Pushing and towing services	72140
Abandonment	Clogging and abandonment of wells	Services incidental to extractive industries	88300

Source: Adapted from Proposed Guide for Scheduling Commitments on Energy Services in the WTO, JOB(03)/89, 12 May 2003.

## Annex 2. Illustrative classification of downstream hydrocarbon services and link with the United Nations Central Product Classification

Classification		Corresponding service according to CPC provisions	CPC Code
Processing		Services ancillary to manufacturing industries (1.F.i) Manufacture of coke, refined petroleum products and nuclear fuel, on package or contract basis	8845**
Transportation	Road transport of hydrocarbons	Road transport services - freight transport (11.F.b) Road transport of liquids or gases in bulk in special tank trucks.	7123**
	Gas transportation	(see transport of hydrocarbons)	
	Marine transport of hydrocarbons	Maritime transport - freight transport (11.A.b) Maritime transport of bulk liquids or gases in special tanks.	7212**
	Railway transport of hydrocarbons	Railway transport services – transport of goods (11.E.b) Transport by rail and in special tank wagons of bulk liquids or gases.	7112**
	Hydrocarbon transportation by pipeline	Pipeline transportation services – transport of fuel (11.G.a)	7131**
Storage	Hydrocarbon storage	Auxiliary and ancillary services of all modes of transport – Warehousing services (11.H.b) Storage services in bulk of liquids and gases.	7422**
	Offshore oil and gas storage		
	Gas storage		
Marketing	Fuel distribution	Retail trade services (4.C) Retail trade of fuel, coal gas, coal and wood.	632*
		Retail sale of automotive fuel (no references in W120)	613**
	Distribution of aviation products	Retail trade services (4.C)	632*
	Distribution of gas	Retail trade of fuel, coal gas, coal and wood.	

Source: Adapted from Proposed Guide for Scheduling Commitments on Energy Services in the WTO, JOB(03)/89, 12 May 2003

Note: An asterisk (\*) indicates that the specified service is part of CPC position elsewhere in this table, that has a higher level of aggregation. Two asterisks (\*\*) indicate that the specified service constitutes only a part of all the activities covered by the corresponding CPC position (for example, crude oil transport is only one component of the position 7131 of the CPC).

### Annex 3. Illustrative classification of electricity services and the link with the United Nations Central Product Classification

Classification according to value chain	Corresponding service according to CPC provisions	CPC Code
Electricity generation		
Transmission of electricity	Services incidental to distribution of energy	887*
Distribution of electricity	Services incidental to distribution of energy	887**

*Source:* Adapted from Proposed Guide for Scheduling Commitments on Energy Services in the WTO, JOB(03)/89, 12 May 2003

*Note:* An asterisk (\*) indicates that the service specified in the first column is part of CPC position, which is elsewhere in this table, with higher level of aggregation. Two asterisks (\*\*) indicate that the specified service constitutes only a part of all the activities covered by the corresponding CPC position (for example, crude oil transport is only one component of the position 7131 of the CPC).

#### Annex 4. Summary of the National Energy and Energy Efficient Regulatory Frameworks of ECOWAS Member States

Member State	Main Energy Sector Regulations	Consumer Protection Law	Energy Efficiency Law
Benin	Law n° 2006-16 <sup>[1]</sup> <sub>SEP</sub>	Law n° 2007-21	None
Burkina Faso	aw n° 53-2013/AN (electricity sector)	Law n° 33-2001	None
Cabo Verde	Decree-Law No. 1/2011 of January 3	Consumer Protection Act – Law No. 88/V/98 of December 31	None
Côte d'Ivoire	Decrees 2011-472 and 2011-394	None	None
Gambia	Electricity Act, 200	None	None
Ghana	Energy Commission Act, 1997 (Act 541	Consumer protection bill not yet adopted into a law.	None. MEPS were adopted as Legislation Instruments, as per the Energy Commission Act (1997)
Guinea	Decree n° D/2011/103/PRG/SGG, (mars 2011) Law L/93/039/CTRN (September 1993) <sup>[1]</sup> <sub>SEP</sub>	Consumer protection law: 94/003/CTRN of February 1994	None
Guinea-Bissau	Laws n° 2/2007 and n° 3/2007	None	None
Liberia	Liberian law on energy (2009)	Chapter 9 of Energy Law governs consumer protection (for the energy sector only).	None
Mali	Electricity Act	None	None
Niger	Law n° 2003-004 (January 2003) Decree n° 2004-266/PNR/MME (September 2004)	None	None
Nigeria	Electricity to Act No. 32 of 1989 EPSRA Cap E7 LFN 2004	Consumer Protection Council Act (1992)	None
Senegal	Energy Law n° 83-04, January 1983	None	None (Regulations on incandescent lamps are being enforced through decrees.)
Sierra Leone	National Electricity Act 2011	None	Energy Efficiency and Conservation Act (to be enacted soon)
Togo	Energy Laws: <sup>[1]</sup> <sub>SEP</sub> Electricity: Law 2000-012 <sup>[1]</sup> <sub>SEP</sub> - Fossil fuels: Law 1999-003 and 2002-029	No consumer protection law available other than the Law 1999-011 (December 1999), which forbids importing products that are not compliant with international standards	

Source: ECONOLER (2013).



## Annex 5. Summary of the national energy policies of the ECOWAS Member States

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of Energy Efficiency
Benin	<i>Politique nationale de maîtrise de l'énergie</i> (PONAME, 2009)	<ul style="list-style-type: none"> <li>- Develop institutional and regulatory frameworks and capacities;</li> <li>- Foster public awareness;</li> <li>- Construct and implement adequate financial instruments and technical instruments for EE.</li> </ul>	At the early stages of applying the PONAME; a steering committee has been put in place.	<i>Agence d'Electrification Rurale et de la Maîtrise de l'Energie du Bénin</i> (ABERME)
Burkina Faso	The Policy Letter on Development of the Energy Sector (LPDSE, 2009) and the Strategy for Accelerated Growth and Sustainable Development (SCADD, 2011)	<ul style="list-style-type: none"> <li>- Look for sustainable solutions to a major gap in the power generation capacity (LPDSE);</li> <li>- Reduce the share that energy occupies in production costs (SCADD);</li> <li>- Promote rational use of energy (SCADD).</li> </ul>	Between 2006 and 2012, part of the objectives of the first LPDSE (2000) was accomplished through the Policy on Development of the Energy Sector (PDSE).	<i>Direction de la Promotion des Économies d'Énergie</i>
Cabo Verde	The Energy Policy of Cabo Verde, 2008	<ul style="list-style-type: none"> <li>- 50% of electricity production from renewable energy in 2020;</li> <li>- Promote efficiency and technological innovation in generation, transmission, distribution and use of electricity in the country.</li> </ul>	Most actions have so far focused on RE, such as tax exemption on importation of RE equipment. An EE Policy is expected to be adopted in early 2014.	General Direction of Energy
Côte d'Ivoire	The National Plan for Development (PND 2012- 2015) and the Strategic Plan for Development (PDS, 2011- 2030)	<ul style="list-style-type: none"> <li>- Build awareness about energy savings (PND);</li> <li>- Implement efficient public lighting projects and conduct energy audits in public buildings (PND);</li> <li>- Develop a labelling project for home appliances (PDS).</li> </ul> <p><i>N.B.:</i> The PDS is accompanied by a detailed budget for each activity and an action plan.</p>	Unclear. Ten audits in public buildings were completed.	<i>Bureau des Economies d'Énergie</i>
Gambia	National Energy Policy (NEP, 2005)	No specific actions are related to EE, though the objective "Provide adequate	No reports were found on the implementation progress.	Ministry of Energy

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of Energy Efficiency
		security of energy supply” and “increasing energy efficiency” are mentioned.		
Ghana	National Energy Policy (NEP, 2010)	<ul style="list-style-type: none"> <li>- Establish an appropriate pricing regime for energy services that would provide incentives to consumers to voluntarily manage their energy consumption;</li> <li>- Develop and implement programs and measures to help consumers optimize their energy use;</li> <li>- Support a sustained and comprehensive public education and awareness-building campaign about the methods and benefits of energy conservation;</li> <li>- Work toward establishing a center for energy efficiency;</li> <li>- Discontinue, through legislation, local production, importing and use of high energy- consuming vehicles and inefficient electric equipment and appliances.</li> </ul>	Complete mandatory S&L program enforced	Ghana Energy Commission
Guinea	Policy Letter for the Development of the Energy Sector (DPG/LPDSE—II, December 2012) Electrification Master Plan (2008)	<ul style="list-style-type: none"> <li>- Creation of an Energy Management Fund;</li> <li>- Creation of the Guinean Agency for Energy management.</li> </ul>	4 million EE lamps bought and to be installed in households.	National Directorate of Energy (Direction Nationale de l'Énergie – DNE)
Guinea-Bissau	Energy Policy Letter (2010)	Program of replacing one million light bulbs by energy-efficient light bulbs	No report was found on the progress of the EE light bulbs distribution.	Since there was no dedicated EE structure, the Ministry of Commerce, Energy, Industry and Environment has developed the policies and the <i>Direction Générale de l'Energie</i> is applying them.
Liberia	National Energy Policy (NEP, 2009)	- Improve energy efficiency by 20% by 2015;	The 2012 National Sustainable Development Report mentions no	Rural and Renewable Energy Agency (RREA)

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of Energy Efficiency
		<ul style="list-style-type: none"> <li>- Maximize energy efficiency and demand-side management (DSM) to minimize the financial and environmental costs of energy development.</li> </ul>	progress in any of the EE actions mentioned in the NEP.	
Mali	<p>National Energy Policy (PNE, 2006)</p> <p>Policy on the Electricity Sector (PSE, 2009-2012)</p> <p>Development Strategy for Energy Management in Mali (SDMEM, 2010)</p>	<p>Specific actions were mentioned in the SDMEM:</p> <ul style="list-style-type: none"> <li>- Distribute energy-efficient lights;</li> <li>- Pilot projects aimed at increasing buildings energy efficiency;</li> <li>- Energy performance classification of air-conditioners and refrigerators;</li> <li>- Pilot projects in the industrial sector.</li> </ul>	300,000 energy-efficient lights and 1,800 evaporative air coolers have been installed. The support project for energy management is currently being carried out in the industrial sector.	Since there was no structure dedicated to EE, the <i>Direction Nationale de l'Energie</i> has developed the energy policy.
Niger	<p>The Energy Policy of Niger (PEN, 2004)</p> <p>The Strategy for Accelerated Development and Poverty Reduction (SDRP, 2008- 2012)</p>	<ul style="list-style-type: none"> <li>- Improve energy efficiency in the residential sector (PEN).</li> </ul>	None	Since there is no governmental structure dedicated to EE, the Ministry of Mines, Energy and Petroleum is the major relevant authority in charge of implementing the energy policies.
Nigeria	National Energy Efficiency Policy (under development)	<ul style="list-style-type: none"> <li>- Provide guidelines on all the key components of EE by 2015;</li> <li>- Enact all relevant legislation required for policy implementation by 2015;</li> <li>- Nigeria aims at attaining 60% penetration for energy-efficient lighting, refrigerators, freezers and air-conditioners by 2016, and 100% by 2020</li> </ul>	The previous policy did not address EE directly, but some actions were conducted, such as the enactment of the Nigerian CFL Standard.	Energy Commission of Nigeria
Senegal	The Policy Letter on the Development of the Energy Sector (LPDSE, 2008)	<ul style="list-style-type: none"> <li>- Distribute energy-efficient lights;</li> <li>- Conduct energy audits;</li> <li>- Reduce the public's electricity bill by 10% to 20% by 2015;</li> </ul>	<ul style="list-style-type: none"> <li>- A study was conducted in 2009 on electricity demand management;</li> <li>- Ban on the importation or manufacturing of incandescent bulbs.</li> </ul>	<i>Agence pour l'Economie et la Maîtrise de l'Energie</i> (AEME)

	Energy policy	Examples of planned Energy Efficiency actions	Implementation progress	Institution in charge of Energy Efficiency
		<ul style="list-style-type: none"> <li>- Accelerate the operationalization of the AEME.</li> </ul>		
Sierra Leone	National Energy Policy and Strategic Plan of Sierra Leone (NEPSP, September 2009)	<ul style="list-style-type: none"> <li>- Regulate the safety and energy efficiency of household appliances;</li> <li>- Promote energy conservation measure implementation in commercial, institutional and industrial sectors;</li> <li>- Promote energy management and energy audits in industrial sector;</li> <li>- Launch an awareness campaign to promote energy efficiency.</li> </ul>	None	Ministry of Energy and Water Resources (MEWR)
Togo	<p>The Energy Policy of Togo (still being developed)</p> <p>The Strategy for Accelerated Growth and Employment Promotion (SCABO, 2013)</p>	<ul style="list-style-type: none"> <li>- Further implement the program of EE and access to energy services.</li> </ul>	Not yet applied	Since there is no governmental structure dedicated to EE, the energy policies are under the supervision of the Ministry of Mines and Energy and its <i>Direction Générale de l'Energie</i> .

Source: ECONOLER (2013).

## Annex 6. The Energy Efficiency Agency's Institutional Capacity

Member State	Name of institution	Human resources	Financial resources
Benin	<i>Agence Béninoise d'Electrification rurale et de Maitrise de l'Energie</i> (ABERME)	43 people, among whom 27 are technical experts and managers. Needs capacity-building on S&L program management.	About XOF 3 billion (USD 6 million), depending on on-going projects and the operating budget. Needs moderate support.
Burkina Faso	<i>Direction de la Promotion de l'Économie d'Énergie</i> , a division of the National Directorate of Energy	3 people. No further detail available	No specific budget allocated. Depends on the Ministry of Energy budget. Needs sufficient funding support.
Cabo Verde	Directorate of Energy of the Ministry of Energy	Engaged in households EE promotion program	N/A
Côte d'Ivoire	<i>Bureau Économie d'Énergie</i> (BEE) of the National Directorate of Energy	37 agents, among whom 16 are technical experts, mostly being engineers and technicians.	XOF 100 million (USD 200,000) allocated as 2013 budget. No S&L funding. Needs financial support.
Gambia	Ministry of Energy		
Ghana	Ghana Energy Foundation	Has been implementing the Ghana Electrical Appliance Labelling and Standards Program (GEALSP) for room air-conditioners, CFLs, and refrigerators/freezers since 1998. Human resources seem sufficient in terms of technical experts and logistics.	Lack of funding to develop standards for other appliances, such as electric motors, and to strengthen its staff's competence. Developing one set of MEPS costs approximately USD 50,000.
Guinea	No EE agency. National Directorate of Energy (DNE)/ Electricité de Guinée (EDG)	DNE: 1 employee. EDG: 10 employees. Both organizations coordinate the CFL distribution program.	DNE: No funding for EE EDG: Not mentioned.
Guinea-Bissau	<i>Direction générale de l'énergie</i>	Currently participating in some regional initiatives, such as the WAEMU regional energy program and the OMVG studies.	Insufficient
Liberia	No specific designated EE Agency. Ministry of Energy, Department of Energy or Rural and Renewable Energy Agency (RREA)	Ministry of Energy: Capacity-building required RREA: Very few staff. No specialized expert on EE.	Lack of funding
Mali	No specialized EE agency. <i>Agence Malienne de Développement de l'Énergie Domestique et des Énergies Renouvelables</i> (AMADER)	3 agents with very limited knowledge and experience regarding appliances EE programs. Needs capacity- building and HR strengthening related to S&L programs.	USD 75,000, depending on National Directorate of Energy's budget.

Member State	Name of institution	Human resources	Financial resources
Niger	No EE agency. Energy and Petroleum Ministry	114 agents, among whom 100 are high-level managers. Planning to hire 119 agents in 2013. No EE program experience. Needs much capacity-building among staff MembersMembers.	No funding for S&L programs
Nigeria	Energy Efficiency Unit (EEU) of Energy Commission of Nigeria (ECN)	N/A	N/A
Senegal	<i>Agence Nationale d'Économie et de Maitrise de l'Énergie</i> (ANEE)	13 agents, among whom 2 are experts. The ANEE is a newly created agency, so there is a need of much capacity-building.	XOF 300 million (USD 600,000) each year. One part is devoted to S&L, but the exact amount has not been specified.
Sierra Leone	Energy division of the Ministry of Energy	Very limited capacity.	N/A
Togo	No EE Agency. The National Energy Directorate (DGE) / compagnie énergie électrique du Togo (CEET)	DGE: 21 employees. CEET: 750 employees. Both organizations are participating in the Lamps S&L program, which is currently on-going in the country.	DGE: XOF 25 million (USD 50,000) per year CEET: XOF 36 billion (USD 72 million)

Source: ECONOLER (2013).

## ENDNOTES

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- <sup>1</sup> Ifey Ikeonu (2017), Perspectives on Regulating a Regional Electricity Market: The ECOWAS Experience, ERERA, [https://erranet.org/wp-content/uploads/2017/09/Winner-2-Ikeonu\\_ECOWAS\\_ERRA-Award-2017-4.pdf](https://erranet.org/wp-content/uploads/2017/09/Winner-2-Ikeonu_ECOWAS_ERRA-Award-2017-4.pdf).
  - <sup>2</sup> "ECOWAS Launches Energy Governance Programme for West Africa", <http://www.ecowas.int/ecowas-launches-energy-governance-programme-for-west-africa/>
  - <sup>3</sup> Ifey Ikeonu (2017), op. cit.
  - <sup>4</sup> <http://www.accaglobal.com/content/dam/acca/global/PDF-technical/global-economy/pol-tp-raed.pdf>.
  - <sup>5</sup> See for example: <http://www.4-traders.com/news/ECOWAS-Economic-Community-of-West-African-States-West-African-Accounting-Bodies-Association-seek-t--25339848/>.
  - <sup>6</sup> Regulation No. 04/96 / CM / UEMOA of 20 December 1996 adopting SYSCOA of 20 December 1996 applied since 1 January 1998; Regulation No. 04/2001 / CM / UEMOA; Regulation No. 05/2003 / CM / UEMOA of 26 June 2013, which entered into force on 1 January 2014.
  - <sup>7</sup> Regulation No. 02/97 / CM / UEMOA of 28/11/1997.
  - <sup>8</sup> Order No. 03/97 / CM / UEMOA of 28 November 1997.
  - <sup>9</sup> Regulation No. 12/2000 / CM / UEMOA.
  - <sup>10</sup> Regulation No. 05/2006 / CM / UEMOA of 02 May 2006.
  - <sup>11</sup> Cattaneo, O. and P. Walkenhorst (2010). "Legal Services: Does More Trade Rhyme with Better Justice?," in Cattaneo, O., Engman, M., Saez, S., and R. Stern (eds.) International Trade in Services: New Trends and Opportunities for Developing Countries. The World Bank.
  - <sup>12</sup> "Etude sur l'Analyse économique des secteurs de services au Sénégal", report prepared by the firm "ICD : Institut Compétences et Développement" for the Ministry of Trade, Consumption, Informal Sector and SMEs in Senegal.
  - <sup>13</sup> Article 49.
  - <sup>14</sup> West African Museums Program (WAMP), West Africa Museums Directory, 2000.
  - <sup>15</sup> The definition of education services currently contained in the CPC excludes "predominantly recreational educational services" which are classified in category 9641 (sports services).
  - <sup>16</sup> Traditionally, "adult education" tends to mean studies undertaken outside the formal education system for general or community interest reasons.
  - <sup>17</sup> Tierney, William G., and Findlay, Christopher. *The Globalization of Education: The Next Wave*, Pacific Economic Cooperation Council and the Association of Pacific Rim Universities, 2008.
  - <sup>18</sup> W/120 means the list of sector-based classification of services contained in MTN.GNS/W/120 document. The CPC codes listed here correspond to the United Nations Provisional Central Product Classification.