



# REGIONAL INTEGRATION OBSERVER

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Vol. 2 No. 3 December 2014



Participants of the expert workshop, in the framework of the WAI-ZEI Fellowship held in July 2014 in front of the ECREEE building in Praia, Cabo Verde.

## Renewable Energy and Energy Efficiency in the Framework of a Regional Climate Change Policy in West Africa

by John Kwasi Yeboah\*

The West African sub-region has abundant renewable energy (RE) resources which could be harnessed to provide sustainable domestic and industrial energy ;while at the same time, helping in the mitigation of climate change externalities. Nonetheless, the ECOWAS region is saddled with the challenges of energy access, energy security and climate change mitigation and adaptation, which are intertwined with the region's economic challenges.<sup>1</sup> The identified

huge potentials, are geographically spread over the whole region; however, they are neither connected to each other physically nor are there suitable policies to unlock their potential. The development and use of these identified RE and Energy Efficiency (EE) potentials are hindered by legal and economic obstacles; leading to persistent challenges of energy access, energy security and climate change mitigation in the region.<sup>2</sup>

## Regional Integration Observer (RIO)

The RIO takes a comparative look at West African and European integration and deals with the relations between the two regions. It is a new platform for exchange.

<sup>1</sup> ECREEE, 2012. Baseline Report for the ECOWAS Renewable Energy

Policy (EREP). Praia: ECREEE.

<sup>2</sup> ECREEE, Baseline Report, pp.92-97.

The result is that, the ECOWAS region continues to face significant challenges in energy delivery: with more than half of its 344.7 million citizens living in rural areas where access to electricity or the services it provides, range between 6% and 8%.<sup>3</sup> That is more than 175 million people with no access to improved nor reliable and affordable electricity services.<sup>4</sup> To simultaneously address these challenges, in order to shape the regional energy situation, urgent investments in sustainable energy infrastructure and services, as well as policy frameworks in the ECOWAS member countries, must be taken into account.<sup>5</sup>

There are certain schools of thought that describe renewable energy as “a doomed revolution” which has little future in tackling the perennial energy crises in mainly developing countries.<sup>6</sup>

However, others see renewable energy systems as offering unprecedented opportunities to accelerate the transition to modern energy services in the regions where affordability and accessibility of modern energy services are far behind expectations.<sup>7</sup> For these schools of thought, not only will the deployment of RE and EE services increase access to sustainable cooking and heating devices, affordable lighting, communications and refrigeration, improve public health and

energy for processing and productive activities; they are also an important contribution to the fight against climate change.<sup>8</sup> It is argued that improved access to clean modern energy in developing countries is a necessary requirement for the reduction of poverty, unemployment and the achievement of other economic goals. Going forward, decentralized RE solutions have been found to play a crucial role in the provision of access to modern, reliable and affordable energy services in rural and remote areas in Sub Sahara Africa.<sup>9</sup>

However, the investments in renewable energy mini-grids or stand-alone systems, have not reached economies of scale.<sup>10</sup> Many of these solutions face challenges to attract financing due to the absence of tailored financing instruments and high overhead costs for the investors or due to the absence of formalized policies apart from legal and regulatory frameworks.<sup>11</sup>

### Energy Access and Potentials for Renewables

The ECOWAS region has one of the lowest energy consumption rates in the world. Household access to electricity services is only around 20% (40% in urban and 6-8% in rural areas). Whereas the world electrical capacity averages 300 watt (W) per capita, the West Africa sub-region average

is 50W per capita.<sup>12</sup> Projecting the energy scenarios into 2030, ECREEE indicates that without significant investment to expand access, energy poverty will continue to have considerable negative consequences on regional economies and societies in West Africa. Another important characteristic of the energy situation in West Africa that cannot be overlooked, is problems with maintenance and upkeep which reduce functional capacity and create further challenges.<sup>13</sup> For example, an estimated 400 megawatt (MW) of generation capacity is currently unavailable due to expansion and maintenance issues in Ghana.<sup>14</sup>

With regard to the potential for renewables, about 23,000 MW of feasible medium to small hydropower potential has been identified, of which 18% or less (4,140MW) has been exploited.<sup>15</sup> Furthermore a huge potential is attributed to all forms of bioenergy (modern biomass, biogas and biofuel); average solar radiation of 5-6 kWh/m<sup>2</sup> per day throughout the year for solar photovoltaic and solar thermal development and considerable wind power potential with an average of 6-7 m/s, going up to 12m/s in some countries.<sup>16</sup>

<sup>12</sup> Mallet, V., 2013. Solving west Africa’s power crisis. African Energy Journal 14 (3), pp.4-8; Gianfranco, C., Pierluigi, M., 2009. Distributed multi-generation: A comprehensive view. Renewable and Sustainable Energy Reviews 13.

<sup>13</sup> ECREEE, Baseline Report.

<sup>14</sup> Gnansunou, E., 2008. Boosting the electricity sector in West Africa. IAE Energy Forum 17 (3), pp. 22-29; ECOWAS, 2014. Renewables Status Report. ECREEE-REN 21 Joint project. Abuja: ECOWAS, pp.25-30.

<sup>15</sup> Kabele-Camara, A.K. 2012. Achieving Energy Security in ECOWAS through the West Africa Gas Pipeline and Power Pool Projects: Illusion or Reality? Masters Dissertation Published in CEPMLP Annual Review - CAR Vol. 16.

<sup>16</sup> N’Guessan, M., 2012. Towards Universal Energy Access Particularly in Rural and Peri-urban Areas of The ECOWAS Region. Quebec: UNDP workshop.

<sup>3</sup> ECREEE, Baseline Report.

<sup>4</sup> SE4ALL, 2013. Global Tracking Framework. Washington D.C.: The World Bank.

<sup>5</sup> Brown, M. A., Sovacool, B. K., 2011. Climate Change and Global Energy Security: Technology and Policy Options. London: MIT.

<sup>6</sup> Glover, P.C., Economides, M. J., 2010. Energy and Climate Wars. New York: Continuum International Publishing Group.

<sup>7</sup> Painuly, J.P., 2001. Barriers to Renewable Energy Penetration- a framework for analysis. Renewable Energy, 24 (1), pp.73-89.

With respect to EE opportunities, there is significant potential to improve demand side and supply side energy efficiency in buildings, appliances, power generation and transmission. It is estimated that in West Africa, 25% to 30% of the total electricity supply is consumed in the building sector, namely cooling and hot water heating. The technical and commercial energy losses due to theft and or illegal operators lie in the range of 25% to 30%.<sup>17</sup>

## Renewable Energy and Climate Change

The impact of climate change is becoming a major obstacle for the sustainable development of the ECOWAS region. According to the ECOWAS annual report, West Africa will pay a heavy price as a result of the negative effects of climate change.<sup>18</sup>

Many studies have identified inherent linkages between climate change and renewable energy development and use, and have linked, barriers to the use of renewable energy and energy efficiency to those of climate friendly technologies.<sup>19</sup>

It is therefore one part of the solution to create a network

17 ECREEE, Baseline Report.

18 ECOWAS, 2013. Annual Report: ECOWAS Adaptation to Climate Security and Development Changes. Abuja: ECOWAS, pp.124-135.

19 Glover, P.C., Economides, M. J., 2010. Energy and Climate Wars. New York: Continuum International Publishing Group; IPCC, 2013: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Stocker, T.F., D. Qin, P. Allen, S.K. Tignor, M. Midgley (eds.)]. Cambridge: Cambridge University Press; IPCC, 2007. Climate Change 2007: The Physical Science Basis. Contribution of Working Group I to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change [Solomon, S., D. Qin, M. Manning, Z. Chen, M. Marquis, K.B. Averyt, M. Tignor and H.L. Miller (eds.)]. Cambridge: Cambridge University Press.

of participating actors in the quest for scientific and empirical solutions to the energy access problem in the ECOWAS region. Working together with public, private and third sector partners can be an effective way for communities to achieve their objectives.<sup>20</sup>

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## Conclusions

Though renewable energy motivations could lead to similar measures designed to encourage technology development and deployment, sometimes policy and economic barriers become the obvious setback to their progress. Against this background, the following conclusions can be drawn.

The ECOWAS region has no climate change policy. There are climate adaptation strategies.

The promotion and provision of electricity itself is not enough to guarantee the alleviation of poverty. It has to be linked with productive uses by the people. There is a necessity to identify the right forms of energy that are useful to the local people.

20 Department of Energy and Climate Change, 2014. Community Energy Strategies. London: Department of Energy and Climate Change.

Gender needs are not properly addressed and factored-in when making decisions on energy services for any area or locality.

Financiers of renewable energy-technologies (RETs) do not have adequate knowledge of the technologies; Financial mechanisms and RE funding options that are applicable to other regions are not always ideal for West Africa;

Policies and legal frameworks formulated in West Africa are not fully implemented or enforced if they are implemented at all.

Operations and maintenance of energy generating infrastructure are poorly done in the sub-region. The culture of maintenance is almost non-existent, thus operating efficiency keeps getting worse.

Although RE and EE policies have been adopted by the heads of governments of the ECOWAS member states, they are not being implemented.

A more comprehensive version of this article will be published in the WAI Critical Analysis and Action Strategies series. It has been written in the framework of the WAI-ZEI Fellowship on RE and EE, conducted at WAI in 2014 and sponsored by the German Ministry of Education and Research (BMBF).



\* John Kwasi Yeboah is Junior Project Officer at the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) in Praia, Cabo Verde and a WAI-ZEI Fellow.

# Ebola vs. National Sovereignty in the Economic Community of West African States (ECOWAS)

by Abdarahmane Ngaïdé\*



A team of medical workers isolates a victim of the Ebola epidemic. © www.euintheus.org.

The health crisis caused by the Ebola virus became a global problem following cases identified and treated in Europe and in the United States. It should make West African leaders act together and without any delay put in place an advanced common healthcare policy with an integrated management. The hope that has developed regarding a deeper regional integration over the last decades in West Africa (the free movement of goods and people) and the progressive consolidation of the "ECOWAS of the People" should not fall victim to a lack of healthcare solidarity in the face of this tragedy, which has affected three countries in the middle of a process of major reconstruction: Guinea, Liberia and Sierra Leone. Decisions should necessarily take into account the human dimension of the crisis and make sure they will not reinforce national

sentiments, which are fueled by the concept of sovereignty. Attention is needed regarding political decisions that try to abuse this "national sentiment", in order to avoid "misleading" and rash considerations. Putting entire nations in quarantine in the 21st century poses a serious ethical and moral problem not only to the West African countries, but to the whole of mankind.

Every epidemic, in fact every crisis shaking the foundations of our way of thinking about the surrounding world, may sow the seeds of future xenophobia and a witch hunt that might follow. This situation forces us to think about the notion of "being a foreigner" while being a West African in West Africa and, moreover, an African from the infected West.

The fact that a sector of the Senegalese population, though

being "insignificant" in its number, wanted to "shorten the life of the infected person" hospitalized in Fann (University Medical Center of Fann where the Headquarters of the Healthcare Ministry are situated), should be a cause of concern and should lead responsible decision-makers to take all possible measures to avoid a stigmatization of any other Guinean, Sierra Leonean, Liberian and any individual that resembles them as a "strain of the infection" in any West African country or in any other part of the world. It should be ensured that they are not excluded only because of belonging to a certain nation.

When a citizen of a country hit by disaster is confused by the disaster itself, it is likely that he becomes an object of ostracism or even of attempts of elimination. In a period of collective hysteria, even the "enlightened" are

making allusions to the porous borders in order to attack a population group accused of threatening the health of people. Suddenly becoming a “national” priority that should be preserved in the name of the national sovereignty and territorial integrity. In this context, confusion of cause and effect can generate more confusion, since it may distort our perspectives, all our senses and perceptions.

The border closings implemented by the governments of several countries (Senegal/Guinea, Cape Verde/Senegal) was not necessarily the appropriate solution. It is encouraging to note that ECOWAS at its last meeting “ordered” these countries to reopen their borders not only in compliance with the implementation of one of its clauses, but also in order to allow foreign missions to operate more efficiently, since the United Nations themselves demanded the resumption of flights to the three countries mainly ravaged by the

infection. Senegal represented by its Interior Minister declared: “if we consider this evil epidemic to be defeated, nothing impedes us from the reopening of our borders.” However, it was also stated that, “if we consider apparent difficulties to be continuing at this level, I think that we will keep on ensuring the security of our people”. The call from ECOWAS for the member states to comply with the “inviolable” principles ensuring the free movement of goods and people, was heard.

Given these circumstances, it would be of great help to encourage the creation of regional healthcare units in peripheral areas of the ECOWAS member states aiming at ensuring better healthcare control. Closing the borders will always pose problems related to aid coordination, while the construction of healthcare centers in the sub-region would even satisfy the needs of West African leaders who head

for Western clinics at the slightest physical discomfort.

Nowadays, consideration must be given to the extraterritorial realities preceding our entry into “modernity”. They are rooted in our traditions. The families are dispersed throughout regional capitals and move from border to border like informal social ambassadors traveling around. They strengthen trans-territorial continuities that have been there ever since the long social history of the region. We should preserve this knowledge by reasserting its value, that is to say by transforming it into better regional healthcare information and policies.



\* Abdarahmane Ngaïdé is Researcher and Lecturer at the History Department (UCAD/Senegal) and a Visiting Lecturer at EHESS, Paris.

## Studying Integration in a Euro-African Context - Scholarships for West African young professionals



Seydi Ababacar Diop, Lamin Dampha and Caleb Fagade are Fellows in the ZEI Class of 2015.

The WAI-ZEI Cooperation project offers seven scholarships for West African young professionals to study the “Master of European Studies - Governance and Regulation” (MES) at ZEI in Bonn in the years 2015 and 2016. Scholarships cover the tuition fee of 6.500 €.

Learn more about the MES program and the application process on the ZEI Website ([www.zei.de/www.mes.zei.de](http://www.zei.de/www.mes.zei.de)).

# United States-Africa Relations During the Obama Administration

by João Resende-Santos\*



African Heads of State and the U.S. Government meeting in Washington from 4-6 August 2014. © www.whitehouse.org

As with many other issue areas, there were high expectations for relations between the United States and Africa when Barack Obama was inaugurated as President of the United States. Long neglected in US foreign policy and marginalized in world affairs, Africans were unusually optimistic with the new US president. These expectations were high all over Africa. Implicitly, there was an expectation that Africa's political and economic importance in US foreign relations would be elevated; that the US leadership would result in greater diplomatic collaboration and increased donor assistance to help resolve longstanding problems on the continent. This sense of relief and euphoria that swept across the continent was not simply because of the his-

toric nature of Obama's election as the first black president of the US but specifically because of his Kenyan ancestry.

As with many other issue areas, expectations have fallen short of reality. At best, the overall record on US-Africa relations has been mixed, or ambiguous. As important as it was, the August 2014 United States-Africa Summit, held in Washington DC, was illustrative of the lower policy priority that Africa continued to merit in US foreign relations before and during Obama. It was the first and only such summit, and it occurred at the near end of the Obama Administration. The Summit resulted in verbal commitments totaling over \$30 billion dollars from government, international and private sector

sources. In terms of official commitments, the Administration announced \$7 billion in new financing. Even if these commitments materialize, they would be unimpressive compared to official and private flows to Africa from the European Union or China.

US policy toward Africa during the Obama Administration can be assessed in four main policy areas: national security, political, economic, and humanitarian. The area of the most substantial change was in national security, as the US became increasingly concerned about the rise of international terrorism in the North Africa-Sahel sub-region. National security concerns, specifically the new security threats of the post 9/11 world, have been the main drivers of US involvement in Africa during the Obama Administration. US military assistance, training, and operations in Africa expanded under Obama. In terms of political and humanitarian engagement, US policy under Obama has displayed more continuity than major breaks. The ambitious campaign to combat HIV/AIDS in Africa resulted in a substantial expansion of US donor aid for Africa. General aid rose from \$1.3 billion dollars in 2001 to \$7.3 billion in 2009. There was no noticeable increase in US aid under Obama. In fact, aid to Africa dropped between 2010 and 2011, and the Administration's

requested amount for 2012, about \$7 billion, was lower than the aid disbursed in 2010.

One area where we may have expected improvement in US-Africa relations under Obama would have been in the commercial arena. The trade and investment commitments made during the US-Africa Summit were impressive in the context of US-Africa relations. Yet they were commitments on paper. During the Obama Administration, US trade and investment with Africa maintained their historical pattern. In fact, US trade with Africa decreased during most years of the Obama Administration. Africa continues to be an insignificant factor in US trade and investment in the world. In 2012, Africa accounted for only 1.5% of the US total exports, and 2.2% of its imports. US trade with Africa in 2013 totaled \$63 billion dollars. Over 70% of US exports to Africa, consisting mainly of machinery, vehicles and food-stuff, were concentrated in five countries – South Africa, Nigeria, Angola, Ghana, and Togo. The insignificance of Africa was the norm before Obama and will likely persist into the near future. Africa will continue to be on the periphery of US global policy. Africa itself has failed to deepen its political and trade relations with the US. In fact, African states do not have a US policy; no attempt has ever been made – even if it were realistically possible – to fashion a coherent, coordinated strategy to manage US-Africa relations. If current trends persist, US-Africa relations in the near future may be characterized more

by friction and acrimony, on one hand, and continued marginalization of the continent in US policy. First, the increasing engagement with the continent on the basis of counter-terrorism policy is likely to be accompanied by a number of negative consequences. Air strikes, drone attacks, and other types of counter-terrorism action often result in civilian deaths and property damage, igniting protest among the local populations. Moreover, US training for local militaries to combat terrorists, rebels and other internal enemies can unwittingly politicize the armed forces and magnify the crisis of governability in African states. Second, an overlooked aspect that will have implications for some African countries is the greater US push under Obama to achieve energy self-sufficiency. US energy independence diminishes further Africa's already small economic importance to the US.

In summary, we will not have an Obama legacy in Africa. Obama's election gave rise to great expectations for major transformation in US-Africa policy. These expectations were unfounded. Obama is not entirely to blame. It was illusory to expect such radical change in US policy toward Africa, even if he had favorable domestic political and economic conditions. Africa remains the world's poorest region. Despite its size and natural resources, it has not emerged as a region of great strategic and economic impor-

tance in the global power hierarchy.

The higher expectations for Africa policy that accompanied Obama's inauguration were based on sentiment rather than the realities of global power, priorities of US foreign relations, and even the reality of policy making in the US political system. Africa remains marginal and unidimensional in US foreign relations. The US is a great power with global interests. Great power interests, not sentiment, dictate US foreign policy. For good or ill, greater political and strategic attention has been devoted to the continent, especially to North Africa and the Sahel, emerging as the new global battleground for the US counter-terrorism. On the other hand, the continent continues to be an invisible factor in the US's global trade, and US aid to the continent actually fell during the Obama Administration. Obama is not to blame for the marginalization of Africa in US foreign policy. His inauguration and lofty rhetoric may have raised expectations, but Africa's marginalization in US foreign policy is the norm.

A more comprehensive version of this article will be published in the WAI Critical Analysis and Action Strategies series at the beginning of 2015.



\* Joao Resende-Santos is Associate Professor of Global Studies at Bentley University in Boston, USA.

# Twenty Years of Integration in the West African Economic and Monetary Union (WAEMU) - Record and Future Challenges

by Gervasio Semedo\*



The former French colonies in West and Central Africa maintain common regional institutions that had been initiated and led by the French administration until the 1960s. These institutions are mainly monetary arrangements. Even before a common market and a liberalization of exchanges was created, there was a single currency named the "Franc de la Communauté Financière Africaine" or CFA. This may sound paradoxical, if we look at the sequence of steps in the integration process, provided by Balassa.

However, in 1994, with the devaluation of the CFA, Francophone West African countries realized that economic integration is more than monetary rules. Therefore, they formed the West African Economic and Monetary Union (WAEMU/UEMOA in French) the same year.

## The Functioning of the CFA Franc Zone and specificities of WAEMU

In the nineteenth century, the CFA zone was a currency board, as was the sterling area. It contributed to the supply of raw materials to the dominant powers. In return, France guaranteed the liquidity and convertibility of local currencies. France operated through the French Treasury in order to stabilize the account of the African balance of payments. At the time of decolonization, these African countries maintained a fixed parity with the French Franc. They hoped that with the stabilization of exchange rates, they could attract public and private capital. Price stability should facilitate an increase in official development assistance and private investment. In order to meet the ob-

The Heads of State and Government of the WAEMU member countries met on 20 October 2014 in the capital of Burkina Faso, Ouagadougou, to commemorate the establishment of the organization 20 years ago.

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jective of price stability in West Africa, Francophone countries in West Africa created a single central bank in 1962, the Central Bank of the States of West Africa (BCEAO).

Thus, a monetary union was obtained before real economic integration. While many developing countries have adopted fixed exchange rates, few of them are members of a monetary union like the WAEMU countries. Until 1983, the CFA zone remained the only example of this kind after the disappearance of the sterling area.

However in 1994, the countries of the CFA zone realized their low level of economic and industrial development and then established WAEMU.

WAEMU still operates under certain key principles: (1) a fixed par-

ity against the French Franc before 1999 and against the Euro after 1999. This mode is adjustable for economic reasons but only after consultations with the French government, the European Union and on the basis of a unanimous decision of all member countries. The central bank acts independently. In practice, however, given the experience leading up to the devaluation of January 1994, changes in the CFA parity require complete coordination including the similar arrangement in Central Africa. (2) The local currency, the CFA, is convertible into euro without any fluctuation margins at a rate, which is guaranteed since January 12, 1994, following the first devaluation of CFA. (3) The convertibility of the CFA into Euro is facilitated through the establishment of an operations account or "compte d'opérations" by the regional central bank with the French Treasury, with market-related yields or charges. This account can have a positive or a negative balance. It provides an unlimited overdraft facility to the central bank. Thus, the French Treasury is in fact the lender of the last resort. This is unique in the world: a foreign treasury masters a domestic central bank.

With the creation of WAEMU in 1994, West African countries decided to reinforce their degree of integration and facilitate closer commercial, institutional and political economy links. Hence, between 1994 and 2011, they built institutions adapted to the regional and international socio-economic environment.

The main institutions of WAEMU are: the Conference of Heads of State and Government, the Council of Ministers Statutory, the WAEMU Commission, the Court of Justice, the Court of Auditors and the Inter-Parliamentary Committee (Union Parliament). The BCEAO is still responsible for targeting a low inflation rate. In this context, the WAEMU Commission set up a pact of stability and convergence on the basis of the European experience; standards of public deficit and debt to GDP ratio are respectively 4% and 70%.

Furthermore, WAEMU aimed at going beyond a preferential trade area, creating a customs union. For this purpose, WAEMU adopted a common external tariff, a common commercial policy, the customs code and guaranteed the free movement of persons and the right of establishment of liberal professions in all countries of the zone. Sectorial public policies have been adopted in order to increase production, to develop human capital, to increase public goods, to provide new infrastructures and to regulate competition. All sectorial programs are part of two global programs gathering more than 70 projects. With the help of the "Banque Ouest-Africaine de Development" (BOAD), WAEMU countries can finance long terms projects.

### **The Costs and Benefits of WAEMU and Critical Issues**

The gains of this monetary union are price stability and credibility of the currency. The WAEMU

members benefit from the disciplining effect of their monetary policy. Gains are essentially microeconomic. A single currency is a manner to avoid transaction costs induced by commercial exchanges.

The African Franc zone was undoubtedly an area of monetary stability, in contrast to countries that opted for an inflationary tax and a large automatic adjustment of real exchange rates. For WAEMU, the inflation rate shall not exceed 3%. However, given the nominal anchor and the refusal to use depreciation, these countries are deprived of an instrument to adjust their economies and seigniorage revenues. Against this background, they miss important tools to finance development. In fact, the BCEAO could not escape recurrent criticism. It has sacrificed the target of growth to the altar of price stability. English-speaking countries (Liberia, Nigeria, Sierra Leone, Gambia, Ghana) which meet in the West African Monetary Zone (WAMZ), and Cape-Verde, are more competitive than countries in the Franc zone. Besides the countries of the WAMZ, other African countries which are not a full members of a monetary union (Ethiopia, Malawi, Botswana, Uganda, Mauritius, Kenya) may certainly have a higher inflation rate, but they are also more competitive and perform better in terms of growth.

West African monetary policies are not conducted satisfactorily as they don't provide sufficient credits to local enterprises.

Furthermore, analysis shows that the results in terms of convergence in the WAEMU zone remain inadequate. The criteria are designed to maintain the homogeneity of the economies and to conduct a fiscal transition in order to reduce budget dependence on external flows and customs duties.

Within the WAEMU zone, however, even though the nominal convergence followed a relatively favorable course after the devaluation of the CFA Franc in 1994, real convergence is still inadequate. The coordinated policy mix of the CFA countries contributes to improving the credibility of their currency, but it remains a fact that there are some uncertainties regarding the objective of convergence. These uncertainties can be traced back to the importance of informal cross border trade, explaining the weakness of officially measured bilateral trade. Furthermore, they are due to the heterogeneity of responses to shocks or shocks affecting these economies with non-member countries. Given the current global economic and financial crisis, a deficit criterion limited to 5% is probably more realistic for all countries (Bensafta, Semedo, Gautier, 2012), because fiscal transition is not even achieved by major countries like Côte d'Ivoire.

The main administrative, political, monetary and financial bodies of WAEMU operate satisfactorily. WAEMU also has a budget that provides for proper operations and guarantees

a certain leeway. Resources for 2013 amounted to 140 billion CFA francs (\$ 280 million), which is equivalent to those of the African Union (AU).

Entering into force on January 1, 2000, the Common External Tariff (CET) led to better protection of regional production and facilitated an increase in trade within the WAEMU zone, although the share of intra-WAEMU trade is still low (about 15%). On the international markets, however, there was no significant increasing competitiveness. WAEMU has difficulties to become a real common market. Even though, the WAEMU took all the provisions enabling nationals of a Member State to benefit from the freedom of movement, residence and the right of establishment, administrative barriers and non-tariff barriers are still frequent at the borders and hamper the exchange of people and goods in practice.

On the basis of these insights, what WAEMU needs is a structural transformation in order to meet the goal of alleviating poverty and preventing its consequences. The first step to take in this context would be a more adequate answer to the gap between food supply and demand in an environment characterized by climatic shocks, financial constraints, small farmers, incentives for imports and high transport costs. Industrialization is a second challenge for this community. The essential objective remains to improve the living conditions of the people in the WAEMU zone.

## Conclusion

WAEMU is at a crossroads. If we compare WAEMU countries with their neighbors, being able to use their exchange rate as a mechanism to protect their products and to diversify their economies, the functioning of WAEMU contributes more to the import of products than to self-production. Therefore deliberations about a higher degree of flexibility are valid.

The global record of WAEMU is not negative. Its experiences after twenty years of existence are useful, especially for the larger Economic Community of West African States (ECOWAS). Many decisions of this entity are in fact inspired by WAEMU. In return, WAEMU needs ECOWAS. A better overall performance could be obtained through modification of inflation rules and a market including Nigeria, Ghana, Liberia, Sierra-Leone, Cape-Verde, Gambia and Guinea. This is on the way. In the end, structural transformation is the key for this zone in order to fight poverty, low GDP per head, the lack of industrialization, a lack of human capital and a low level of food security.

A more comprehensive version will be published in the WAI Critical Analysis and Action Strategies series in 2015.



\* Gervasio Semedo is Lecturer at the University of Tours and Researcher at "LEO" at the University of Orléans, France.

# Maritime Security in the Gulf of Guinea: Regional Collaboration for Mutual Gain

by Adjoa Anyimadu\*



The German frigate "Brandenburg" escorts the cargo vessel "Hansa Stavanger" at the Horn of Africa in the framework of the EU Mission "Atalanta". The "Hansa Stavanger" had been kidnapped by Somali pirates. © www.bundeswehr.de.

In June 2013, the International Maritime Bureau released figures signalling that, for the first time, vessels in West Africa's waters are at greater risk from piracy than those off Somalia's coast in the Indian Ocean.

The statistics showed that the number of incidents of piracy and other maritime crimes had increased in West Africa, but the amount of pirate activity in the Indian Ocean and the Gulf of Aden had fallen dramatically. This was further evidence that the concerted and wide-ranging international efforts to counter Somali piracy have been a success – between May 2012 and May 2013, UN officials noted that there were no hijackings in the Indian Ocean at all.

Maritime insecurity in West Africa primarily affects the Gulf of Guinea: a coastal zone stretching from Senegal to Angola that provides an economic lifeline to coastal and land-locked West African countries, and is of strategic importance to the rest of the world. Safe passage to ports in the region and security within its waters are vital. Firstly for global energy production, as Nigeria and Angola are amongst the world's top ten crude oil exporters; secondly, West Africa's fishing industry provides millions of dollars in revenue for European and Asian fishing fleets; and thirdly, for the prevention of the trafficking of narcotics, people and weapons into West African states and Europe.

In June 2013, 25 state leaders from Central and West Africa met in Yaoundé, Cameroon to sign agreements encouraging cooperation in combating maritime crime, which costs the region over \$2 billion annually. International action on the issue was spurred when President Yayi of Benin made a speech at the UN in 2011 calling for assistance in combating maritime crime and drug-trafficking which had contributed to a 70% decrease in the number of ships entering the port of Benin's economic capital, Cotonou. In response to the UN Security Council's passing of Resolution 2039 in February 2012, which urged West African countries to counter piracy on regional and national levels, the Economic Community of West African States (ECOWAS), the Economic Community of Central African States (ECCAS) and the Gulf of Guinea Commission (CGG) ensured that maritime security featured heavily on the agenda of the Yaoundé summit, and have continued to lead West African efforts to improve security within the territorial waters of coastal states.

In the Gulf of Guinea, maritime threats are manifest in a variety of ways. Maritime criminals tend to use extreme violence to extract valuables, equipment or cargo from a vessel and its crew. Tankers carrying oil or other chemical products are hijacked, and their cargos are siphoned off for resale by criminals. West

Africa is also one of the world's main locations for illegal, unreported and unregulated (IUU) fishing. Almost 40% of the fish caught in West African waters is taken illegally, costing the region's governments up to \$1.5 billion annually and damaging the marine environment. Trafficking, particularly of drugs, undermines democracy and state institutions. Guinea-Bissau is a stark example of this. By some estimates, the value of drug flows through the country rivals its official economy.

However, the majority of states in the Gulf of Guinea enjoy relative political and economic stability, functioning state institutions and strong rule of law. This offers some hope that if maritime security is prioritized on a national and regional level, criminality could be contained. Political will to reduce corruption and effective law enforcement would go some way to limit the time and space that maritime criminals need to increase their scope of operation, as seen in the Indian Ocean. In Somalia, state collapse in 1991 and the subsequent lack of sufficient governance meant that until very recently, the country had no up-to-date legislation criminalizing piracy in its modern form, no effective coastguard presence and no Exclusive Economic Zone to protect the fishing rights of Somali citizens.

This contrasts with a number of West African countries that have fairly strong naval traditions. Gha-



In 2014, international marine forces trained for better cooperation in order to deal more effectively with the piracy challenge in the Gulf of Guinea. © [www.bundeswehr.de](http://www.bundeswehr.de).

na, Benin, Nigeria and Angola for example, have engaged in naval partnerships and training exercises with the American, British and Brazilian navies, among others. If sustained and geared at the right level, such international efforts could help boost the local naval and coastguard capacity to monitor waters and to apprehend those suspected of committing maritime crime.

However, while the regional bodies of ECOWAS and ECCAS have highlighted the detrimental effect of maritime insecurity, West African governments still suffer from 'sea-blindness'. They have not prioritized the national action necessary to combat this insecurity. International policymakers must also recognize the impact of insecurity in the Gulf of Guinea on their own interests, and the culpability of international elements in some aspects of this. For example, fish illegally caught in West Africa is of-

ten destined for EU and Asian markets, and there are links between vessels involved in IUU fishing and other forms of organized crime at sea – including drug-smuggling.

The EU could lead international efforts through its Strategic Framework for the Gulf of Guinea. This document has the potential to galvanize West African countries, EU member states and other international actors to adopt the comprehensive approach needed to tackle the interconnected types of maritime crime in West Africa. But action and attention on the issue must be sustained. One of the chief lessons from efforts to combat Somali piracy is that early action by policymakers, regionally and further afield, could do much to ensure that criminality does not evolve and increase to an unmanageable extent.

An earlier version of this piece was published as a Chatham House Expert Comment, at [www.chatham-house.org](http://www.chatham-house.org).



\* Adjoa Anyimadu is a Research Associate in the Africa Programme of Chatham House, UK.

## IMPRINT

ISSN: 1996-9678

Editor: Matthias Vogl:

[mvogl@uni-bonn.de](mailto:mvogl@uni-bonn.de)

Benjamin Akoutou:

[benjamin.akoutou@iao.gov.cv](mailto:benjamin.akoutou@iao.gov.cv)

Center for European Integration Studies

Walter-Flex-Strasse 3, 53113 Bonn

Germany.

West Africa Institute

Avenida de Liberdade e Democracia, N°9

Praia, Cape Verde.

The Regional Integration Observer is

published three times a year.

Authors are responsible for the views expressed in their contributions.