

Regional Integration Observer

Vol. 2 No. 1

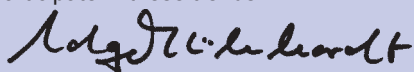
April 2008

Editorial

The first Regional Integration Observer of the Center for European Integration Studies has received worldwide interest. We are grateful for all the reactions and suggestions that have reached us from all corners of the world. This outpouring of interest suggests that we are touching on an issue of great importance across the globe. Regional integration has become a worldwide reality and so has the interest to reflect more about the experiences of others. Not only in order to better understand one's own mistakes and shortcomings, but also in order to better understand the dynamic (or lack of it) in one's own region, it is helpful to look beyond the own region and learn what others are coping with.

This is the purpose of ZEI'S Regional Integration Observer. This observer is a genuine expression of the mandate of ZEI to deal with unresolved questions of regional integration and to add outreach activities to our ongoing research work. We will continue to combine field and book research on aspects of comparative regional integration, outreach activities like this observer and post-graduate further education, especially through our Summer Academy on Comparative Regional Integration. After its splendid success in 2007, we are looking forward to its second round, a two week event to be held at ZEI in Bonn in September 2008. We will surely report about its content and result – or better: we will give participants the floor in doing so in one of the next Regional Integration Observers.

This Regional Integration Monitor is focussing on recent developments in the Economic Community of West African States (ECOWAS). Being the prime engine of regional integration on the African continent, ECOWAS is currently undergoing impressive transformations aimed at defining new priorities and objectives. The ECOWAS priorities and objectives may also serve as a source of inspiration for other regional groupings anywhere else in the world. We are grateful for our authors to let us readers participate in these trends.



Prof. Dr. Ludger Kühnhardt
Director, Center for European Integration Studies (ZEI)



ECOWAS Commission, Abuja, Nigeria

Democratic Regionalisation in West Africa: Evidence from the ECOWAS Parliament

Dr. Nelson O. Magbagbeola / Mr. Ambassador Onoja*

Economic Community of West African States (ECOWAS), which is the umbrella regional economic community (REC) in West Africa, comprises fifteen West African countries, and it is the most populous of the RECs in Africa. ECOWAS Member States occupy a land surface area of 5.1 million km², which accounts for 17% of the total area of the African continent. The largest countries are Niger (24.8%) and Mali (24.3%) while the smallest country is Cape Verde (0.1%). The West African population was estimated in 2007 at 270.5 million inhabitants. Nigeria is the most populous country in the region with an estimated population of 140.1 million (51.8%) while the least populous Member State is Cape Verde with a population of 0.5 million (0.2%). Eleven of the Member States of the Community are classified as least developed countries by the United Nations.

The treaty setting up ECOWAS was signed on 28 May 1975 in Lagos, Nigeria. Signatories to the treaty were Benin (formerly Dahomey), Burkina Faso (formerly Upper Volta), Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone and Togo. Cape Verde, the sixteenth State, later joined the organization in 1977. In response to the developmental challenges that the ECOWAS region was facing in respect of good governance, peace and security, the 1975 Treaty was revised in 1993 by the Authority of Heads of State and Government.

The ECOWAS Revised Treaty, which was signed in Cotonou on 24 July 1993 and entered into force on 23 August 1995, endows ECOWAS with supranational powers: Member States agreed to partial surrender of national sovereignty in order to make possible the creation of a regional economic identity.

ECOWAS was thus strengthened insti-

tutionally through the establishment of the Community Court of Justice and the Community Parliament. Another important provision was the introduction of financial autonomy through the Community levy. The broadening of the ECOWAS mandate include active regional cooperation in the political and defence fields. Although the ECOWAS Parliament (also known as the Community Parliament) was established under articles 6 and 13 of the 1993 Treaty and its protocol signed on 6 August 1994, the protocol (Protocol A/P2/8/94) did not enter into force until 14 March 2002. Since its establishment, the Parliament has made concerted efforts to promote democratic regionalism in West Africa through informed representation of the peoples' views on the integration agenda and programmes of the Community.

To what extent has the Community fostered democratic regionalism and what are the impediments militating against its march towards becoming a renowned Community Parliament like the European Parliament?

The ECOWAS Parliament is a forum for engagement in dialogue, consultation and consensus for representatives of the peoples of West Africa with the aim of promoting integration. It is imperative to note that ECOWAS, as stipulated in the 1993 Treaty, affirms and declares its adherence to the following principles which are critical ingredients of democratic process:

- Equality and Interdependence of Member States;
- Solidarity and Collective Self-Reliance;
- Inter-State Co-operation, Harmonization of Policies and Integration Programmes;
- Non-Aggression among Member States;
- Maintenance of Regional Peace, Stability and Security through the promotion and strengthening of good neighbourliness;
- Peaceful Settlement of Disputes among Member States, Active Co-operation between neighbouring countries and promotion of a peaceful environment as a prerequisite for economic development;
- Recognition, promotion and protection of human and peoples' rights in accordance with the provisions of the African Charter on Human and Peoples' Rights;
- Accountability, Economic and Social Justice and Popular Participation in Development;
- Recognition and Observance of the Rules and Principles of the Community;
- Promotion and Consolidation of a Democratic System of Governance in each Member State as envisaged by the Declaration of Political Principles adopted in Abuja on 6 July, 1991; and
- Equitable and Just distribution of the Costs and Benefits of Economic Co-operation and Integration.

The Parliament aims at fostering the achievement of the lofty objectives of the Community, particularly the realization of the

Vision 2020 of the Community which is to transform the Community from an ECOWAS of States to an ECOWAS of People through the creation of a single economic space in which its people transact business and live in dignity and peace under the rule of law and good governance.

The protocol relating to the establishment of the Community Parliament provides for the structure, composition, competence and other matters relating to the Parliament. However, a supplementary protocol (A/SP.3/06/06) amending protocol A/P2/8/94 relating to the Community Parliament entered into force temporarily upon its signature on 14 June 2006. The Parliament commenced its first legislative business on 16 November 2000 and ended on 15 November 2005. The parliamentarians are usually elected from the national parliaments of Member States to the ECOWAS Parliament. Election of parliamentarians by direct universal suffrage is expected to commence at the end of the second legislature tenure in 2010.

The House of Representatives of the peoples of the Community which is designated "Community Parliament" has its seat in Abuja, the Federal Capital of Nigeria. As stipulated in Article 5 of the Protocol of the Parliament, the Parliament should consist of one hundred and twenty (120) seats with each Member State having a guarantee of a minimum of five (5) seats. The remaining forty (40) seats are, however, shared on the basis of population. The current composition of the Parliament in terms of number of representatives per country shows that Nigeria, whose population and gross domestic product (GDP) constitute 52% and 57% of ECOWAS population and GDP respectively, has 35 seats which is the highest and constitutes about 29% of the seats in the Parliament. In other words, out of every four parliamentarians in the ECOWAS Parliament, one is a Nigerian.

However, whenever necessary, the number and distribution of seats can shall be reviewed by the Authority of Heads of State and Government of the Community on its own initiative or on the recommendation of the Parliament.

As stipulated in the protocol (Article 6), the Parliament may be consulted for its opinion on matters concerning the Community. However, the opinion of the Parliament shall be sought in the following areas:

- Inter-connection of the communications links between member states so as to make free movement of persons and goods effective
- Inter-connection of telecommunication systems to form an effective community network with the maximum possible number of extensions to the rural areas to make them more accessible
- Inter-connection of energy networks
- Increased cooperation in the area of radio, television and other

media links between the community and the rest of the world, development of national communications systems to form an integrated, effective community system with its own programmes

- Public health policies for the community
- Common educational policy through harmonization of existing systems and specialization of existing universities, adjustment of education within the community to international standards
- Youth and sports
- Scientific and technological research
- Community policy on environment
- Treaty review
- Community citizenship
- Social integration
- Respect for human rights and fundamental freedom in all their plenitude

Many ECOWAS Institutions had, in the past, referred matters to the Community Parliament for its opinion. For instance, during the first ordinary session (15 to 28 May 2007) of the second legislature of the Community Parliament, the ECOWAS Commission sought its opinion on the following draft texts:

- Draft supplementary Act adopting the Community rules on competition and their application modalities within the ECOWAS region.
- Draft supplementary Act establishing an ECOWAS regional Authority on Competition, defining its duties and functions.
- Draft supplementary Act adopting the Community rules on investment and their application modalities within the ECOWAS region.
- Draft convention on cross-border cooperation in the ECOWAS region.

In addition, the Parliament during its 2007 second ordinary session (19 to 29 September 2007) expressed its opinions on some draft texts submitted to it by ECOWAS Commission, namely (i) draft supplementary act relating to the creation of a regional body for regulating the electricity sector (ii) draft supplementary act relating to the amendment of articles 19 (3) and 89 of the ECOWAS Revised Treaty and (iii) draft ECOWAS Common Approach on migration. The opinions expressed by the Parliament on these matters were favourable and had been transmitted to the ECOWAS Commission. In addition, the Parliament, during its ordinary sessions, considers the reports presented by the Parliamentary delegation of each of the Member States. The different national reports usually focus on:

- Political situation and election
- Status of ratification of protocols and decisions
- Peace and security and
- Community levy which is a veritable means of funding ECOWAS projects by Member States.

An examination of the status of ratification

Economic Community of West African States (ECOWAS)

Facts and Figures

Members

Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo

General

- regional organization formed in 1975
- revision of the Treaty in 1993
- Mauritania left the organisation in 2002

Main objective

To promote cooperation and integration, with a view to establishing an economic and monetary union as a means of stimulating economic growth and development in West Africa

Basic Principles

- Equality and interdependence of Member States
- Cooperation between Member States
- Solidarity and collective autonomy
- Policies and programmes harmonisation
- Nonaggression between Member States
- Peace keeping, stability and security at the regional level
- Peaceful settlement of conflicts
- Respect, promotion and protection of human rights
- Promotion and consolidation of democracy
- Transparency, economic and social justice

Institutions of ECOWAS

- The Conference of Heads of State and Government
- The Council of Ministers
- The Executive Secretariat
- The Community Parliament
- The Community Court of Justice
- The Economic and Social Council (to be created)
- The West African Health Organisation
- ECOWAS Bank for Investment and Development
- ECOWAS Regional Development Fund
- ECOWAS Regional Investment Bank (
- West African Monetary Agency
- West African Monetary Institute
- Specialized Technical Commissions

Source: <http://www.ecowas.int/>

of protocols and decisions shows that out of the 52 protocols and conventions signed from 1978 to 1st June 2007, none of the Member States has ratified all. The status of ratification ranges between 40% and 83%. An analysis of the ratification status further shows that three countries namely Cape Verde, Guinea Bissau and Liberia, have not ratified up to 50 percent of the signed protocols and conventions. While Cape Verde and Guinea Bissau (the lusophone Member States of ECOWAS) have yet to ratify 31 and 27 protocols and conventions respectively, Liberia (an anglophone Member State) has 28 protocols and conventions yet to be ratified by the national parliament.

Moreover, Guinea Bissau has yet to submit the instruments of the Revised Treaty to ECOWAS Commission. It is presumed that the protracted war in Liberia may have accounted for the delay in ratification while the minority status of the lusophone Member States in the Community may account for the poor rate of ratification in the two lusophone Member States. There is therefore need for ECOWAS parliamentarians to facilitate the speedy ratification of the protocols and conventions in their Member States.

Moreover, as the election through direct universal suffrage comes up in 2010, it is expected that the laws passed by the Community Parliament will no longer be advisory, but legally binding. It is then the wishes of the peoples of the region can be democratically translated into the regional integration agenda of the Community.

In addition to providing parliamentary opinion on matters referred to it by ECOWAS Institutions, the Parliament has recorded the following achievements:

- Brokered peace process in the Mano River Region of Liberia, Sierra Leone and Guinea.
- Sped up the process of adoption and implementation of ECOWAS decisions, protocols and treaties.
- Widened the scope of participation of the ECOWAS peoples through its collaboration with the civil society and the bringing on board of many Non-Governmental Organizations and Community-Based Organizations, a very focal point and nexus of democratic integration process.
- Advanced the cause of democracy and good governance through its support, mediation, and diplomatic shuttles and peace missions to conflict zones in the region.
- Made texts, drafts and resolutions and amendment of protocols, and treaties in compliance with a people-oriented integration of the region.
- Partnered, collaborated and shared experiences with the African Union Commission, NEPAD Secretariat, the UN Agencies, the European Union, the African-Caribbean-Pacific (ACP) Secretariat, etc to draw support for the region's integration and development process.

- Critical engagement in election monitoring in many countries of the region like Nigeria, Benin Republic, Sierra-Leone, Liberia, Guinea, Togo, the Gambia, Ghana etc.
- Made key inputs in the administration of ECOWAS institutions through the timely sharing of experiences and feed backs to the parliament by the heads of such institutions or their delegates at the House Sittings.
- Institutional re-engineering of the organs and institutions of ECOWAS through the setting of some criteria or standard of conformity and capacity building.
- Convened parliamentary sittings in different countries of the region to bring the integration process closer to the people and build confidence; rather than holding all the sittings in Abuja, Nigeria; which is the seat of the parliament.
- Surveillance on the economic and political developments within the region and intervention at appropriate times where need be.
- Early warning and proactive measures to forestall full blown crises through its shuttle diplomacy and country-specific collaboration.
- A program of Action at advanced stage to kick-start the process of membership election through universal suffrage to give the parliament legitimacy.
- Promotion of youthful activities and participation across the region.
- Budget Appropriation for ECOWAS Institutions.
- Facilitation of payment of development levy by Member States.
- Image making for ECOWAS and the integration process and deepening of relations among Member States and with development partners.
- Contributed to the processes of Trade Liberalization, Macro-economic convergence, creation of customs union and free movement of persons, goods; and investment across the borders.
- Raised awareness through the Mass Media and mobilized Media establishments within and outside the Community to support ECOWAS institutions and agencies.
- Engaged the private sector, which is the driver of economic growth, to invest in the region.

ECOWAS is encouraged by the successes recorded by the EU, especially the European Parliament, in promoting integration and development of Europe through democratic regionalism. Concerted efforts are being made by ECOWAS to build a single economic space in West Africa where the region's enormous potential could be unlocked while remaining competitive and relevant in the rapidly changing global environment. In spite of the remarkable achievements recorded by ECOWAS, its challenges remain taxing. To overcome these challenges, ECOWAS needs to focus on four critical areas which could be referred to as the bedrock of advancing and deepening the process of democratic inte-

gration from the parliamentary perspective.

These areas are election through universal suffrage, oversight role, ratification of protocols and conventions, and supremacy of regional laws over national laws. On the election through universal suffrage, it is imperative that the issue is concluded within the stipulated timeframe to give the parliament legitimacy to perform its statutory functions within the framework of democratic regionalism. This will open up a wider space for the active engagement and participation of civil society and other professional groups.

Secondly, there is need to ensure that the current advisory role of the Parliament is extended to functional oversight responsibility on the other institutions of ECOWAS. This will make officials of the Community (ECOWAS) institutions and agencies to be accountable to the people of the region.

Thirdly, given that there is high variance in

the rate of ratification of Community protocols and conventions (from Cape Verde's 40% to Ghana's 83% as at 1st June 2007), parliamentarians from each Member State should be encouraged to facilitate the ratification process in their national parliaments and defaulting Member States sanctioned.

In the case of the lusophone Member States, it is important to make the presence of ECOWAS felt there through holding of parliamentary sittings in Bissau and Praia. Moreover, Guinea Bissau should be encouraged to submit the instruments of the Revised Treaty to the ECOWAS Commission, if it has been ratified. If it is yet to be ratified, the process of its ratification should be accelerated.

Finally, it is important to sensitize the Community citizens over the supremacy of regional laws over national laws in case of conflict between the former and the latter.

In essence, more sensitization workshops

need to be organized across the region on the activities of the Parliament. For some of the sensitization workshops involving the issue of supremacy of regional laws over national laws, judges or other officials of the ECOWAS Court of Justice may be invited to participate in such workshops.

A careful and objective resolution of the challenges will help to foster democratic regionalism in the region and enhance the confidence of the Community citizens and the international community in the ECOWAS Parliament, which strives to be like its role model – the European Parliament. *The views expressed in this paper are personal to the authors and do not necessarily reflect the official views of any of the Community Institutions of ECOWAS.*

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The Three Core Features of ECOWAS Trade Policy

Jan Cernicky *

In the last decade ECOWAS took significant steps towards its aim to create a common market in Western Africa. A free trade area for goods which are produced within the region and a common external tariff officially exist. On the international scene ECOWAS is negotiating a new free trade agreement with the EU that is supposed to replace the Cotonou-agreement. Thus, ECOWAS-trade-policy concerns three aspects: Trade within ECOWAS, external trade of ECOWAS and the negotiation of trade-agreements with third organizations or states. Below, these three aspects are analyzed.

The aim of the free trade area is to exempt all goods and raw materials that are produced within the ECOWAS from customs duties. In order to discern these products from goods that were not produced within the area, ECOWAS introduced certificates of origin. These are issued if goods either are transformed or if at least 30% value is added to them in the Region. In this context it is not relevant if the factory in which this happens is owned by a citizen of ECOWAS. Until recently, certificates of origin were issued for roughly 3000 products. By now the free trade area only functions reasonably well for non-processed goods and traditional handicraft. In contrast to this, exemption from import duties for processed goods is only partially granted.

Only nine states fulfil the regulations. Most of them lowered their duties in steps, but did not completely abandon them. This shows that regional free trade can not have an outstanding importance for the members of ECOWAS. This is so because with few exemptions in Ghana, Nigeria and the Ivory Coast, the countries of the region do not produce anything apart from agrarian products. These are either used directly for local consumption, or exported to the world market. Moreover, nearly all of the states depend to a large scale on exports of raw materials such as cotton, cocoa or oil. They are primarily earning their revenues by

this, not by trade with their direct neighbours. Consequently, intra-regional trade is quite low. Currently it reaches roughly 10% of the total trade of the ECOWAS-countries. Beyond this, according to estimations of the ECOWAS-Commission, only 10-15% of the trade consists of goods with certificates of origin. Thus, trade with certificated products only amounts to a proportion of 2% of the aggregate trade. In addition, this trade is impeded by numerous physical and other non-tariffic barriers.

The second aspect concerns the common external (CET) tariff. Its regulations are not connected to the free trade area. The CET is currently in an experimental phase but will definitively come into effect by January 2009. It is based on the already existing CET of the WAMEU (UEMOA). This contains four tariff-bands of 0%, 5%, 10% and 20%. The definitive tariff rates will not be fixed before 2009, but they will not strongly differ from the rates mentioned above. In this system customs duties are due at every border. Which means, that customs need to be paid also at internal frontiers of ECOWAS for all goods that do not have a certificate of origin.

With the introduction of the CET, particularly the states that do not belong to WAMEU will be forced to decrease their customs rates strongly, since up to now their average rates are mostly higher than 20%. For these states it will be possible to introduce exemptions and supplementary tariffs in order to protect local production with outstanding importance. This possibility might erode much of the effects of the CET. Since intra-regional-trade is virtually insignificant, the external tariffs account by far for the largest share of the income that is generated by customs. These are still a very important resource of revenue for most of the West African states. The share of customs revenues in relation to the complete state-revenue ranges from 5% in Nigeria to 35% in Gambia. For most of the states it ranges between 10% and 20% (Busse et al 2004:12). It follows from this that members of ECOWAS will in a me-

dium term not be able to forgo customs. This might be possible for the intra-regional trade because neither its volume nor its value is of great importance. But this is different for trade with third states, in particular with states of the European Union which are the most important trade partners. Since customs duties nearly exclusively arise from imports, the share that is relevant for the customs duties is above all created by imports from Europe.

This leads to the third aspect, trade with other states and trade-blocks. This aspect is very up-to-date, since quite recently negotiations between ECOWAS and the EU (Economic Partnership Agreements EPA), that aimed at a new construction of their trade-relations, failed. Until January 2008, under the terms of the Cotonou-agreement, all exports from West African states to the EU were exempt from duties. Yet, these states were free to collect customs for Imports from the EU. This asymmetrical construction violated regulations of the WTO. Thus, the core of the EPA was to introduce reciprocity in trade-relations. In this context the ECOWAS-states had to accept duty-free imports from the EU. This would have led to significant losses of government revenues since, as mentioned above, out of this, the customs-revenues constitute one of the largest shares. On the part of the EU, it tried to attenuate that effect by a strong development-aid-component. But this was obviously not sufficient. Which is understandable, since the ECOWAS-countries would have had to forgo own revenues and in return would have become even more dependent on conditionalized development-aid.

In reaction to the failure of the EPA-negotiations, most countries set up bi-lateral trade agreements with the EU by the end of 2007. Furthermore, all ECOWAS-countries apart from Nigeria qualify for the EU-program "everything but arms," since they belong to the poorest countries of the world. Within this program free access to the European market is granted. But it is still doubtful if the abolition of customs for

imports from the EU, also included in the bilateral agreements, will really be implemented.

The failure of the EPA-negotiations and the at most average functioning of free trade areas and common external tariffs can not simply be led back to political and economical incapability of the local politicians. On the contrary, their behaviour corresponds with their interests. This is because governments still depend largely on customs-revenues and thus can hardly

accept a real liberalization of their trade. At the same time they represent the interests of two important groups. On the one hand these are the few manufacturers who pay taxes and create a certain amount of jobs. Much more important, on the other hand, are traders. Trade is an important source of revenue for a large proportion of the population and works the better the bigger the differences between prices on the other side of their borders are. Many heads of states just cannot afford to sacrifice this source

of revenue to regional integration. As a consequence, corresponding programmes are only implemented half-heartedly and thus the possible gains in the form of lower prices for consumers and manufacturers are not realized.

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„...West Africa, and ECOWAS in particular, is repositioning itself to be able to better deliver on the dreams of our founding fathers. With the renewed vision of our current leadership and the partnership being forged between governmental institutions and civil society; with the creation of the ECOWAS Parliament and the Community Court of Justice, the relevant political will exists for us to move the process forward. ... I end by challenging you all to join us to build a borderless West Africa of 240 million citizens living in peace, security and democracy, free to move about and harness the tremendous economic opportunities of the region. This is the agenda of ECOWAS.“

Dr. Mohammed Ibn Chambas : The ECOWAS Agenda: Promoting Good Governance, Peace, Stability and Sustainable Development, Nigerian Institute of International Affairs, Lagos 2005



Dr. Mohammed Ibn Chambas, President of the ECOWAS Commission and Prof. Dr. Ludger Kühnhardt, Director at ZEI: preparing for further cooperation of ECOWAS and ZEI

Fostering Free Movement of Persons Across National Borders: The Case of ECOWAS

Gbadebo Odularu*

Regional economic integration has been one of the most significant developments in the global political economy in the last couple of decades. Against this background, this article aims to discuss some topical issues on the free movement of persons in the West African sub-region. With the reaffirming of the Treaty establishing the Economic Community of West African States (ECOWAS), signed in Lagos on 28 May, 1975, the Regional Integration Arrangement (RIA) aims: 'to promote cooperation and integration leading to the establishment of an economic union in West Africa in order to raise the living standard of its people, and to maintain an economic stability, foster relations among member states and contribute to the progress and development of the African continent.' ECOWAS comprises Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, Gambia, Guinea Bissau, Liberia, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, and lastly Togo. In order to achieve this aim, and in accordance with the relevant provisions of this Treaty, the Community shall, by stages,

ensures among others: 'the establishment of a common market through the removal, between member states of obstacles to the free movement of persons, goods, services and capital, and to the right of residence and establishment.' The legal bases of the right for free movement of person in ECOWAS can be found primarily in Article 3 of the revised ECOWAS Treaty which creates an internal market without barriers (with reference to the free movement of persons). In line with the main objective of ECOWAS, the implementation of ECOWAS protocol of free movement of persons involves greater connectivity through the provision of cross border physical infrastructure, as well as the associated coordination of regulations, rules and procedures to facilitate easy conveyance of commodities. It also includes improving competitiveness through financial liberalisation and integration. These initiatives have the potential to move the RIA towards becoming a truly unified economic community, as the name – ECOWAS – connotes. It is pertinent to note that the first phase of the protocol guaranteeing free entry of the Community citizens without visa for nine-

ty days was ratified by the member states in 1980. This became effective to usher in an era of free movement of ECOWAS citizens within the member countries. The right to entry, residence and establishment were to be progressively established within fifteen years from the definite date of entry into force of the protocol. Furthermore, the abolition of the mandatory residency permit, introduction of the brown card travel certificate, and the ECOWAS passport are aimed at fostering intra-regional movement of persons. However, strong obstacles in intra-ECOWAS mobility of persons still persists today. Some of the factors that have constrained free mobility of persons within the sub-region include political instability, increasing conflicts and wars, lack of good governance, insufficient infrastructure network (roads, railways, air transport, et cetera), expensive trade facilitation services, sociological and linguistic or cultural barriers, and non-competitive production techniques. In other words, West Africans migrate in response to political, economic and demographic factors such as population pressure, environmental disasters, poor economic conditions, and political conflicts. Thus, over time, illegal immigrants into the cities have brought about the problems of child labour and trafficking in women and children.

One issue of great concern is the absence of peace and stability in selected member states which has discouraged investment, thereby resulting in capital flight and little or no economic growth. In fact, crises in the sub-region have uprooted thousands of people internally and across national borders as refugees and displaced persons. Another disturbing dimension to the free movement of person within ECOWAS member states is the low level of intra-regional trade and lack of the private sector (small and medium scale enterprises, national chambers of commerce, professional associations of manufacturers, et cetera) to organise itself within the Community. In view of the aforementioned obstacles, some of the steps that should be taken in order to enhance free movement of persons within

the West African regional economy include:

- Intensifying the process of cross border infrastructure building and the associated coordination of laws, rules, and regulations within the sub-region.
- Enhancing trade integration within ECOWAS by ensuring that the growing number of regional trade agreements become a building block rather than a stumbling block to regional and global trade integration.
- Promoting a regional exchange rate arrangement that is flexible toward the rest of the world but relatively stable within the sub-region, which may lead to a stronger monetary union (the EURO for the European Union (EU), the CFA for the Francophone ECOWAS member states, and the ECO for the Anglophone ECOWAS member states) in the long

run. Bearing in mind that the liberalisation of the movement of persons within ECOWAS has been characterised with political and socio-economic obstacles, while concerted efforts should be made to make the sub-region a poverty-free, peaceful, and prosperous economic community, caution should be taken about the free movement of unauthorised immigrants, criminals and potential terrorists.

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ECONOMIC PARTNERSHIP AGREEMENT - The Debate Goes On

Trade ministers as well as civil society and business representatives from Pacific ACP (African Caribbean Pacific) States and from the European Union met in Papua New Guinea in late April 2008 to take stock of the progress made so far in the negotiations for an Economic Partnership Agreement (EPA) between the European Union and the PACP as well as discussed the way ahead.

Both the Pacific region and the EU have agreed jointly to conclude a comprehensive EPA by the end of 2008. High ranking government officials, civil society representatives and European Commission officials together with representatives from the Pacific Islands Forum Secretariat were among the key speakers at the two days seminar in Madang.

SICAs Interstate Bargaining: A Field Trip

Beatriz Veliz Argueta*

The recent XXXI SICA (Central American Integration System) Heads of State Summit was a great opportunity to have a closer look at interstate bargaining of an integration scheme characterized by its intergovernmental and even interpresidential (Malamud 2003) elements.

One of the most significant achievements of the integration process is the increase of the inter-regional commerce, strongly emphasized by the Secretary General of SIECA (Central American Economic Integration System) Haroldo Rodas, and the former Guatemalan Ministry of Economy, Mr. Oscar Estrada. Within this commercial boost, small and medium enterprises play a key role (they represent around 75% of

issue supported by his colleague from Honduras and both pointed out the fact that their respective country's share in the regional market is considerably low. As a result of this the creation of an International Structural and Investment Fund was included in the Agreements signed (art. 24 of the Custom Union).

It is interesting to observe that all the Heads of State are aware of the need to reform the regional institutional framework, specially the Central American Parliament (PARLACEN), and the Court of Justice; but at the same time they acknowledge their national constrains, in particular for Costa Rica which is not a Member of PARLACEN. Guatemala recently ratified the Courts Protocol precisely a day before the meeting. The Ad Hoc Committee is responsible for the suggestions of the reform.

The negotiation of an Association Agreement (AA) between Central America and the European Union has become a leitmotiv for these meetings. It is no coincidental that the Agreement for the establishment of a Central American Custom Union was finally signed by all the Members, an outstanding achievement, overshadowed only by the fact that it constitutes a condition in order to successfully conclude the negotiation of the AA. It seems that another benefit of this biregional agreement will be the participation of the civil society and respect of human rights, topics included in the agreement and upon which the EU has insisted; especially considering that civil participation in the integration process has constantly been low. The challenge for CA remains the same: to comply with what was agreed and signed!



SICA Heads of State Summit (Dec 2007)

The meeting took place in Guatemala (on December 12, 2007), the country that has held the Presidency during the last six months (PPT *Presidencia Pro Tempore*). The next one will take place in El Salvador with President Saca leading the process.

the commercial activity). This makes the regional market more attractive. Currently Panama is working to become a full Member of SIECA. But not everybody benefits from in this process. Of special concern for the presidents are the asymmetrical differences among the Member States. President Ortega from Nicaragua repeatedly discussed the

I would like to conclude this short field trip with some observations that come to mind after this exercise:

(1) Following Mattli's main ideas, the interdependence among the State Members has increased as result of the interregional commerce, but still the region has no clear leader ... does this mean that success is unlikely? Supply of integration has never been an issue for the region since the Presidents, the main driving political force, have constantly offered agreements and created institutions. Their real utility and compliance is another issue, but still a constant problem.

(2) The political and economic processes in this have evolved independently and

many scholars have pointed out the fact that there is a real economic integration compared to the political or institutionalized one. Will the breach continue? In other words, will the economy continue uniting the region but without political support? Or is it a question of different timing? Or is it maybe it is an institutional challenge?

There is no doubt that in the Central American case the process advances more quickly, at least on the political and institutional framework, during the presidential meetings. Being able to witness such a gathering is quiet an experience!

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Andean Community of Nations – Regional Disintegration?

Martin Zimmek*

The Andean Community of Nations (CAN), with its General Secretariat based in Lima started negotiating an Association Agreement with the EU Commission in 2007, based on the pillars of political dialogue, cooperation and trade. In May 2008 European, Latin American and Caribbean (LAC) heads of states will meet in the Peruvian capital for the bi-annual EU-LAC Summit and it should be assumed that the CAN member states and institutions are using the media attraction of the upcoming summit to present the CAN as a dynamic and forward moving regional integration scheme. The reality could not be more different: The Andean Community inspires the image of an institution sliding over the brink. Diverging political ideologies and economic models split the CAN into two parties whose differences increasingly appear to be insurmountable. While Colombia and Peru favour models based on free trade and foreign investments, the other two member states, Bolivia and Ecuador, find themselves in the maelstrom of Hugo Chavez and his socialism of the 21st century. Given this blurry scenario, Peru's President Alan Garcia repeatedly proclaimed during recent months that his country should rather negotiate an Association Agreement bilaterally with the EU.

Peru did so with the US and does not like the fact of being obliged to en-bloc negotiations within the frame of the Andean Community. This aspiration manifests the low interest in common actions within the framework of CAN and certainly does not help to reinstall a trustful environment for deeper Andean integration. It is quite obvious that the Peruvian demand for bilateral negotiations with the EU will however not become reality, as the EU Commission is not willing to renounce its normative orientation of fostering regional integration through exclusive en-bloc negotiation with Latin

American countries, should these be member states of existing regional groupings. However, the negotiations are not as bi-regional as they appear. The national delegations of each CAN member state and not the General Secretariat of CAN are negotiating the agreement. The General Secretariat only sends representatives who are allowed to assist the reunions. Thus, it could eventually happen that the EU final agreement will indeed more look like four individual agreements with each CAN member state, but with the label of a bi-regional EU-CAN Association Agreement. This would surely be sold to the public as a prestigious deal, as it would be the first region-to-region agreement of this kind worldwide. Nevertheless, these de facto bilateral agreements with the individual countries of the CAN would certainly not help to foster intraregional Andean integration.

The already adverse conditions for Andean integration worsened further in February 2008, when Colombian armed forces eliminated one of the leaders of the Colombian guerrilla group FARC in Ecuadorian territory. This incident not only caused a severe diplomatic crisis between the neighbouring countries and showed how thin the basis of trust between the CAN member states is, but also demonstrated the absence of a platform for conflict management inside CAN. The state of recent events of CAN thus paints a worrying scenario of the integration process and leads to the impression that a constructive cooperation on the way to deeper Andean integration is almost impossible to achieve under the current circumstances and structures. In this difficult moment, a look at the European integration experience might bring some hope to the stakeholders of Andean integration.



CAN Head Quarters, Lima, Peru

The EU has proven throughout its history that no matter how irresolvable crises appear, they always comprise chances for a new beginning. The main difference between both regions however, seems to be the lack of political will in the Andean region. With the intergovernmental deadlock of CAN and the huge gap between proclaimed integration and real efforts of the Andean heads of state, the current crisis might be a last chance for the traditionally weak institutions of the Andean In-

tegration System to distinguish and to give a new impetus to the integration process.

Despite its political weakness, the General Secretariat and the Andean Parliament should remind the signing parties of the 1969 Cartagena Agreement that they acclaimed in the preamble of this treaty "of being aware of the fact that integration constitutes a historical, political, economical, social and cultural mandate of their countries with the goal of preser-

ving their sovereignty and independence." The EU-LAC Summit in May 2008 provides the opportunity for the institutions of the CAN to present the needs and benefits of Andean regional integration to a broad public and of raising the pressure for the governments of the CAN member states. It might as well be the last chance for the CAN under its current structures.

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Bi-regional relations between the EU and regional groupings worldwide

Region	Regional grouping	Type of aspired agreement	Official start of negotiations	Type of current agreements	Expected date for ratification/ current status of negotiations
Africa	ECOWAS/ UEMOA	Economic Partnership Agreement (EPA)	Sept. 2002	interim agreements with 2 of 4 non-LDCs	at the earliest in midst of 2009
	ESA/COMESA	EPA	Sept. 2002	interim framework agreement	end of 2008
	CEMAC	EPA	Sept. 2002	interim agreements with 1 of 3 non-LDCs	midst of 2009
	SADC	EPA	Sept. 2002	interim agreements with 6 of 8 states	December 2008
Caribbean	CARIFORUM/ CARICOM	EPA	Sept. 2002	concluded EPA negotiations	June 30 2008
Pacific	PIC	EPA	Sept. 2002	interim agreements with 2 of 9 non-LDCs	end of 2008
Latin America	CAN	Association Agreement (AA)	May 2007	Regional Framework Agreement on Cooperation	three negotiating rounds scheduled for 2008
	Mercosur	AA	Nov. 1999	Interregional Framework Cooperation Agreement	restart of talks expected by May 2008 (frozen since 2005)
	SICA	AA	June 2007	Political Dialogue and Co-operation Agreement	four negotiating rounds scheduled for 2008
South East Asia	ASEAN	Free Trade Agreement (FTA)	May 2007	Trans-Regional EU-ASEAN Trade Initiative (TREATI)	four negotiating rounds scheduled for 2008
Gulf	GCC	FTA	Jan. 1990	Economic Cooperation Agreement	spring 2008

Table compiled by Stefan Busse, ZEI (April 2008)

The next issue of the „Regional Integration Observer“ will focus on the bi-regional relations of the European Union.



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Center for European Integration Studies
Rheinische Friedrich-Wilhelms-Universität Bonn

IMPRINT

ISSN 1996-9678
Center for European Integration Studies
Walter-Flex-Str. 3
53113 Bonn, Germany

Editor: Ariane Kössler
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The Regional Integration Observer is published three times a year. Authors are responsible for the views expressed in their contributions.