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## Agricultural Trade Integration in ECOWAS

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## Introduction

The Economic Community of West African States (ECOWAS) is a regional economic community (REC) composed of 15 member states and an associate country.<sup>1</sup> Created in 1975 in Abuja, ECOWAS was established to pursue stability and regional integration in Africa and, over time, has expanded its mandate to include political dimensions. It is one of the largest RECs in Africa, covering a physical area of 5.1 million square kilometers with an estimated population of 424.3 million people as of 2022. The region's gross domestic product (GDP) in 2022 was estimated at US\$758 billion, which represents a quarter of Africa's GDP (World Bank 2024). As the ECOWAS region pursues a process of structural transformation, the region's economy has shifted toward industry and services, and the share of agriculture in GDP in ECOWAS countries has been declining, as in many developing countries (Laborde et al. 2018). However, the agriculture sector still represents 26 percent of GDP<sup>2</sup> on average across the region, although with a high degree of heterogeneity: the share of agriculture in total GDP ranges from 5 percent in Cabo Verde to 60 percent in Sierra Leone. The REC is a heterogeneous bloc that encompasses economic and demographic giants like Nigeria and small states like Cabo Verde and Gambia. It also includes landlocked countries (Mali, Burkina Faso, and Niger), members with access to the sea (Guinea-Bissau and Sierra Leone), and island states (Cabo Verde).

ECOWAS is often cited as a successful example of regional integration in Africa. Indeed, since its beginning, the integration process has moved forward continuously with key successes such as the free movement of people, which has been in effect since 1979. Among the eight RECs recognized by the African Union, ECOWAS ranks fifth for trade integration and first in terms of the free movement of people, according to the Regional Integration Index built by the United Nations' Economic Commission for Africa (UNECA). However, when it comes to movement of goods, results are mixed, and serious challenges remain despite the formal processes of liberalization adopted by member states. The frictions affecting the free movement of goods are problematic, particularly for agricultural products, given that, in an environment marked by global crisis (notably the pandemic of COVID-19 in 2020 and the ongoing Russia-Ukraine war), regional trade could mitigate the negative impacts and stabilize domestic markets. Furthermore, recent political tensions, marked by the intention of three member states (Mali, Burkina Faso, and Niger) to withdraw from the organization, raise questions about the REC's sustainability.

This chapter assesses the level of agricultural trade integration in the ECOWAS area, progress made, and the challenges ahead. In the next section, we provide the historical background, reviewing early regional integration initiatives in Africa and the main steps in the construction of ECOWAS. The following section assesses trade costs within ECOWAS, including tariffs, nontariff measures, and logistics performance, with a special focus on costs arising from currency diversity as an impediment to trade. We then examine intraregional trade flows, including informal cross-border trade, which represents the bulk of these flows. Before concluding, the chapter presents key achievements and main challenges to greater integration.

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1 Current ECOWAS states are Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo, and Mauritania. After leaving ECOWAS in 2000 to join the Arab Maghreb Union (AMU), Mauritania rejoined in 2017 as an associate member. Mali, Burkina Faso, and Niger have recently decided to withdraw from ECOWAS.

2 If one considers the whole agrifood sector, including the processing and retail sectors, the share of GDP increases to 35 percent (OECD 2021).

## Historical Background

### Early regional integration initiatives in West Africa

West Africa has been a well-established, integrated region since the early 8th century and was home to the first known African empires, such as the Ghana empire and the Mali empire (also known as Mandé) in the 13th century, which included territory of several current West African countries. Both empires had strong trade relationships with their neighbors. They had large gold endowments and were at the crossroads of traders coming from both the north (Maghreb region) and south (Soudano region). In addition to gold, copper, and salt, agricultural products were highly traded in the region (Niane 1987). Trade was facilitated by the presence of homogenous ethnolinguistic groups established in several countries, which were later fragmented in the colonial period. These included the Mandingo group (present in Mali, Burkina Faso, Côte d'Ivoire, Guinea, Guinea-Bissau, and Gambia) and the Fulani group (present in Mali, Senegal, Burkina Faso, Guinea, Guinea-Bissau, Ghana, Benin, Niger, and Nigeria).

After the collapse of the empires, the colonial era saw the establishment of artificial subdivisions in the region. Following the Berlin Conference of 1885, the European powers divided up West Africa. In the francophone area, the *Afrique occidentale française* (AOF) bloc was created in 1895, composed of eight French colonies (Soudan Français, Mauritania, Senegal, Côte d'Ivoire, Niger, Guinea, Haute-Volta, and Dahomey).<sup>3</sup> In addition, there were Portuguese colonies (Cabo Verde and Guinea-Bissau); the territories of the British colonial empire (Nigeria, Ghana, Sierra Leone, and Gambia); Liberia, founded in 1822 by the United States to receive emancipated slaves; and Togo, a German colony.<sup>4</sup> This situation did not change until the independence years (mainly 1960). Then, some of the "fathers of independence" (Modibo Keita, Sekou Touré, Kwame Nkrumah, Félix Houphouët-Boigny, Leopold Sedar Senghor, and others), mindful of the balkanization of the region, took action to create greater unity by proposing that the countries seek independence in groups. Thus, in 1959, The *Fédération du Mali* was created, grouping Dahomey, Senegal, Soudan Français, and Haute-Volta, although Dahomey and Haute-Volta soon left to join a second bloc, the *Conseil de l'Entente*, formed by Côte d'Ivoire, Haute-Volta, Dahomey, Togo, and Niger. However, apart from *Conseil de l'Entente*, none of these entities lasted. In the same vein, in June 1959, seven francophone countries (Senegal, Mali, Côte d'Ivoire, Dahomey, Haute-Volta, Niger, and Mauritania) decided to create a customs union (*Union douanière de l'Afrique de l'Ouest* [UDAO]) with limited success, and which was transformed first into the *Union douanière des États de l'Afrique de l'Ouest* (UDEAO) in 1966 and, in 1972, into the *Communauté économique de l'Afrique de l'Ouest* (CEAO), which could be considered the precursor of ECOWAS. In addition, several specialized institutions in charge of specific sectors were created in parallel with the customs union. These included the Permanent Interstate Committee for Drought Control in the Sahel - CILSS<sup>5</sup> (created in 1973, and comprising Senegal, Mauritania, Guinea-Bissau, Guinea, Côte d'Ivoire, Mali, Burkina Faso, Benin, Togo, Niger, and Chad); the Senegal River Basin Development Organization - OMVS<sup>6</sup> (created in 1972 and comprising Senegal, Mali, Mauritania, Niger, and Guinea); and the Mano River Union (created in 1973 with Liberia and Sierra Leone, and joined by Guinea in 1980 and Côte d'Ivoire in 2008).

<sup>3</sup> Soudan Français is now Mali; Haute-Volta is now Burkina Faso; and Dahomey is now Benin.

<sup>4</sup> Liberia became independent in 1847. Following Germany's defeat in World War I, Togo was placed under the mandate of the League of Nations until 1946.

<sup>5</sup> Comité Permanent Inter-États de Lutte contre la Sécheresse dans le Sahel

<sup>6</sup> Organisation pour la mise en valeur du fleuve Senegal

### Main steps in the construction of ECOWAS

After the failure of the early attempts to create regional economic blocs due to noncooperative policies on the part of member states, West African countries managed to create the first fully regional organization in 1975, composed of both French-speaking and English-speaking countries, with the aim of strengthening regional integration and maintaining peace and stability. ECOWAS was launched with the Lagos Treaty and included 16 countries in the region (Benin, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Haute-Volta, Liberia, Mali, Mauritania,<sup>7</sup> Niger, Nigeria, Senegal, Sierra Leone, and Togo). A major milestone was achieved shortly thereafter, with the launch of the ECOWAS Trade Liberalization Scheme (ETLS) in 1979 to foster regional trade. In response to the crisis that occurred in the early 1970s, the ETLS first covered agricultural and unprocessed products (for food security reasons) and handicrafts, before it was extended to industrial products in 1990. Agricultural products and handicrafts did not require proof of origin to benefit from the ETLS. However, the extension to industrial products required the definition and adoption of rules of origin for countries to benefit from the preferential tariffs.

In 1993, a revised treaty was signed in Cotonou, which reaffirmed the objectives of trade liberalization among member states and the establishment of a customs union via the adoption of a common external tariff (CET) and a common trade policy vis-à-vis third countries (article 3). Initially planned to be implemented gradually over a 10-year period (1990–2000), the establishment of the customs union experienced significant delays. Indeed, only in 2006 was the decision establishing the CET adopted, based on the West African Economic and Monetary Union (WAEMU/UEMOA)'s four tariff bands.<sup>8</sup> Due to pressures on some countries to protect a set of products deemed as sensitive, a fifth band was proposed in 2009 and adopted in 2013. The final CET structure, in place since 2015, is as follows: the first band covers essential goods with a tariff set to zero; the second band includes primary necessity goods and capital goods with a 5 percent tariff; the third band covers intermediate goods and inputs with a 10 percent tariff; the fourth band covers final consumption and finished goods with a 20 percent tariff; and the last band, with a 35 percent tariff, is for specific goods for economic development. Agricultural products fall mainly within the fourth band.

According to the revised treaty of 1993, the ECOWAS customs union now in force was to be a step toward the establishment of a common market and an economic and monetary union. Although the free movement of people is a reality, and ECOWAS has been a leader in this compared with other African RECs (UNECA and ECOWAS 2010), the establishment of the monetary union for all ECOWAS countries that was planned for 2010 has not yet occurred.

In terms of institutional evolution, ECOWAS was managed by a secretariat until 2007, when the secretariat was replaced by a commission consisting of seven commissioners with increased power. In 2013, a new extension was adopted to include eight additional commissioners, allowing for one representative per member state, although another reform, now effective, reverts to the previous institutional structure of seven commissioners. Currently, the ECOWAS Department of Economic Affairs and Agriculture, which includes the Directorate of Trade, the Directorate of the Customs Union and Taxation, and the Directorate of Agriculture and Rural Development, is the most relevant for agricultural trade. In addition to the Commission, the Conference of the Heads of States, the Council of Ministers, four institutions (the Parliament, the Economic and Social Council, the Court of Justice, and the Investment and Development Bank), and 15 specialized agencies are now operating in the community as the result of the integration process.

<sup>7</sup> Mauritania later left the bloc, in 2000.

<sup>8</sup> The WAEMU/UEMOA was created in 1994 and includes Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo.

These efforts made by member countries toward subregional integration should be reflected in the intra-ECOWAS trade costs. The following section examines these costs.

### Intra-ECOWAS Trade Costs

#### Tariffs

Data on tariffs implemented and faced by ECOWAS countries on agricultural trade flows come from CEPII's MacMAPs-HS6 database for 2019.<sup>9</sup> This database has the advantage of covering most tariff instruments and, above all, of taking into account all regional and preferential regimes for each country. It therefore offers, at the six-digit Harmonized System level (around 5,200 products), a bilateral measure of protection at a disaggregated level. It can be aggregated on all dimensions: instruments of protection by calculating ad valorem equivalents, countries notifying protection, partner countries penalized by this protection, and products.

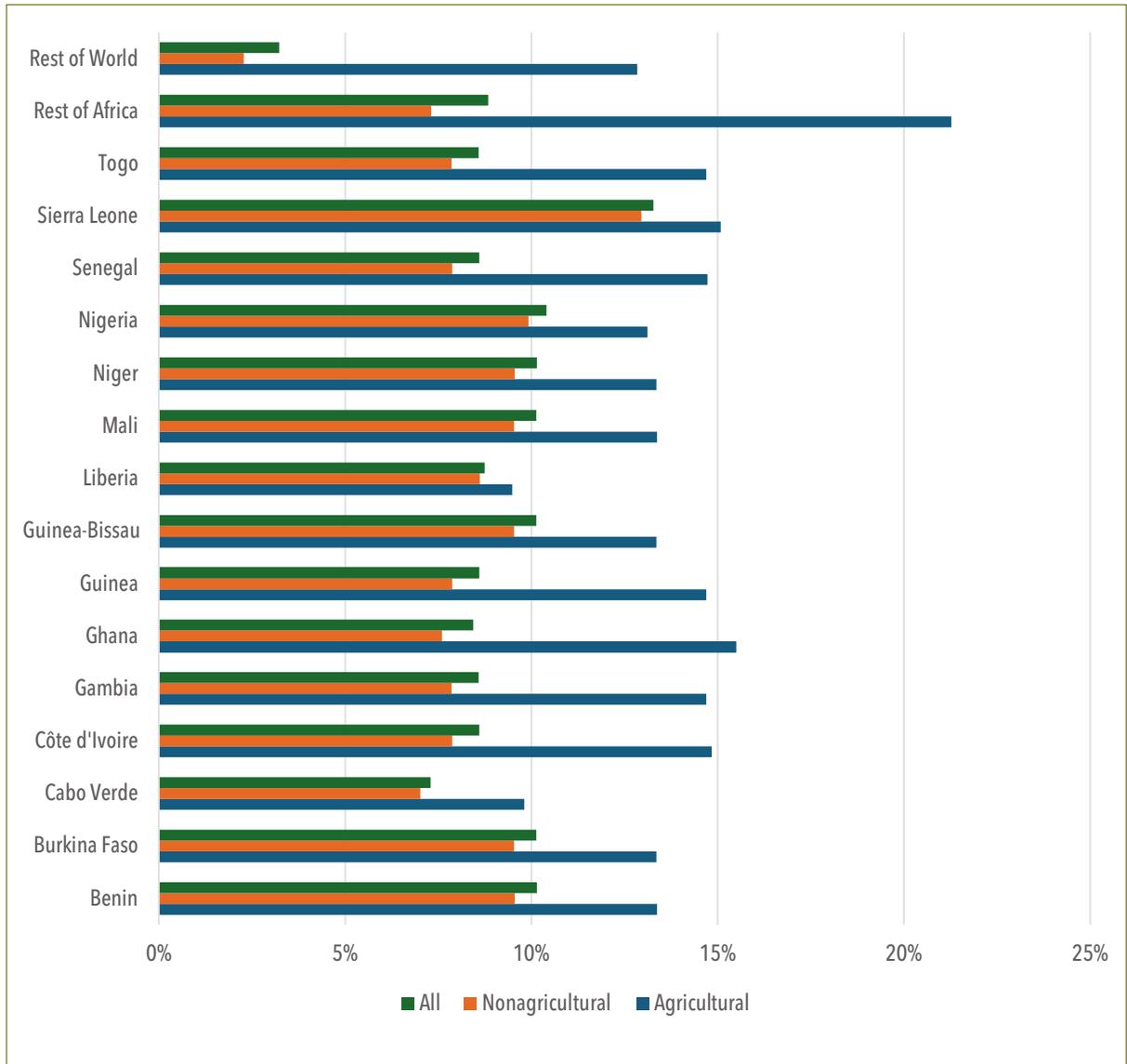
We measure protectionism in relative terms: protection of agricultural products relative to protection of industrial products; protection vis-à-vis ECOWAS countries relative to protection vis-à-vis African non-ECOWAS countries; and protection vis-à-vis ECOWAS countries relative to protection vis-à-vis non-African countries. Indeed, trade costs must be measured in relative, not just absolute, terms: a 10 percent tariff must not be considered in isolation, but rather should be compared with tariffs penalizing imports of other products and those penalizing imports of the same product from other origins (Anderson and Van Wincoop 2003). This is related to "multilateral resistance," which is the concept that "all else equal, two countries will trade more with each other the more remote they are from the rest of the world" (Yotov and Larch 2016, 5). In the remainder of this section, we measure customs protection in absolute terms, but by giving levels of protection not just on a category of products or vis-à-vis a set of trading partners but also as a function of other categories of products or sets of partners. Comparing these levels of protection allows us to take multilateral resistance into account.

Figure 6.1 shows the average tariff imposed in 2019 by the 15 ECOWAS countries on all products, on agricultural products, and on nonagricultural products, from all sources of imports. Tariffs are aggregated according to the reference group methodology. The advantage of this methodology is that weights account for the potential magnitude of trade flows while reducing potential endogeneity bias (see Bouët et al. 2008). Endogeneity bias emerges when tariffs imposed by country  $s$  on product  $k$  coming from country  $r$  are weighted by imports by country  $s$  on product  $k$  coming from country  $r$  (in that case, with an increasing tariff, its weight decreases). With the reference group methodology, tariffs imposed by country  $s$  on product  $k$  coming from country  $r$  are weighted by imports by a reference group similar to country  $s$ <sup>10</sup> on product  $k$  coming from country  $r$ .

<sup>9</sup> Centre d'Études Prospectives et d'Informations Internationales. We thank Houssein Guimbarde for access to these data.

<sup>10</sup> These reference groups are based on a clustering procedure that uses per capita GDP and trade openness.

**Figure 6.1** Average import duties (%) imposed by ECOWAS, non-ECOWAS African countries, and non-African countries on imports from the rest of the world, 2019



**Source:** MacMaps-HS6 (2019) and authors' calculation.

Overall, African countries are more protectionist than the rest of the world taken globally, in all sectors as well as in agriculture and industry. However, it should be noted that the ratio of African protection to the rest of the world's protection is higher in industry than in agriculture.<sup>11</sup>

The overall level of trade protection in ECOWAS countries on average is close to the level in the rest of Africa, with some countries more open, such as Cabo Verde, Gambia, and Côte d'Ivoire, and some more closed, such as Sierra Leone and Nigeria.

<sup>11</sup> It should be remembered that, in the MacMaps-HS6 database, any aggregation of importing or exporting countries or products is done using a methodology based on reference groups, which accounts for the size of the flows by minimizing potential endogeneity biases (see Bouët et al. 2008). However, the "nonagricultural" sector includes the industrial sector.

The agriculture sector is systematically more protected than the industrial sector: for example, in Côte d'Ivoire, industry is protected by an average tariff of 7.9 percent compared with 14.8 percent in agriculture. However, agriculture is significantly less protected in ECOWAS countries on average than in other African regions and countries. For illustration, the Senegalese agriculture sector is protected by an average tariff of 14.7 percent, compared with an average rate of 21.3 percent for agriculture in the rest of Africa.

Table 6.1 gives (1) the rate of protection on agricultural products imported by the zones in the column for goods whose origin is the countries in the rows; and (2) the rate of protection imposed by the countries in the rows on agricultural products imported from the zones in the columns. For example, as shown in the last column, Burkina Faso imposes an average customs duty of 13.4 percent on agricultural products from countries outside the African continent.

**Table 6.1** Average level (%) of import duties on all agricultural imports, intra-ECOWAS imports, and extra-ECOWAS imports, 2019

Tariffs imposed by the region in column on imports from the country in row			Tariffs imposed by the country in row on imports from the region in column		
Country	Rest of Africa	Rest of World	Country	Rest of Africa	Rest of World
Benin	18.2%	5.3%	Benin	15.8%	13.4%
Burkina Faso	14.6%	8.3%	Burkina Faso	15.8%	13.4%
Cabo Verde	13.7%	2.8%	Cabo Verde	10.8%	9.8%
Côte d'Ivoire	16.1%	4.3%	Côte d'Ivoire	14.7%	15.2%
Gambia	17.7%	5.7%	Gambia	14.7%	15.2%
Ghana	12.9%	4.7%	Ghana	15.3%	16.0%
Guinea	13.1%	5.5%	Guinea	14.7%	15.2%
Guinea-Bissau	14.2%	6.1%	Guinea-Bissau	15.8%	13.4%
Liberia	4.9%	3.0%	Liberia	12.7%	9.2%
Mali	8.4%	3.9%	Mali	15.8%	13.4%
Niger	11.3%	8.8%	Niger	15.8%	13.4%
Nigeria	16.3%	9.8%	Nigeria	15.4%	13.2%
Senegal	21.6%	6.6%	Senegal	14.7%	15.2%
Sierra Leone	13.9%	7.1%	Sierra Leone	18.1%	14.2%
Togo	20.9%	8.5%	Togo	14.7%	15.2%
Rest of Africa	12.5%	11.5%	Rest of Africa	12.5%	22.0%
Rest of World	22.0%	13.0%	Rest of World	11.5%	13.0%

**Source:** MacMaps-HS6, CEPII database, [http://www.cepii.fr/CEPII/fr/bdd\\_modele/bdd\\_modele\\_item.asp?id=12](http://www.cepii.fr/CEPII/fr/bdd_modele/bdd_modele_item.asp?id=12)

**Note:** Columns 2 and 3 show the tariffs imposed by the region in column on imports from the country in row; so, for example, 18.2 percent is the average duty on imports faced by Benin's agricultural exports to the rest of Africa. Columns 5 and 6 show the tariffs imposed by the country in row on imports from the region in column; so, for example, 15.8 percent is the average duty on imports faced by the rest of Africa's agricultural exports to Benin.

Table 6.1 provides important insights that may explain the relative introversion of ECOWAS countries. As we will see later, in West Africa, agricultural trade is more introverted than extraverted: this means that the agricultural trade of ECOWAS countries is more oriented toward the interior of this community than toward the exterior—assuming that this relative introversion is properly measured. Customs duties imposed on products originating in the

rest of Africa or in the rest of the world are relatively high, exceeding 10 percent for most extraregional intra-Africa flows, while duties on intra-ECOWAS trade are zero<sup>12</sup> because of the customs union. This encourages the introversion of ECOWAS agricultural trade.

At the product level, as noted, the ECOWAS common external tariff has five tariff bands: 0 percent, 5 percent, 10 percent, 20 percent, and 35 percent. From a food security point of view, important goods that are protected by high tariffs are wheat flour (20 percent), canned turkey and pork (35 percent), fresh pork (20 percent) and frozen pork (35 percent), potatoes (35 percent), peas (20 percent), beans (20 percent), sweet corn (20 percent), and onions and shallots (35 percent).

It should be noted that, when ECOWAS countries export outside the REC, the customs duties imposed by non-African countries are lower than those imposed by non-ECOWAS African countries. Therefore, these tariff structures give producers more incentive to export outside Africa than within Africa when exporting outside ECOWAS. This incentive should change with the establishment of the African Continental Free Trade Area (AfCFTA). However, trade flows depend not only on trading costs like tariffs but also on the productive capacities of exporting countries and the absorption capacity of importing countries; the productive and absorption capacities of West African countries also matter. For example, African countries do not yet have a strong cocoa processing industry like European countries, and their demand for chocolate is low. So even if there were no duties on intra-African trade, a significant part of the region's cocoa production would still go to the extra-African market.

### Nontariff measures

As a result of the global trade liberalization movement characterized by the gradual removal of tariffs, nontariff measures (NTMs) have rapidly emerged as the main constraint on international trade. Environmental and health concerns are often invoked as the rationale for the application of NTMs, although they can ultimately prove to be a constraint on trade (Guedegbe 2016). NTMs can be categorized based on their scope and/or design (Sanjuán Lopez et al. 2021). These measures include sanitary and phytosanitary measures (SPS), technical barriers to trade (TBT), pre-shipment inspections and other formalities, contingent trade protection measures, and intellectual property rights and rules of origin, among others.

It is difficult to find detailed data on the application of NTMs in Africa in general and in the ECOWAS region in particular. Table 6.2 shows the number and types of NTMs commonly applied in West Africa, as published by the World Trade Organization (WTO).

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<sup>12</sup> The MacMaps-HS6 database indicates positive tariffs on a few borders and a few products. We contacted the ECOWAS statistical services, which pointed out that this was not the case and that all customs duties on intra-ECOWAS trade are zero. Even if there are positive tariffs, their coverage is very small.

**Table 6.2** Number of notified nontariff measures by category, 2022

	Sanitary and phytosanitary (SPS)	Anti-dumping (ADP)	Quantitative restrictions (QR)
Africa total	1,017	83	50
Africa average	32	17	13
Benin	6		
Burkina Faso	6		
Cabo Verde	4		
Côte d'Ivoire	19		15
Gambia	3		
Ghana	5	1	
Guinea	11		
Liberia	1		
Mali	21		20
Nigeria	29		
Senegal	7		
Togo	12		

**Source:** WTO, December 30, 2023. <https://i-tip.wto.org/goods/Forms/MemberView.aspx?data=default>

**Note:** No ECOWAS country has notified technical barriers to trade, according to the WTO database.

According to this data, apart from the anti-dumping measures applied by just one country (Ghana) and the quantitative restrictions applied by two others (Côte d'Ivoire and Mali), the NTMs declared by ECOWAS countries are limited to SPS measures (Table 6.2). The number of SPS measures declared in the ECOWAS zone varies from 1 in Liberia to 29 in Nigeria, showing that, taken individually, the West African countries are below the African continental average of 32 SPS measures. In addition to the lack of data for some ECOWAS member countries, the number of measures reported is insufficient to assess their impact on intraregional or third-country trade. Beyond the individual notifications in this table, ECOWAS has introduced various pest management, plant pest control, and SPS measures. The REC is working to strengthen member states' capability to adopt and implement science-based, coherent, and integrated plant pest control and SPS systems supportive of food security, shared prosperity, health, and trade for all Africans.<sup>13</sup>

Several studies have looked into the NTM issue and its implications for intracommunity trade in the ECOWAS region and on the African continent. These include, among others, Kalaba (2014), UNCTAD (2018), and Sanjuán López et al. (2021). According to Sanjuán López et al. (2021), the most critical impact of NTMs in intra-African trade is in sectors such as rice and sugar. They find not only that NTMs have a significant negative impact on intra-African trade in these products, but also that these products face a relatively high average number of NTMs.

In addition to the measures notified to the WTO, the results of surveys conducted by the International Trade Centre (ITC)<sup>14</sup> show that NTMs are diverse and omnipresent in intraregional trade in agricultural products (Guedegbe 2016). The findings of the surveys reveal that, for the ECOWAS countries covered, companies face NTMs in both origin and destination countries. In particular, the data show that 26 percent of restrictive NTMs are experienced in countries of

<sup>13</sup> For more details, see <https://ecowap.ecowas.int/ecowap-sector/2>

<sup>14</sup> The survey conducted in 2016 covered six ECOWAS countries: Benin, Burkina Faso, Côte d'Ivoire, Guinea, Mali, and Senegal. It was conducted among private companies operating in the agriculture and manufacturing sectors.

origin, while 30 percent are imposed in countries of destination. Moreover, 40 percent of the NTMs encountered by exporters of agricultural products in export markets are encountered in ECOWAS countries.

During negotiations for the AfCFTA, African countries, including those of ECOWAS, recognized the importance of NTMs. This recognition justified the adoption of an annex to the agreement specifically devoted to eliminating NTMs and to online reporting, monitoring, and removal mechanisms for NTMs.<sup>15</sup> This is particularly important because the work of Sanjuán Lopez et al. (2021) indicates that the application of technical and nontechnical NTMs has a systematic restrictive effect on agricultural trade. However, their results show that nontechnical measures have an even more significant impact on trade in agricultural products.

### Logistics performance

Numerous studies have been devoted to investigating the links between logistics performance and trade around the world. These include work by Beké (2022) on ECOWAS; Takele and Buvik (2019) on Africa; Zaninović, Zaninović, and Skender (2021) in Europe; and Hausman, Lee, and Subramanian (2012) at the global level. The various assessments carried out in these studies show that logistics performance positively and significantly impacts a country's ability to trade with the rest of the world. The World Bank's Logistics Performance Index (LPI) is used to assess countries' performance, using a scale of 1 (low) to 5 (high) for the LPI and for each of its indicators. For the calculation methodology and a critique of the index, the interested reader can consult Chakrabarty (2020). The scores presented in Table 6.3 compare the logistics performance of ECOWAS with the African average and with other RECs.

**Table 6.3** Logistics performance of ECOWAS compared with the African average and other regional economic communities

Region	Customs score	International shipments score	Logistics competence and quality score	Timeliness score	Tracking and tracing score
ECOWAS	2.30	2.58	2.49	2.64	2.49
SADC	2.42	2.71	2.66	2.93	2.65
COMESA	2.32	2.51	2.48	2.84	2.53
CEMAC	2.14	2.46	2.46	2.66	2.32
AMU	2.20	2.45	2.28	2.74	2.44
Africa	2.30	2.56	2.50	2.77	2.50

**Source:** Authors' calculation using the World Bank Logistics Performance Index database. <https://lpi.worldbank.org/>

The table shows that ECOWAS scores are well below the continental average on four out of five indicators of the LPI. Overall, ECOWAS performs worse than SADC and COMESA in this area, although it does better than CEMAC and AMU.<sup>16</sup> On the timeliness score, the subregion's score is below those of all the other RECs. On the other hand, despite being below the continental average, ECOWAS performs better than CEMAC on all components of logistics performance and scores better than AMU on customs, international consignments, logistics skills and quality, and tracking and tracing. The ECOWAS region's low scores can be explained by the performance of individual countries, as shown in Table 6.4. Most ECOWAS countries have relatively low scores, which pull down the average for the ECOWAS region.

<sup>15</sup> <https://www.tradebarriers.africa/>

<sup>16</sup> SADC = Southern African Development Community; COMESA = Common Market for Eastern and Southern Africa; CEMAC = Economic and Monetary Community of Central Africa; AMU = Arab Maghreb Union.

**Table 6.4** Individual logistics performance for ECOWAS countries

Country	Customs score	International shipments score	Logistics competence and quality score	Timeliness score	Tracking and tracing score
ECOWAS	2.3	2.6	2.5	2.6	2.5
Benin	2.7	2.9	3.0	2.7	3.2
Burkina Faso	2.0	2.4	2.4	2.4	2.2
Côte d'Ivoire*	2.8	3.2	3.2	3.2	3.1
Gambia	1.8	2.6	2.3	2.6	2.4
Ghana	2.7	2.4	2.5	2.7	2.2
Guinea	2.4	2.2	2.7	2.5	2.7
Guinea-Bissau	2.7	2.9	2.9	2.4	2.3
Liberia	2.1	2.8	2.4	2.3	2.4
Mali	2.6	2.6	2.5	3.1	2.7
Niger*	2.1	2.3	2.2	2.7	2.5
Nigeria	2.4	2.5	2.3	3.1	2.7
Senegal*	2.2	2.4	2.1	2.5	2.1
Sierra Leone*	1.8	2.2	2.0	2.3	2.3
Togo	2.3	3.0	2.4	2.8	2.3

**Source:** Authors' calculation using the World Bank Logistics Performance Index database. <https://lpi.worldbank.org/>

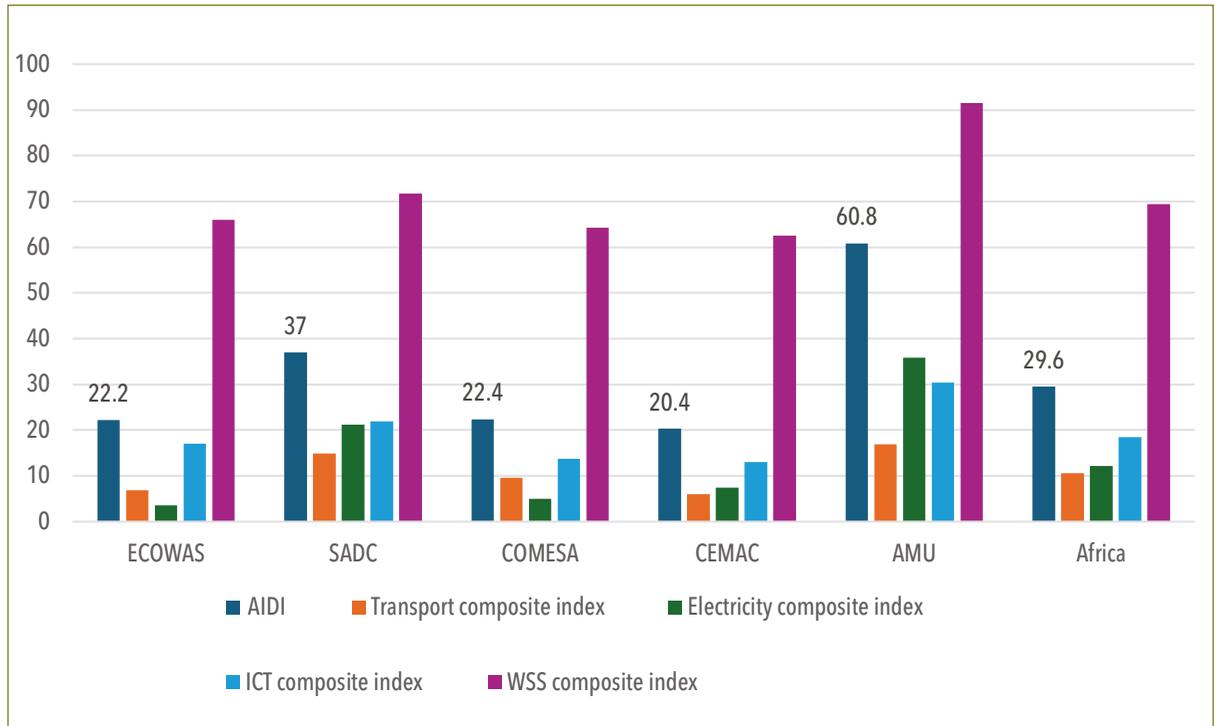
**Note:** \* In the absence of information for 2023, we have used 2018 data for these countries.

While some countries, such as Benin, Côte d'Ivoire, and, to a lesser extent, Nigeria, have performance scores above the subregional average, other countries score below the ECOWAS average. Burkina Faso, Gambia, and Sierra Leone have performance scores below the ECOWAS average for all indicators. This situation may act as a constraint on the development of intraregional trade, as well as trade with the rest of the world. Some countries face barriers to improved logistics performance that are beyond their control. This is the case, for example, with landlocked countries whose trade transits through third countries. For these countries, the level of logistical performance does not adequately reflect their efforts to facilitate trade because they depend in part on the transit systems of other countries.

Indeed, studies such as Gani (2017); Zaninović, Zaninović, and Skender (2021) in Europe; and Hausman, Lee, and Subramanian (2012) at the global level have shown that logistics performance is positively and significantly correlated with trade performance. These results are supported by the work of Beké (2022) in the specific case of ECOWAS. In particular, Beké shows that the direct costs of transport and logistics and the costs and delays associated with customs procedures are major obstacles to intraregional agricultural trade for ECOWAS.

Infrastructure performance is an essential element of logistics for trade facilitation. Figure 6.2 shows the Africa Infrastructure Development Index (AIDI) and its components for ECOWAS compared with the continental average and other RECs.

**Figure 6.2** Infrastructure development indexes for ECOWAS compared with the African average and other regional economic communities



**Source:** Authors' calculation using data from the Africa Infrastructure Development Index (2022), <https://infrastructureafrica.opendataforafrica.org/pbuerhd/africa-infrastructure-development-index-aidi-2022>

**Note:** The value of the indexes varies from the less to the more efficient on a scale of 0 to 100. AIDI = Africa Infrastructure Development Index; ICT = information and communications technology; WSS= water supply and sanitation.

The AIDI has four components: the transport composite index, the electricity composite index, the information and communications technology (ICT) composite index, and the water supply and sanitation composite index. ECOWAS performs worse than the African average both on the overall composite index and all its component indexes. Similarly, ECOWAS performs less well than SADC on these indexes. The low level of infrastructure development is explained by the poor performance of transport, electricity, and, to some extent, ICT. Table 6.5 shows the individual performance of ECOWAS countries in terms of infrastructure development.

**Table 6.5** Individual performance of ECOWAS countries in infrastructure development index

Country	Africa Infrastructure Development Index (AIDI)	Component			
		Transport composite index	Electricity composite index	ICT composite index	WSS composite index
Benin	17.4	5.2	0.4	15.3	53.3
Burkina Faso	20.3	10.9	2.1	13.9	62.8
Cabo Verde	49.8	25.5	15.6	27.6	90.7
Côte d'Ivoire	24.9	6.1	7.5	23.3	65.9
Gambia	30.3	7.6	2.4	21.9	75.6
Ghana	31.8	11.4	8.4	26.2	81.1
Guinea	18.8	4.7	2.6	14.9	69.3
Guinea-Bissau	15.3	5.2	1.6	14.1	49.3
Liberia	15.4	2.9	0.4	10.4	65.4
Mali	18.0	2.4	2.4	17.8	72.0
Niger	6.8	1.8	0.4	5.3	42.5
Nigeria	24.5	5.6	2.7	18.8	69.2
Senegal	31.3	3.6	4.8	20.2	77.9
Sierra Leone	12.7	4.1	0.9	12.1	57.9
Togo	15.2	5.9	1.7	12.6	57.0

**Source:** Authors' calculation using data from AIDI, <https://infrastructureafrica.opendataforafrica.org/pbuerhd/africa-infrastructure-development-index-aidi-2022>

**Note:** The value of the indexes varies from the less to the more efficient on a scale of 0 to 100. ICT = information and communications technology; WSS = water supply and sanitation.

The scores in Table 6.5 show that, in terms of the AIDI, only 6 of the 15 ECOWAS member countries are above the subregional average. These are Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Nigeria, and Senegal. Conversely, Niger and Sierra Leone have the lowest levels of infrastructure development. As far as the composite electricity index is concerned, where ECOWAS has the lowest level of development, only four countries are above the subregional average. These are Cabo Verde, Côte d'Ivoire, Ghana, and Senegal. In general, progress is more even across countries in the water supply and sanitation and ICT sectors. However, the significant progress achieved in the transport and electricity sectors in countries such as Cabo Verde is notable.

Many empirical studies have shown that infrastructure development has a positive and significant impact on trade. For example, Rahman et al. (2021) show that the development of transport infrastructure (roads, railways, seaports), ICT (mobile telephony), and electricity have a positive impact on trade, suggesting that ECOWAS needs to develop its infrastructure to facilitate trade.

### Currency diversity and trade in West Africa

The ECOWAS zone, like ECCAS, is unusual among Africa's RECs in that it is composed of an eight-member economic and monetary union with a common currency and a group of seven other economies, each with its own currency and central bank. Table 6.6 lists the central banks, currencies, and exchange rate regimes of the 15 ECOWAS member states.

**Table 6.6** Central banks, currencies, and exchange rate regimes in ECOWAS countries

Country	Issuing institute	Currency	Exchange rate regime
WAEMU countries: Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, Togo	Central Bank of States of West Africa (BCEAO)	Franc Communauté financière africaine (XOF)	Fixed exchange rate with the euro
Cabo Verde	Central Bank of Cabo Verde	Escudo (CVE)	Fixed exchange rate with the euro
Gambia	Central Bank of The Gambia	Dalasi (GMD)	Flexible exchange
Ghana	Bank of Ghana	Ghana Cedi (GHS)	Flexible exchange
Guinea	Central Bank of the Republic of Guinea	Guinean franc (GNF)	Flexible exchange
Liberia	Central Bank of Liberia	Liberian dollar (LRD)	Flexible exchange
Nigeria	Central Bank of Nigeria	Naira (NGN)	Flexible exchange
Sierra Leone	Bank of Sierra Leone	Leone (SLL)	Flexible exchange

**Source:** Laffiteau and Samaké-Konaté (2016).

**Note:** WAEMU = West African Economic and Monetary Union.

As the table shows, the ECOWAS zone thus has eight central banks, one of which is common to the eight WAEMU member states. Apart from the WAEMU's BCEAO and the Central Bank of Cabo Verde, which both have fixed exchange rates with the euro, the other central banks have flexible exchange rate regimes. Diop and Fall (2011) indicate that the fixed exchange rate regime is predominant within ECOWAS, reflecting the permanence of the fixed exchange rate regime in the WAEMU countries. However, they indicate that the weight of the fixed regime implemented (de facto) is slightly lower than that of the fixed regime declared (de jure), indicating that some countries are making adjustments of more or less significance to their exchange rates, despite their decision to keep them stable. An overview of exchange rate regimes published by the IMF in 2022 indicates that the environment is relatively complex. Table 6.7 shows that there is still considerable heterogeneity in the implementation of monetary policies and exchange rate regimes within ECOWAS countries.

**Table 6.7** Exchange rate regimes and monetary policies in ECOWAS countries, 2022

Exchange rate arrangement	Exchange rate anchor		Monetary aggregate target	Inflation targeting framework
	US dollar	Euro		
Conventional peg		Cabo Verde WAEMU: Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, Togo		
Stabilized arrangement			Nigeria	
Crawl-like arrangement			Gambia, Guinea	Ghana
Other managed arrangement			Liberia, Sierra Leone	

**Source:** Authors' compilation from IMF 2022 data.

**Note:** WAEMU = West African Economic and Monetary Union.

While the WAEMU countries and Cabo Verde operate under a conventional fixed exchange rate regime anchored to the euro, the other ECOWAS countries operate under different regimes. Nigeria, which remains the subregion's leading economy, operates a stabilized exchange rate arrangement with a monetary aggregate targeting policy. Gambia, Guinea, Liberia, and Sierra Leone, like Nigeria, apply a monetary aggregate targeting policy with different variants of flexible exchange rate regimes. Ghana, on the other hand, targets a given inflation rate in its monetary policy.<sup>17</sup> The coexistence of these different exchange rate regimes and monetary policies within the ECOWAS zone makes the intraregional trade environment complex.

The multitude of currencies in the ECOWAS zone may act as a constraint on the development of intracommunity trade, although the issue does not appear to have been the subject of any specific study. On the upside, the adoption of a single currency could facilitate intracommunity trade. Indeed, a study by Mignamissi (2017) showed that the potential effect of the single currency on bilateral trade between ECOWAS countries, on the one hand, and ECCAS countries on the other, is positive and significant, but it differs by REC because of the different characteristics of the member countries. However, beyond the diversity of currencies, it is reasonable to think that the size of the economies could also play an important role in the capacity to drive trade. Within ECOWAS, Nigeria and Ghana potentially have greater capacity to drive intraregional trade than others, given their weight in the West African economy. Available data show that Nigeria and Ghana account for 62.7 percent and 9.5 percent, respectively, of total ECOWAS GDP, compared with 23.4 percent for the WAEMU countries as a whole. In contrast, countries such as Sierra Leone, Gambia, and Cabo Verde each account for less than 0.5 percent (World Bank 2024).

Many studies have been devoted to monetary issues in the ECOWAS region, most of which focus on the process of monetary integration with the creation of a single currency and its potential economic impact.<sup>18</sup> To our knowledge, these studies do not explicitly address the impact of currency diversity on trade in general or agricultural trade in particular.

Although Masson and Pottillo (2001) state that “monetary union is neither necessary nor sufficient to achieve other aspects of regional integration, in particular, intra-regional trade,” authors such as Vinokurova et al. (2017) show that, after having made substantial progress in establishing a customs territory and common regulations, customs unions are faced with potential disruptions due to currency diversity and the lack of coordination of monetary policies.

In the particular context of ECOWAS, Abban and Ofori-Abebrese (2019) indicate that sovereign currencies in the ECOWAS subregion are barriers to trade due to the negative effect of exchange rate volatility, and they find that the countries using sovereign currencies have a greater negative effect on the level of trade in the subregion. Beké (2022) agrees. He points out that exchange rate stability and the absence of uncertainty and conversion costs conferred by a single currency have encouraged, for example, the significant creation of trade in agrifood goods in the WAEMU zone. This finding confirms the results of Taglioni (2002), who shows that in a multicountry and multicurrency context, exchange rate volatility has a strongly negative influence on trade. From his work, Taglioni deduced that exchange rate volatility is important, but it is less so within monetary unions, which supports the idea that use of a single currency within a given zone leads to a significant reduction in intrazone trade costs.

<sup>17</sup> Ghana, Guinea, and Gambia are in a *crawl-like arrangement*. To be considered a crawl arrangement, the exchange rate must remain within a narrow margin of 2 percent of a statistically identified trend for six months or more (except for a specified number of outliers), and the exchange rate arrangement cannot be considered a true crawl exchange rate. A managed exchange rate regime is an exchange rate regime in which the exchange rate is neither entirely free (or floating) nor fixed. Rather, the value of the currency is kept in a range against another currency (or against a basket of currencies) by central bank intervention. For different definitions of the different regimes in Table 6.7, see Habermeier et al. (2009).

<sup>18</sup> See Abban and Ofori-Abebrese (2019); Masson and Pattillo (2001); Adu, Litsios, and Baimbridge (2018); and Laffiteau and Samaké-Konté (2016), among others.

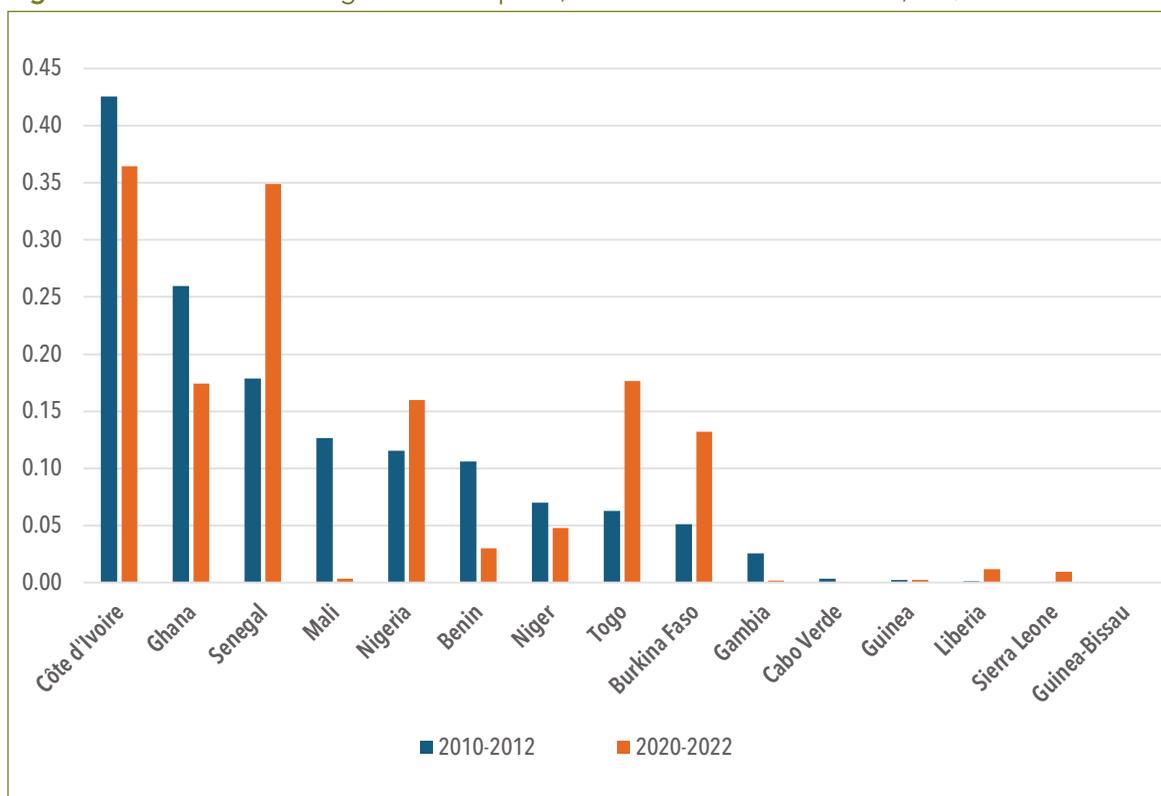
## Intra-ECOWAS Trade Flows

This section looks at intra-ECOWAS agricultural trade. We first identify the region’s most important exporters and importers and, for each country, the three most important partners and the three most important agricultural products on both the import and export sides. We then calculate indicators that measure the degree of regional integration, both simple ones such as the share of intraregional trade in total trade, and more sophisticated ones such as the regional trade introversion indicator.

### Top exporters and importers

Figure 6.3 shows average intra-ECOWAS agricultural exports for the 15 member countries for the years 2010–2012 (to avoid a bias linked to an abnormal value for one year) and for 2010–2012, that is, 10 years earlier.

**Figure 6.3** Intra-ECOWAS agricultural exports, 2010–2012 and 2020–2022, US\$ billions



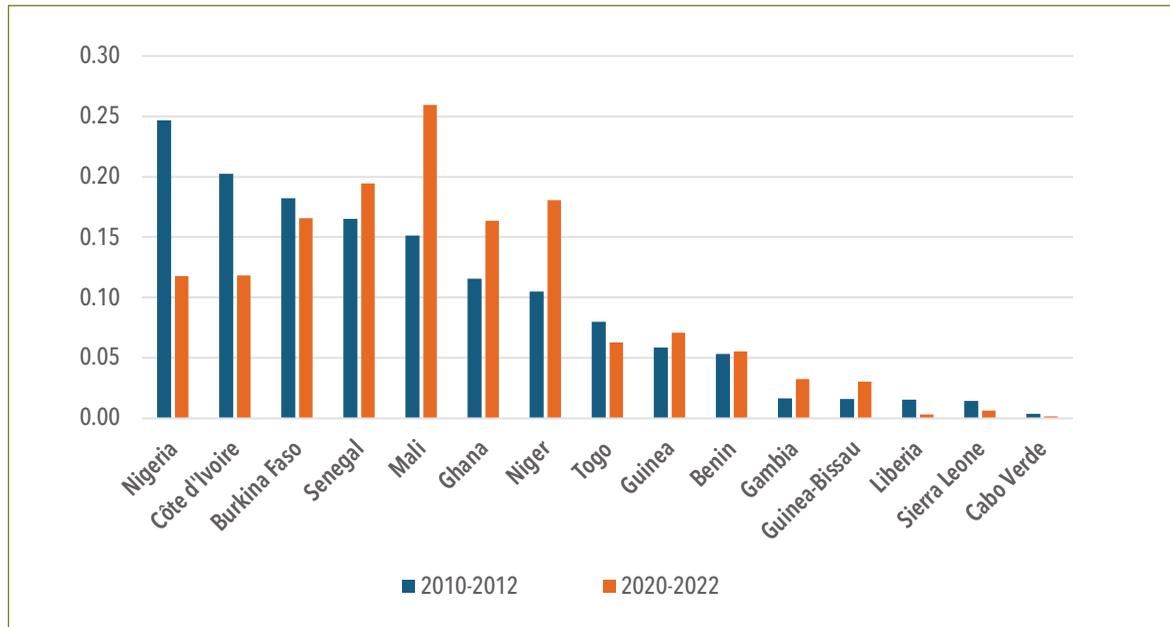
**Source:** 2024 AATM database and authors’ calculations.

The two biggest exporters in the region are Côte d'Ivoire and Senegal. In 2020–2022, Togo and Ghana took third and fourth place. In 2010–2012, Mali was the region’s fourth largest exporter, but this country saw its exports fall drastically, down 97.5 percent, over the intervening decade.<sup>19</sup> Sierra Leone, Liberia, Burkina Faso, and Nigeria saw their intraregional agricultural exports increase in those years: for the first two countries, the value of their intra-ECOWAS agricultural exports multiplied by 42 and 11, respectively, while those of Burkina Faso and Niger increased by 157 percent and 38.3 percent, respectively. All the other member countries recorded decreases in their intra-ECOWAS agricultural exports over the period, in particular Cabo Verde (–99.0 percent), Gambia (–94.3 percent), Niger (–32.0 percent), and Guinea (–1.8

<sup>19</sup> This drastic fall could be due to the country’s political instability, with coups d’état leading to trade and financial sanctions by ECOWAS and the closure of land borders in January 2022.

percent). Interestingly, the leading intraregional agricultural exporter in ECOWAS for 2020–2022 was Côte d’Ivoire, which is the third largest country in terms of GDP in the REC for those years (US\$62.98 billion, compared with US\$432.2 billion for Nigeria, the largest country in the region in terms of economic activity). Senegal is third in terms of intra-ECOWAS agricultural exports and fourth in terms of GDP; Ghana is fourth in exports and second in GDP. The three smallest countries in terms of intra-ECOWAS agricultural exports (Cabo Verde, Gambia, and Guinea-Bissau) are also the smallest in terms of GDP.

**Figure 6.4** Intra-ECOWAS agricultural imports, 2010–2012 and 2020–2022, US\$ billions



**Source:** 2024 AATM database and authors’ calculations.

Figure 6.4 shows the intraregional agricultural imports of each country in the West African zone for 2020–2022 and 2010–2012. The region’s largest importer of agricultural products in 2010–2012 was Nigeria, and in 2020–2022 it was Mali. The list of the largest intra-ECOWAS agricultural importers differs from the list of largest GDPs in 2020–2022, with no overlap between the top three positions in both rankings: Mali, Senegal, and Niger in descending order are the largest intra-ECOWAS agricultural importers; Nigeria, Ghana, and Côte d’Ivoire are the largest in terms of GDP. However, the last five intra-ECOWAS importers are also the five smallest in terms of GDP, although not in the same order: Cabo Verde, Liberia, Gambia, Guinea-Bissau, and Sierra Leone.

Nigeria saw its agricultural imports fall significantly between 2010–2012 and 2020–2022 (–52.4 percent in nominal terms). The largest increases in intra-ECOWAS agricultural imports over the period were recorded by Gambia (+95.9 percent, but this large increase in relative terms represents a small US dollar change: +US\$1.6 million), Guinea-Bissau (+85.8 percent, or +US\$1.6 million), and Niger (+72.4 percent; this large increase in relative terms represents a larger increase in US dollars than those of Gambia and Guinea-Bissau: +US\$76 millions).

## Top three partners

Tables 6.8 and 6.9 show the top three destinations for intraregional agricultural exports from each ECOWAS country, as well as the current value of these flows, averaged over 2010, 2011, and 2012 (Table 6.8) and over 2020, 2021, and 2022 (Table 6.9).

**Table 6.8** Top 3 destinations of agricultural exports from ECOWAS countries, 2010-2012

Country	Partner 1	Value (US\$ millions)	Partner 2	Value (US\$ millions)	Partner 3	Value (US\$ millions)
Benin	Nigeria	86.78	Niger	9.70	Côte d'Ivoire	2.99
Burkina Faso	Côte d'Ivoire	14.60	Ghana	13.17	Togo	6.41
Côte d'Ivoire	Burkina Faso	125.37	Mali	88.50	Senegal	81.77
Cabo Verde	Ghana	4.38	Nigeria	0.35	Guinea-Bissau	0.13
Ghana	Côte d'Ivoire	104.53	Nigeria	63.45	Togo	48.61
Guinea	Mali	1.72	Senegal	0.41	Gambia	0.11
Gambia	Nigeria	13.06	Senegal	8.84	Guinea	3.98
Guinea-Bissau	Gambia	0.10	Cabo Verde	0.05	Senegal	0.04
Liberia	Nigeria	1.04	Ghana	0.03	Gambia	0.02
Mali	Senegal	62.05	Côte d'Ivoire	41.93	Burkina Faso	10.66
Niger	Nigeria	48.61	Ghana	16.43	Côte d'Ivoire	1.95
Nigeria	Niger	44.62	Ghana	25.67	Côte d'Ivoire	18.27
Senegal	Mali	41.32	Guinea	37.62	Burkina Faso	20.48
Sierra Leone	Nigeria	0.24	Gambia	0.04	Ghana	0.03
Togo	Benin	25.89	Burkina Faso	11.78	Niger	7.33

**Source:** AATM database and authors' calculation.

**Table 6.9** Top 3 destinations of agricultural exports for ECOWAS countries, 2020-2022

Country	Partner 1	Value (US\$ millions)	Partner 2	Value (US\$ millions)	Partner 3	Value (US\$ millions)
Benin	Nigeria	10.35	Niger	9.40	Togo	3.03
Burkina Faso	Ghana	42.95	Côte d'Ivoire	34.85	Togo	20.46
Côte d'Ivoire	Mali	150.18	Burkina Faso	122.52	Ghana	118.58
Cabo Verde	Guinea-Bissau	0.03	Senegal	0.02	n.a.	n.a.
Ghana	Senegal	65.55	Côte d'Ivoire	47.03	Nigeria	29.77
Guinea	Senegal	2.03	Côte d'Ivoire	0.18	Gambia	0.18
Gambia	Guinea-Bissau	0.98	Mali	0.57	Senegal	0.42
Guinea-Bissau	Cabo Verde	0.07	n.a.	n.a.	n.a.	n.a.
Liberia	Côte d'Ivoire	26.54	Senegal	2.56	Togo	1.25
Mali	Côte d'Ivoire	5.42	Burkina Faso	0.69	Togo	0.29
Niger	Nigeria	28.59	Ghana	13.95	Côte d'Ivoire	4.36
Nigeria	Niger	56.13	Ghana	40.74	Senegal	16.75
Senegal	Mali	167.56	Guinea	53.10	Gambia	30.55
Sierra Leone	Senegal	8.95	Gambia	0.77	Benin	0.24
Togo	Niger	41.99	Benin	35.19	Ghana	26.30

**Source:** 2024 AATM database and authors' calculations.

**Note:** n.a. = not available.

According to the literature on gravity, international trade between two countries is greater the smaller the geographic distance between them and the higher their GDPs. This suggests that the top three destinations for each exporting country should be countries with a high GDP (the three highest GDPs in the region are recorded by Nigeria, Ghana, and Côte d'Ivoire) and a short distance away. This last criterion can be simplified by checking whether trade is greater between adjacent countries.<sup>20</sup> These conditions are easy to verify: in 36.6 percent of cases, Nigeria, Ghana, and Côte d'Ivoire are among the top three destinations for intraregional agricultural exports from ECOWAS countries. In 57 percent of cases, these are adjacent countries.<sup>21</sup> This is also interesting for the opposite reason, as 43 percent of cases are with nonadjacent countries, which is also significant. The economic activity of the importing country and geographic distance are therefore both significant factors in the intensity of agricultural trade within this REC. Of course, many other factors can also play a role, including the intensity of demand from countries outside the zone (and therefore their GDPs), the quality of transport and communication infrastructure, the presence of a common language, among others.

On the import side, Tables 6.10 and 6.11 show the top three origins of intra-ECOWAS agricultural imports for each country in the region. The gravity concept can also be applied here. In 53.3 percent of cases, Nigeria, Ghana, and Côte d'Ivoire (the high GDP countries) are among the top three origins of intra-ECOWAS agricultural imports: in 2020-2022, the top three intra-ECOWAS suppliers of agricultural products to Cabo Verde, Guinea-Bissau, Mali, and Nigeria are either Nigeria, Ghana, or Côte d'Ivoire, or Senegal (this is the fourth ECOWAS country in terms of GDP). In 47 percent of cases, the top three countries of origin are adjacent countries: for example, in 2020-2022, Senegal's top three intra-ECOWAS suppliers of agricultural products were Guinea, Mali, and Gambia.

**Table 6.10** Top 3 origin countries of agricultural imports for ECOWAS countries, 2010-2012

Country	Partner 1	Value (US\$ millions)	Partner 2	Value (US\$ millions)	Partner 3	Value (US\$ millions)
Benin	Togo	25.89	Côte d'Ivoire	9.44	Burkina Faso	5.06
Burkina Faso	Côte d'Ivoire	125.37	Senegal	20.48	Togo	11.78
Côte d'Ivoire	Ghana	104.53	Mali	41.93	Nigeria	18.27
Cabo Verde	Senegal	2.74	Ghana	0.72	Côte d'Ivoire	0.68
Ghana	Côte d'Ivoire	43.53	Nigeria	25.67	Niger	16.43
Guinea	Senegal	37.62	Côte d'Ivoire	10.86	Gambia	3.98
Gambia	Senegal	12.70	Côte d'Ivoire	2.68	Ghana	0.56
Guinea-Bissau	Senegal	13.04	Gambia	2.17	Nigeria	0.51
Liberia	Senegal	6.31	Côte d'Ivoire	3.61	Nigeria	2.31
Mali	Côte d'Ivoire	88.50	Senegal	41.32	Ghana	7.73
Niger	Nigeria	44.62	Côte d'Ivoire	19.77	Benin	9.70
Nigeria	Benin	86.78	Ghana	63.45	Niger	48.61
Senegal	Côte d'Ivoire	81.77	Mali	62.05	Gambia	8.84
Sierra Leone	Senegal	10.51	Mali	1.31	Nigeria	0.94
Togo	Ghana	48.61	Côte d'Ivoire	9.54	Nigeria	7.77

**Source:** AATM database and authors' calculations.

<sup>20</sup> The relation between contiguity and trade must be cautiously interpreted, as even for adjacent countries, trade can be small due to low quality of road infrastructure and high levels of corruption.

<sup>21</sup> Cabo Verde is not included in this computation because it is an island.

**Table 6.11** Top 3 origin countries of agricultural imports for each ECOWAS country, 2020-2022

Country	Partner 1	Value (US\$ millions)	Partner 2	Value (US\$ millions)	Partner 3	Value (US\$ millions)
Benin	Togo	35.19	Nigeria	5.93	Ghana	5.47
Burkina Faso	Côte d'Ivoire	122.52	Ghana	16.56	Togo	15.09
Côte d'Ivoire	Ghana	47.03	Burkina Faso	34.85	Senegal	26.71
Cabo Verde	Senegal	1.59	Côte d'Ivoire	0.14	Guinea-Bissau	0.07
Ghana	Côte d'Ivoire	118.58	Burkina Faso	42.95	Nigeria	40.74
Guinea	Senegal	53.10	Côte d'Ivoire	22.08	Nigeria	7.20
Gambia	Senegal	30.55	Nigeria	0.86	Sierra Leone	0.77
Guinea-Bissau	Senegal	26.39	Nigeria	2.76	Gambia	0.98
Liberia	Côte d'Ivoire	5.57	Senegal	0.76	Togo	0.27
Mali	Senegal	167.56	Côte d'Ivoire	150.18	Togo	18.18
Niger	Nigeria	56.13	Côte d'Ivoire	46.97	Togo	41.99
Nigeria	Côte d'Ivoire	31.76	Ghana	29.77	Niger	28.59
Senegal	Côte d'Ivoire	70.89	Ghana	65.55	Nigeria	16.75
Sierra Leone	Senegal	5.43	Côte d'Ivoire	0.85	Burkina Faso	0.31
Togo	Ghana	23.91	Burkina Faso	20.46	Nigeria	8.31

**Source:** 2024 AATM database and authors' calculations.

## Top commodities traded

Table 6.12 shows the top three agricultural products exported, and the value of these flows, within ECOWAS by each of its members in 2010-2012 and 2020-2022. In 2020-2022, vegetable oils, generally in the form of palm oil, are among the most exported products. Animals and animal products were among the products most exported by ECOWAS countries in 2010-2012 but were not in 2020-2022. Processed products are regularly positioned among the three most exported products: soups and broths, ice cream and other dairy products, pasta, and vegetable oils. Finally, it is interesting to note that for small countries, the ranking of the three most exported products changes frequently; this is less true for large countries such as Côte d'Ivoire, Nigeria, and Senegal.

**Table 6.12** Top 3 agricultural products exported by each ECOWAS country, 2010-2012 and 2020-2022, trade value in US\$ millions in parentheses

Country	2010-2012			2020-2022		
	Product 1	Product 2	Product 3	Product 1	Product 2	Product 3
Benin	Fowl meat (76)	Millet rice (36)	Turkey meat (24)	Sugar cane (5)	Vegetable oil (5)	Cotton seeds (5)
Burkina Faso	Cigarettes (5)	Tomatoes (4)	Onions, shallots (3)	Cotton (35)	Oil seeds (22)	Cashew nuts (12)
Côte d'Ivoire	Palm oil (121)	Coffee (38)	Soups, broths (37)	Palm oil (65)	Coffee (58)	Tobacco (57)
Cabo Verde	Rice (4)	Rice (1)	Milk, cream (1)	Plants (0.06)	Wheat (0.03)	Cocoa (0.01)
Ghana	Sweet potatoes (141)	Coffee (39)	Pasta (16)	Palm oil (73)	Wheat (20)	Cocoa (17)
Guinea	Wheat (1)	Wheat (1)	Bran (1)	Bran (1)	Coffee (1)	Coffee (1)
Gambia	Cocoa beans (26)	Milk, cream (2)	Sucrose (2)	Pepper (0.4)	Sucrose (0.4)	Linseed oil (0.3)
Guinea-Bissau	Tomatoes (0.05)	Milk, cream (0.04)	Linseed oil (0.03)	Nuts (0.04)	Groundnuts (0.02)	Palm oil (0.01)
Liberia	Cocoa beans (1)	Cigars (0.1)	Black tea (0.1)	Palm oil (11)	Palm nuts (0.5)	Palm oil (0.4)
Mali	Cotton (24)	Cattle (19)	Buffalo (19)	Tomatoes (1)	Cereals (1)	Cotton (1)
Niger	Onions, shallots (12)	Kidney beans (8)	Bovine animals (8)	Onions, shallots (11)	Dates (9)	Palm oil (5)
Nigeria	Cigarettes (52)	Pasta (7)	Sauces (7)	Cigarettes (89)	Sucrose (22)	Soups, broths (11)
Senegal	Soups, broths (63)	Cigarettes (35)	Milk, cream (15)	Soups, broths (135)	Cigarettes (39)	Food prep. (39)
Sierra Leone	Milk, cream (0.3)	Liqueurs (0.1)	Cereal groats (0.04)	Palm oil (9)	Palm oil (0.8)	Linseed oil (0.6)
Togo	Waters (12)	Ice cream (5)	Beer (4)	Palm oil (53)	Wine (15)	Milk, cream (14)

**Source:** 2024 AATM database and authors' calculations.

**Note:** Labels of the HS6 products have been shortened for this table. Processed agricultural products like cigarettes are included.

Table 6.13 shows the top three agricultural products imported from within ECOWAS by each of its members in 2010-2012 and 2020-2022, with the value of these flows. As with intraregional exports, similar characteristics can be seen in the three agricultural products most imported by ECOWAS countries: vegetable oils, cigarettes, and to a lesser extent, cereals, are the most frequently cited products. While animals and animal products were among the top imports in 2010-2012, this was no longer the case in 2020-2022, at least for the three most imported products. Finally, processed products are regularly found in this ranking.



**Table 6.13** Top 3 agricultural products imported by each ECOWAS country, 2010-2012 and 2020-2022, trade value in US\$ millions in parentheses

Country	2010-2012			2020-2022		
	Product 1	Product 2	Product 3	Product 1	Product 2	Product 3
Benin	Cigarettes (4)	Waters (4)	Palm oil (4)	Palm oil (15)	Beer (5)	Undenatured ethyl alcohol (3)
Burkina Faso	Tobacco (21)	Tobacco (21)	Wheat, meslin flour (20)	Tobacco (56)	Coffee (20)	Palm oil (14)
Côte d'Ivoire	Sweet potatoes (281)	Cigarettes (19)	Cattle (12)	Cotton (87)	Cigarettes (21)	Palm oil (13)
Cabo Verde	Buffalos (12)	Millet rice (3)	Cigarettes (2)	Cigarettes (1)	Pasta (0.1)	Waters (0.1)
Ghana	Maize (corn) (1)	Cocoa beans (20)	Onions, shallots (12)	Palm oil (51)	Oil seeds (20)	Palm oil (17)
Guinea	Pasta (7)	Milk, cream (12)	Soups, broths (11)	Soups, broths (22)	Food prep. (14)	Cigarettes (14)
Gambia	Cigarettes (6)	Soups, broths (5)	Extracts coffee (3)	Soups, broths (14)	Food prep. (2)	Nonalcoholic beverages (2)
Guinea-Bissau	Groundnut oil (1)	Rice (4)	Soups, broths (3)	Soups, broths (8)	Cigarettes (3)	Nonalcoholic beverages (2)
Liberia	Milk, cream (1)	Cigarettes (7)	Oil-cake (4)	Rice (1)	Sauces (0.4)	Millet rice (0.3)
Mali	Millet rice (3)	Soups, broths (41)	Palm oil (27)	Soups, broths (61)	Rice (27)	Palm oil (26)
Niger	Vegetable oils (14)	Cigarettes (35)	Maize (corn) (11)	Cigarettes (52)	Palm oil (37)	Soups, broths (29)
Nigeria	Palm oil (8)	Fowl meat (76)	Millet rice (36)	Palm oil (18)	Cocoa (17)	Soups, broths (10)
Senegal	Turkey meat (24)	Palm oil (54)	Cotton (24)	Palm oil (83)	Coffee (23)	Sucrose (18)
Sierra Leone	Sheep (9)	Cigarettes (9)	Cotton (2)	Soups, broths (5)	Nonalcoholic beverages (0.4)	Wine (0.3)
Togo	Soups, broths (1)	Coffee (39)	Cigarettes (11)	Cotton (8)	Wheat or meslin flour (8)	Cigarettes (8)

**Source:** 2024 AATM database and authors' calculations.

**Note:** Labels of the HS6 products have been shortened for this table. Processed agricultural products like cigarettes are included.

## Regional introversion of ECOWAS countries

Constructing indicators to measure the degree of trade integration in a region is useful, not only to see whether this integration is increasing over time, but also to compare the level of integration at a given point in time between different regions. It is tempting to use a simple indicator: the share of regional trade in total trade.

Using this indicator, we find that the share of intra-ECOWAS agricultural exports in total ECOWAS agricultural exports in 2010-2012 and 2020-2022 (again averaged over three years) was 8.1 percent and 8.0 percent, respectively, while for WAEMU, these shares for the same periods were 6.9 percent and 6.3 percent.<sup>22</sup> This illustrates the limitations of this trade indicator, given that one would expect it to show a higher degree of trade integration within WAEMU, but it indicates the opposite.

As mentioned earlier, WAEMU is an organization of eight West African countries that use the CFA franc as their common currency, with the aim of promoting economic integration among the group. WAEMU members are Benin, Burkina Faso, Guinea-Bissau, Côte d'Ivoire, Mali, Niger, Senegal, and Togo. Yet, since the WAEMU has established not only a free trade area and a customs union but also a common currency, it can be assumed that trade integration is stronger in the WAEMU than in ECOWAS. The existence of different currencies is seen by economists as an obstacle to international trade (Bergin and Lin 2012; Glick and Rose 2016). However, using the share of intraregional trade in total trade as our indicator, we might be tempted to conclude that agricultural trade integration is stronger in ECOWAS than in WAEMU, and that the degree of integration fell slightly between our two periods.

Thus, this indicator is biased, both for comparisons between countries at a given date and for a country over time. Trade shares depend not only on the degree of integration within the region, but also on factors such as geography, the competitiveness of the regional countries in world markets, and economic activity. For example, even if all the barriers to intraregional trade have been removed, a region will have a low indicator if the member countries are poor and therefore demand and import few products from each other. To give another example, if the competitiveness of the countries in the region falls significantly in relation to the rest of the world, the extraregional trade of the countries in the region will fall and so the ratio will rise, although this will not be the result of greater integration between the countries in the region.<sup>23</sup>

The construction of a coherent indicator to measure a region's degree of trade integration has given rise to an abundant literature. The best indicator is the one first presented by Lapadre and Luchetti (2010). Their regional trade introversion index (RTI) has a number of interesting properties; in particular, it is symmetrical, independent of the size of the region, and increases only if intraregional trade grows faster than extraregional trade. It also allows comparisons to be made between groups of countries at a given date, and a positive (negative) sign indicates that a region is more (less) introverted than extraverted.<sup>24</sup>

A computation of the RTI indexes for ECOWAS yields 0.71 for 2010-2012 and 0.77 for 2020-2022. For WAEMU, the same indexes are 0.89 and 0.88, respectively. By this measure, agricultural trade within both regions is more introverted than extraverted. WAEMU appears to be more integrated than ECOWAS in terms of agricultural trade. On the other hand, in

22 For a region R, the share of intraregional trade ( $SIT_R$ ) is given by:  $SIT_R = \frac{\sum_{r \in R} \sum_{s \in R} (X_{r,s} + X_{s,r})}{\sum_{r \in R} (X_r + X_r)}$ , where  $r, s$ : countries;  $R$ : region  $R$  (mainly RECs);  $X_r$ : Total exports of country  $r$ ;  $X_r$ : Total imports of country  $r$ .

23 See Bouët, Cosnard, and Laborde (2017) for a review of literature and an application to the African case.

24 The regional trade introversion index ( $RTI_R$ ) is based on a modified version of the intraregional intensity index ( $MIRTIR$ ) and the extraregional intensity index ( $MERTIR$ ). With notations defined in a previous footnote, the  $RTI_R$  is given by:

$$RTI_R = \frac{MIRTIR - MERTIR}{MIRTIR + MERTIR}, \text{ where: } MIRTIR = \frac{\sum_{r \in R} \sum_{s \in R} (X_{r,s} + X_{s,r}) / (\sum_{r \in R} (X_r + X_r))}{\sum_{r \in R} \sum_{s \in R} (X_{r,s} + X_{s,r}) / (\sum_{r \in R} (X_r + X_r))} = \frac{SIT_R}{\beta_R} \text{ and } MERTIR = \frac{(1 - SIT_R)}{(1 - \beta_R)}$$

ECOWAS, agricultural trade integration increased between 2010–2012 and 2020–2022, whereas it decreased very slightly in the WAEMU over the same period.

In addition to this picture provided by the analysis of formal trade, examining informal and cross-border trade provides another perspective. It is well-known that formal measurement of trade in Africa is not done well and that informal trade is common, especially in the agriculture sector. The following section examines this component of intraregional trade.

### Informal cross-border trade flows in ECOWAS

Informal trade, defined here as unregistered trade, is a major phenomenon in Africa and is flourishing in ECOWAS as in other African regions. There are many explanatory factors, and of these, two appear to play a key role in West Africa: on the one hand, the existence of numerous ethnic groups whose territory of economic activity extends into several ECOWAS countries and who have historically developed informal trading practices; on the other hand, the absence of customs duties on trade in local products. When border taxes were in place, they encouraged customs officials to exercise control over border crossings, including registering trade, often to demand the payment of bribes (Bouët, Glauber, and Pace 2018). Other drivers explain trade that avoids border controls, including NTMs, border harassment, and import or export bans.

Another factor explaining the importance of informal agricultural trade in West Africa, as in other African regions, is the extent of poverty. The lack of jobs pushes many people into the informal sector, and an important activity in this sector is agricultural cross-border trade, which allows individuals or informal businesses to cross the border with small quantities without being registered and to profit from cross-border differences in the price of the good transported. This type of activity is a key source of income for the families of informal traders, who have an average of eight dependents in West Africa, according to a World Bank survey. In addition, a significant proportion of informal cross-border traders are women, who experience inequitable treatment, such as sexual harassment and extortion of bribes (Karoff 2021).

With informal trade continuing at apparently significant levels, the accuracy of official trade statistics has been regularly questioned across the continent. In West Africa, an initiative to measure real agricultural trade has emerged from Burkina Faso and the CILSS. Collectors gather information on intraregional trade flows in 178 agricultural products<sup>25</sup> every day of the year from all the major marketplaces in the region and transmit it to focal points, who check the quality of the data (see Bouët et al. 2021a). This initiative, now called ECO-ICBT, has been running since 2010 and is coordinated between CILSS and professional agricultural organizations.

Table 6.14 shows intraregional trade for 2018 from exporting countries (in the rows) to importing countries (in the columns): for example, Burkina Faso exported US\$6,711,000 worth of these 178 agricultural products to Benin. The same table shows Comtrade figures for total exports and imports of these 70 HS6 lines by these countries in 2018.

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<sup>25</sup> For the comparison conducted here, these 178 agricultural products have been transformed into 70 HS6 products. The CILSS database is richer than the United Nations Comtrade database. For example, the first database provides trade statistics on four types of niébé (cowpeas), these four products being classified under HS code 071335: vegetables, leguminous; cowpeas (*Vigna unguiculata*), shelled, whether or not skinned or split, dried.

**Table 6.14** Regional trade of CILSS-monitored products, 2018, ECO-ICBT data and comparison with Comtrade data, US\$ thousands

	Benin	Burkina Faso	Côte d'Ivoire	Ghana	Guinea	Mali	Mauritania	Niger	Nigeria	Senegal	Togo	Total ECO-ICBT	Total Comtrade	Ratio
Benin		1,672		345				1,080	8,795		665	12,557	0	n.a.
Burkina Faso	6,771		96,415	52,986		1,571		6,754	565	43	14,373	179,478	160	1,121.7
Côte d'Ivoire	62	7,410		213	105	5,505	14	132	4,187	2,807		20,435	295	69.3
Ghana		6,209						684	305		3,334	10,532	0	n.a.
Guinea									755			755	0	n.a.
Mali		357	61,526	322	21,976				118	46,676		130,975	37	3,539.9
Niger	571	1,113	313	23,499					14,485			39,981	7,813	5.1
Nigeria	1,561			596				36,617				38,774	5	7,754.8
Togo	2,080	2,455		13,066					27			17,628	0	n.a.
Total ECO-ICBT	11,045	19,216	158,254	91,027	22,081	7,076	14	45,267	29,237	49,526	18,372	451,115	8,310	54.3
Total Comtrade	5	334	39	7,932	0	0	0	0	0	0	0			
Ratio	2,209.0	57.5	4,057.8	11.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			

**Source:** Bouët et al. 2021a.

**Note:** Exporting countries are in rows, importing countries in columns. n.a. = not available.

The discrepancies between the two databases are very significant. For example, in 2018, Burkina Faso's imports of these 178 products from the nine ECOWAS countries indicated in the column amounted to more than US\$19 million, whereas the Comtrade database indicates that these imports from the same bilateral relations on the 70 HS6 lines amounted to only US\$334,000. The statistics given by CILSS are thus 57.5 times higher in this case, and on average, the trade flows indicated by CILSS are 54.3 times greater. The implications of these discrepancies is that the ECOWAS region is more integrated than the official trade data suggest.

### Key Achievements and Challenges

Since its creation, ECOWAS has recorded substantial progress, despite important challenges. This progress covers all areas of integration, from the free movement of people to trade policies.

#### Free movement of people, formal tariffs, and customs union: Key achievements

Since the creation of ECOWAS in 1975, cooperation between member states in the fields of trade, customs, taxation, statistics, currency, and payments has been one of the REC's key objectives. The founding treaty of 1975, revised in 1993, has been supplemented by various additional texts that have shaped the organization's development and provided a framework for its integration practices. These include:

- Protocol A/P1/5/79 on the free movement of persons, the right of residence and establishment, adopted in Dakar on 25 May 1979
- Convention A/P4/5/82 of 29 May 1982 on the establishment of Interstate Road Transit for Goods (IRRT)
- Protocol A/P.1/1/03 of 31 January 2003 concerning the definition of the concept of products originating in ECOWAS member states
- Regulation C/REG.4/4/02 on the adoption of a certificate of origin for products originating in the Community
- Decision A/DEC.17/01/06 establishing the ECOWAS Common External Tariff (CET)

These texts have facilitated the application of measures to strengthen integration in the subregion. For example, in terms of the free movement of people, significant progress has been made. As a result, no visa is required anywhere for nationals of member states to travel within the ECOWAS zone. West African nationals now have the right to move freely and to settle wherever they wish within the REC, to carry out an economic activity or not. In addition, ECOWAS member states have implemented a common design for a regional passport, which is intended to facilitate the intraregional travel of member state citizens for periods of unlimited duration. The passport can be used within the subregion and is also recognized for international travel.

In terms of the free movement of goods, ECOWAS has made great progress with the entry into force of the CET in 2015. The implementation of the customs union has facilitated the movement of goods. However, it has encountered several practical difficulties. In 2018, the ECOWAS Regional Agency for Agriculture and Food (RAAF) commissioned an evaluation of the implementation of the CET (ARAA 2018), which found that ECOWAS member countries are applying several NTMs to protect their agriculture sectors. The assessments carried out as part of this evaluation revealed that the most protected sectors are not always strategic sectors

(as in the case of the meat sector in Benin) and that strategic sectors are poorly protected: rice, sugar, milk powder, onions and shallots, tomato paste, and vegetable oils (except in Benin and Burkina Faso).

In addition, all ECOWAS member states have signed the AfCFTA, and, to our knowledge, only Benin and Liberia have not yet ratified the agreement. In addition, following Ghana, several ECOWAS countries<sup>26</sup> are candidates to be part of the second phase of the Guided Trade Initiative, which was set up to speed the implementation of the AfCFTA. This could reinforce the progress of integration in the ECOWAS zone and intensify intracommunity and intra-African trade by eliminating tariff and nontariff barriers.

### Remaining challenges

The various aspects of regional integration presented above show that ECOWAS has made significant progress since its creation. These advances can be seen in the free movement of people, as well as in trade integration in general and agricultural trade in particular. Nevertheless, some challenges remain on the road to genuine trade integration in West Africa.

The first challenge is political. Four coups d'état have taken place in the region in just four years: in Mali in August 2020, in Guinea in September 2021, in Burkina Faso in January 2022, and in Niger in July 2023. In line with its fundamental principles (the promotion and consolidation of a democratic system of government in each member state is enshrined in the Abuja Declaration of Political Principles), ECOWAS has denounced these coups and called for the restoration of democracy in these countries. The regional organization sanctioned Mali, for example, by suspending its membership and closing its borders. In January 2024, Burkina Faso, Mali, and Niger announced that they were leaving ECOWAS with immediate effect, on the pretext that the organization was not helping them enough in their fight against terrorism. The trade effects of these announcements are impossible to estimate today, given that they are so recent and given a lack of current information on both the customs regime applied by these countries to products from the rest of ECOWAS and that applied by the rest of ECOWAS to products from these three countries. Undoubtedly, in addition to the consequences for democracy, these announcements create much uncertainty, which is bound to be damaging for traders and investors. Structural insecurity, which is related to political instability, also impacts trade routes and corridors.

The second challenge relates to monetary integration. ECOWAS is made up of 15 countries, 8 of which share a single currency (WAEMU)—the CFA franc—and 7 of which have their own currency.<sup>27</sup> The adoption of a single currency (see the discussion on the ECOWAS single currency in this chapter) would certainly have an accelerating effect on trade (Bergin and Lin 2012; Glick and Rose 2016); moreover, we have seen that today, agricultural trade introversion is higher among WAEMU countries than within ECOWAS.

The third challenge is the creation of a customs union in Africa. The transition from a free-trade area to a customs union is a difficult stage in regional integration, because while the barriers to intraregional trade will remain unchanged, those to imports from the rest of the world will be modified in ways that are difficult to predict. Bouët et al. (2024) show that many choices are possible: the economic and commercial implications will vary greatly from one African country to another, depending on the selected common external tariff and the objective defined by the negotiators, which could be maximizing GDP, or welfare, or intra-African trade. Moreover, discussions are likely to be long and difficult, since a tariff structure reflects collective preferences and economic characteristics specific to each country.

<sup>26</sup> These include Côte d'Ivoire, Ghana, Nigeria, Senegal, and Togo.

<sup>27</sup> Escudo for Cabo Verde, dalasi for Gambia, cedi for Ghana, Guinean franc for Guinea, Liberian dollar for Liberia, naira for Nigeria, and leone for Sierra Leone.

The fourth challenge facing the ECOWAS countries is the fight against corruption. It is well documented that police, gendarmerie, and customs officials often take bribes to facilitate intraregional trade flows, sometimes on a substantial scale. It has also been shown that these bribes have a significant negative effect on the intensity of intraregional trade in West Africa, favor smuggling, and exacerbate food insecurity (Bouët et al. 2021b; Bouët, Sall, and Traoré 2023).

The fifth challenge is statistical. The quality of intraregional trade data is low, even very low (Bouët et al. 2021a), particularly since the abolition of customs duties on intraregional trade, which is said to have reduced the incentive for customs officials to collect reliable information on cross-border transactions. Collecting reliable trade data is a key issue for public authorities in all countries, and particularly in West African countries. First, reliable data make it possible to estimate a country's trade balance accurately and is therefore a key tool for defining macroeconomic policies and evaluating competitiveness. Second, reliable customs data on agricultural products make it possible to determine what is going out of a country and what is coming in for each agricultural commodity, information which can be used to determine food balances and prevent malnutrition and famine. A priority in West Africa, where food security has been deteriorating since 2015, is to build up a reliable statistical system at the macroeconomic level in general, and at the customs level in particular. At the continental level, the recent initiative by the African Union, UNECA, and Afreximbank that aims at harmonizing the collection of informal trade data is a good step toward accurate statistics.

Of course, another challenge in the long term is the productive transformation of the region. Trade is about exchange of goods, meaning that if the objective is more intraregional trade, producing both more and more diverse products is needed.

### Conclusions

West Africa has a long tradition of regional integration that goes back to the age when African empires and kingdoms dominated the area. The early tentative integration initiatives launched as countries achieved independence followed that tradition, although with limited success. In that context, ECOWAS is one of the institutions that emerged and remained active over the years. Functioning for almost 50 years, it is now one of the most advanced RECs in Africa. It has become a key institution in West Africa with 15 member states, whose relative success is attracting external partners such as Morocco. However, its future remains uncertain as political tensions between some member states and the REC organization are casting doubt as to its sustainability.

ECOWAS has registered successes, particularly in the free movement of people, which is now a reality. Regarding goods, the internal liberalization process started in the early 1980s, and the REC became a formal customs union in 2015. The resulting trade policy entails an overall level of protection of agriculture sectors that is higher than the protection afforded to the rest of the economy. However, the agriculture sector is less protected on average in ECOWAS than in other African RECs. While tariffs have been formally removed, NTMs and other trade costs remain an issue. The region suffers from the low quality of its infrastructure and its logistic performance. Indeed, in these areas, ECOWAS is below the continental averages in most cases.

Agricultural trade within the ECOWAS region is more introverted than extraverted. Past studies show that the degree of introversion has been stable over time and is the second highest among RECs in Africa (Odjo, Traore, and Zaki 2019). Within ECOWAS, WAEMU is more integrated and introverted compared with the rest of the group. Also, in accordance with the economic literature, regional trade flows within ECOWAS reflect the predictions of the gravity theory: trade between two countries is greater the smaller the geographic distance and the

higher their GDPs. It is also worth noting that significant informal cross-border trade flows take place in the region, often unrecorded in official statistics, and make an important contribution to food security.

As we look forward, many challenges remain despite the (formal) success in agricultural trade liberalization. One of the main challenges remains red tape and bribes that erase the benefits of formal liberalization, threaten food security, and lower the quality of perishable products. In the same vein of reducing trade costs, the adoption of a common currency can facilitate trade, as currency diversity and volatility can impede trade. However, the implementation of the common currency agenda, which was supposed to be effective in 2020, has suffered significant delays. Another significant challenge is the region's political instability and its management (embargos, sanctions, and so on), which constitute a non-business-friendly climate and compromise regional integration. There is also a risk of disintegration or fragmentation in the region with the withdrawal of some countries from ECOWAS (Mali, Burkina Faso, and Niger), although it is not clear at this stage whether these withdrawals will be definitive or not. Finally, a good monitoring process for regional integration is necessary. The starting point for such a process is the availability of reliable trade data, including on informal trade, which is pervasive in the region and should be included in official statistics. Fortunately, recent initiatives launched by ECOWAS with other regional partners are trying to address this issue.

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