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ELEVENTH PARLIAMENT – FOURTH SESSION

REPORT OF THE SELECT COMMITTEE ON REGIONAL INTEGRATION ON BENCHMARKING VISIT TO THE ECONOMIC COMMUNITY OF WEST AFRICAN STATES (ECOWAS)

CLERK'S CHAMBERS
DIRECTORATE COMMITTEE SERVICES
PARLIAMENT BUILDINGS
NAIROBI

AUGUST, 2016

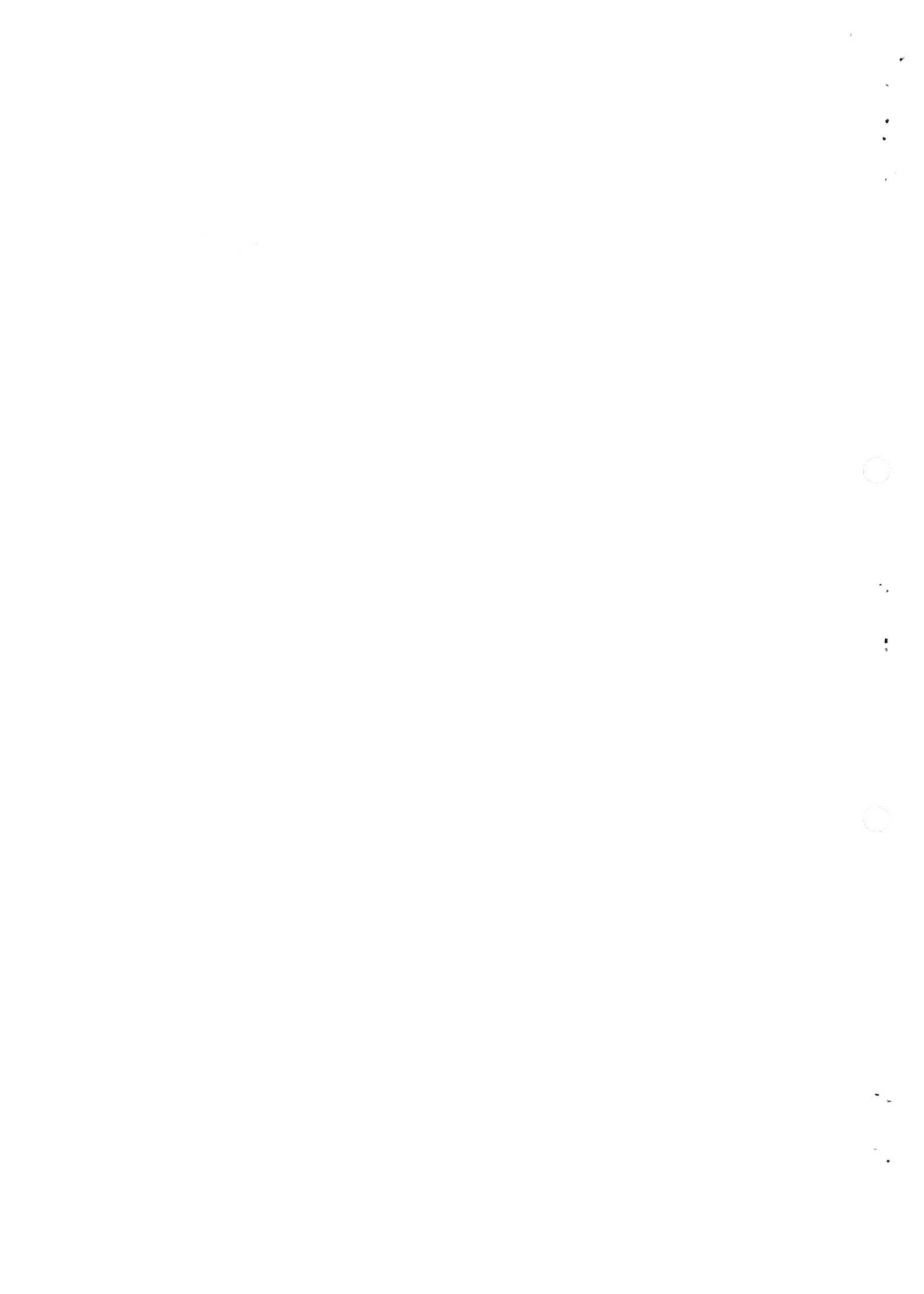


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CHAIRPERSON'S FOREWARD

A delegation of the Select Committee on Regional Integration took part in a benchmarking exercise of the Economic Community of the West African States (ECOWAS) between the 6th and 13th December, 2015. The main purpose of the visit was to learn best practices on Regional Economic Communities and replicate the same within the East African Community (EAC). This is drawn from the mandate of the Committee with respect to enhancing the role and involvement of the House in intensification and development of the integration process in the East African Community and the greater African region.

It is often argued that socioeconomic integration of African countries is the most fundamental instrument needed for the region's transformation and sustainable development. The EAC Partner States have made tremendous efforts towards enhancing integration in the bloc. These include operationalization of the Customs Union, the common market and ratification of the monetary union. The Community has also increased cooperation in areas such as security, education, election observation among others.

Different regional blocs are at different levels of attainment of regional integration. The policies adopted are also different. Therefore there exists a myriad of lessons that Regional Economic Communities within Africa can borrow from each other, especially from the Economic Community of West African States (ECOWAS) which has made significant progress in free trade area, customs union, common market and monetary union.

During the benchmarking exercise, the committee paid a visit to the following institutions:

1. The Kenya High Commission in Abuja, Nigeria
2. The ECOWAS Commission, upon which they visited the following departments:
 - i. Education, Science and Culture
 - ii. Trade, Custom and Free Movement
 - iii. Industry and Private Sector Promotion
 - iv. Political Affairs, Peace and Security
 - v. The office of the Vice President, ECOWAS Commission

3. The ECOWAS Parliament

It is therefore my pleasant duty and privilege, on behalf of the Committee on Regional Integration, to table this report in the House on the East African Legislative Assembly's Reports and Bills for consideration by the House Pursuant to Standing Order 199.

1.0 MANDATE OF THE COMMITTEE

The Committee on Regional Integration is established pursuant to the provisions of Standing Order Number 212 and is mandated to: -

- i. enhance the role and involvement of the House in intensification and development of the integration process in the East African Community and the greater African region;
- ii. examine the records of all the relevant debates and resolutions of the meetings of the East African Legislative Assembly;
- iii. examine the Bills introduced in the East African Legislative Assembly and Acts of the East African Community;
- iv. examine the records of all the relevant debates and resolutions of the meetings of the Pan African Parliament, the African, Caribbean and Pacific-European Union Joint Parliamentary Assembly and other regional integration bodies;
- v. inquire into and examine any other matter relating to regional integration generally requiring action by the House.

1.1 COMMITTEE MEMBERSHIP

The Committee on Regional Integration comprises the following Members: -

Chairperson:	The Hon. Florence Kajuju, M.P.
Vice Chairperson:	The Hon. Christopher Nakuleu, M.P. –
Members:	The Hon. Alois Lentoimanga, M.P.
	The Hon. Anthony Kimaru, M.P.
	The Hon. David Kariithi, M.P.
	The Hon. Wanjiku Muhia, M.P.
	The Hon. Murungi Kathuri, M.P.
	The Hon. Sarah Korere, M.P.
	The Hon. Ali Wario, M.P.
	The Hon. Erick Keter, M.P.
	The Hon. Joseph Kahangara, M.P.
	The Hon. Mark Lomunokol, M .P.
	The Hon. Mary Senata, M.P.
	The Hon. Gideon Konchella, M.P.
	The Hon. Dido Ali Rasso, M.P.
	The Hon. Ann Nyokabi, M.P.
	The Hon. Emmanuel Wangwe, M.P.
	The Hon. Peter Shehe, M.P.
	The Hon. Alex Mwiru, M.P.
	The Hon. David Ouma Ochieng, M.P.
	The Hon. Cyprian Kubai Iringo, M.P.
	The Hon. Bady Twalib Bady, M.P.
	The Hon. Robert Mbui, M.P.
	The Hon. Ogendo Rose Nyamunga, M.P.
	The Hon. Florence Mwikali Mutua, M.P.
	The Hon. Andrew Toboso, M.P.
	The Hon. Timothy Moseti Bosire, M.P.
	The Hon. Andrew Mwadime, M.P
	The Hon. Willy Mtengo, M.P.

1.2 COMMITTEE SECRETARIAT

First Clerk Assistant: Evans Oanda

Third Clerk Assistant: Nicodemus Maluki

Third Clerk Assistant: Fredrick Otieno

Legal Counsel II: Brigita Mati

Research Officer: Sharon Cheronno

1.3 COMPOSITION OF THE DELEGATION

In response to a correspondence received on 19th November, 2015 from the ECOWAS, through the Ministry of Foreign Affairs and International Trade, the Committee nominated the following Members to constitute the delegation:

1. Hon Florence Kajuju, M.P – Chairperson and Leader of the Delegation
2. Hon. Ali Wario, M.P
3. Hon. Florence Mwikali Mutua, M.P
4. Hon. Bady Twalib Bady, M.P
5. Hon. Wanjiku Muhia, M.P
6. Hon. Andrew Toboso, M.P
7. Hon. Joseph Kahangara, M.P

Accompanying Parliamentary officers:

1. Nicodemus Maluki- Third Clerk Assistant
2. Sharon Cheron Rotino- Research Officer

2.0 BACKGROUND

2.1 Institutional Background

The Economic Community of West African States (ECOWAS) was formally established in May 1975 by the ECOWAS Treaty with the mandate of promoting economic integration in all fields of activity of the constituting countries.

Prominent African, Prof. Adebayo Adedeji, is widely regarded as the 'father of ECOWAS.' He had outlined a vision for regional integration in West Africa in a journal article in 1970, before turning theory into practice.

The regional group is made of fifteen countries: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo. Eight of these countries are members of the West African Economic and Monetary union (WAEMU)

Considered one of the pillars of the African Economic Community, ECOWAS was set up to foster the ideal of collective self-sufficiency for its member states. As a trading union, it is also meant to create a single, large trading bloc through economic cooperation.

According to the ECOWAS Commission, the organisation is being acknowledged globally as a successful regional body with a vision of creation of a borderless region where the population has access to its abundant resources and is able to exploit the same through the creation of opportunities under a sustainable environment.

In 1993, the ECOWAS Treaty was revised to accelerate the process of integration and establish an economic and monetary union to stimulate economic growth and development in West Africa with the following objectives:

- (i) the removal of customs duties for intra-ECOWAS trade and taxes having equivalent effect,
- (ii) the establishment of a common external tariff;
- (iii) the harmonization of economic and financial policies; and
- (iv) the creation of a single monetary zone.

ECOWAS functions through its three main institutions

1. The ECOWAS Commission
2. The ECOWAS Parliament
3. The ECOWAS Court of Justice

2.2 Achievements of the ECOWAS

ECOWAS has recorded four key achievements in the field of regional integration:

- **Free Movement of Persons:** ECOWAS successfully established a protocol as early as 1979 that allowed the free movement of its 340 million citizens across the sub-region.
- **Security Mechanism:** ECOWAS established the Continent's first sub-regional security mechanism in 1999. The mechanism is built on the lessons of the Nigeria-led ECOWAS Ceasefire Monitoring Group (ECOMOG) peacekeeping interventions in Liberia and Sierra Leone in the 1990s in which over 2,500 West African peacekeepers were deployed.
- **Governance Protocol:** the protocol ratified in 2001 has helped with democratization challenges in Guinea, Niger and Togo. The organisation has also played an important role in Burkina Faso's current democratic transition following the toppling of the 27-year old government of Blaise Compaoré in October 2015.
- **The Community Levy:** Financing of Regional integration remains a major challenge on the Continent. ECOWAS came up with an innovative way to address this. The organisation created an innovative Community Levy in 2000 to help fund the organisation. The levy is charged as 0.5 % of the value of imports from third party states (i.e. ECOWAS Non-Member States).

3.0 VISIT TO THE VARIOUS INSTITUTIONS

During the benchmarking exercise, the committee paid a visit to the following institutions:

1. The Kenya High Commission in Abuja, Nigeria
2. The ECOWAS Commission, upon which they visited the following departments:
 - i. Education, Science and Culture
 - ii. Trade, Custom and Free Movement
 - iii. Industry and Private Sector Promotion
 - iv. Political Affairs, Peace and Security
 - v. The office of the Vice President, ECOWAS Commission
3. The ECOWAS Parliament

3.1 The Kenya High Commission in Abuja, Nigeria

The Kenya High Commission resident in Abuja, Nigeria is accredited to 4 Anglophone and 3 Francophone countries of Nigeria, Ghana, Sierra Leone, Liberia, Cote d'Ivoire, Togo and Benin. The Mission is also accredited to the Economic Commission of West Africa States (ECOWAS) as an observer. Being the only Mission in the Western African Region, it also diplomatically engages with countries like Burkina Faso, The Gambia, Guinea, Guinea Bissau, Mali, Niger and Senegal.

The Mission is headed by the High Commissioner H.E Tom Amollo. In terms of staff capacity, the Mission has ten Home Based Officers in the Mission and nine Local staff.

According to the High Commission, there is a lot of potential in Kenya's Diplomacy with the West African Region. Most of the region has just emerged from many years of political instability as a result of coups and internal wars. Democratic institutions are being built and there is economic revival giving the opportunity to politically engage, to learn from one another's experiences and to do business.

In the last decade, Nigeria and a few other countries in the Region have successfully held democratic elections and handing over term leadership to civilian rule. This has prompted the Mission to rise to the occasion to participate and learn from the democratization process, to

effectively market Kenya in Nigeria and West Africa Region as a whole, thereby making notable achievements.

Mission's achievements 2012/2013 - 2014/2015

The Kenyan High Commission in Abuja has made remarkable progress over the years in advancing Kenya's interests in Nigeria and the region. In the period under review, the High Commission made important strides in projecting and protecting Kenya's interests in West Africa. In 2012, the Mission completed the construction of the new Chancery, Staff Quarters, and the High Commissioner's Residence. The project was commissioned by H.E. the President Hon. Uhuru Kenyatta in July 2013 during his first visit to Nigeria.

Further, the mission has reported improved bilateral relations with the Government and the People of Nigeria occasioned by the High level exchange of visits by the Presidents, Deputy Presidents and Cabinet Secretaries which has aided and occasioned candid, mutually beneficial discourse between the two countries and opened up the markets to each other for instance: -

- i) The exchange of the first State visits by both Nigeria and Kenya which included Business forums/delegates and yielded investments flow, e.g. the proposed Dangote Cement factory worth USD 600M in Kitui to employ 4,000 people directly and over 10,000 indirectly.
- ii) Kenya and Nigeria put in place a Joint Business Council (JBC) that saw one of the first high level business interactions in April 2014 whereby captains of Kenya and Nigeria Businesses attended (e.g. Chief Executive Officers of Equity Bank, Kenya Airways, Construction Companies, Tea Factories among others). The JBC brought together private sector players from Nigeria and Kenya who will coordinate the implementation and give updates on the progress of the agreements signed.
- iii) In the same period, the mission facilitated and enabled the re-negotiation of the Bilateral Air Service Agreement leading to increased flights into Nigeria by Kenya Airways (KQ) thereby promoting both Trade and Tourism; KQ now flies four times a week to Abuja and hasten flights per week to Lagos.

3.2 Meeting with the Department of Education, Science and Culture and the Department for Trade, Customs and Free Movement

i. Education, Science and Culture

The department has the mandate of promoting and coordinating human resource policies and development strategies by enhancing scientific and cultural capacities to ensure social and economic development of West Africa. Further, it designs policies that facilitate the integration process through activities and programmes that reflect the development of member states' priorities in the fields of education, science and culture.

The department is also strengthening the institutions and pooling the resources available for that purpose together with a view to promoting the integration process through education and adequate training.

In the realization of its mandate, the functions of the Department are to:

- Ensure consistency of national Education, Science and Culture policies;
- Promote research and higher education in the fields of science and technology, and Information and Communication Technologies;
- To strengthen cooperation in the areas of basic and intermediate education and vocational training;
- Promote scientific research and ensure that scientific reports and findings are available for dissemination/distribution ; and
- Promote culture in all its forms in the ECOWAS region and ensure the implementation of an education architecture, peace culture tolerance, democracy and integration.

ii. Trade, Custom and Free Movement

The Common External Tariff (CET) which came into force in January 2015 is expected to foster a common market and remove trade obstacles to the free movement of persons and goods within West African countries.

Free movement of persons, goods and services and rights of establishment are key to the achievement of a common market in a region.

3.3 Meeting with the Department of Political Affairs, Peace and Security

The Department of Political Affairs, Peace and Security (PAPS) draws its mandate from the peace and security provisions of Article 58 of the Revised ECOWAS Treaty (1993) and its derivative Protocols; in particular the Protocol relating to Conflict Prevention, Management, Resolution, Peacekeeping and Security (The Mechanism – 1999), the Supplementary Protocol on Democracy and Good Governance (December 2001) as well as the ECOWAS Convention on Small Arms & light Weapons (SALW) & their related materials (June 2006).

The objectives of the Department in promoting peace and stability in the sub-region include:

- Implementing the Mechanism and related protocols for the promotion of peace, security and stability
- Addressing root causes of conflicts, consolidating democracy and good governance
- Mitigating and resolving tensions, disputes & crises through preventive diplomacy, mediation, sustained by timely warning
- Assisting in the return to post-conflict normalcy through peace consolidation & peace-building activities; and
- The promotion of security through assistance in the control of trans-border crimes, international terrorism, proliferation of Small Arms and Light Weapons (SALW), and anti-personnel mines

The department functions through its three main arms (Directorates);

i. Early Warning

This office is established pursuant to the ECOWAS Revised Treaty and the Protocol relating to the Mechanism for Conflict Prevention, Management, Resolution, Peacekeeping and Security. It comprises the Observation and Monitoring Centre at the ECOWAS Commission in Abuja, Nigeria and four (4) Zonal Bureaus established in:

- Banjul (The Gambia);
- Cotonou (Benin);
- Ouagadougou (Burkina Faso); and
- Monrovia (Liberia)

The responsibilities of the Directorate include observing and monitoring sub-regional peace and security indicators, including humanitarian, political and other human security issues within the

framework of conflict prevention. They collect open sourced information, analyze and submit timely reports with recommendation to the Office of the President of the Commission for action.

The Directorate is targeting to have an early warning office in each Member State.

ii. Directorate of Political Affairs (DPA)

The Directorate regularly reviews the security situation in the ECOWAS region and drafts updates, statements, reports, memoranda, recommendations and communiqués for consideration by the Commission and Heads of Governments.

The directorate is making immense contributions towards strengthening democracy and good governance, by building the capacity and commitment of political actors to peaceful democratic processes. In addition, the directorate has worked to enhance the capacity for National Human Rights Commissions.

The DPA also offers electoral assistance to Member States, including the conduct of Pre-election fact-finding missions, Long Term Observation/Situation Room and Election Observation missions in order to cover all aspects of the electoral process. These processes brings on board all relevant stakeholders in order to ascertain the level of preparedness and ensure that elections are conducted in a democratic manner.

Further, the Directorate conducts election observation missions in order to ensure credibility and transparency and thus entrench the values of democracy and the rule of law in West Africa. It also facilitates common-understanding on modalities for replicating good practices in election management within the sub region.

The Directorate is thus driving the integration process by facilitating the achievement of good governance and strengthening the conflict prevention, management and resolution mechanisms to ensure a stable region.

Three major programmes have been implemented within the auspices of the programs, namely:

- Peace building in West Africa
- Deepening Democracy and the Rule of Law
- Consolidation of Democracy

iii. Directorate of Peace-keeping & Regional Security

The areas of concern for the Directorate include cooperation in the areas of Small arms and Light Weapons, terrorism and generally ensuring there is security and stability within the sub region.

Through its program, the Community has managed to maintain peace keeping mission in Guinea Bissau, Mali and other Member Countries. The ECOWAS Standby Force is domiciled under this Directorate.

Further, the agreement on importation of arms has seen a reduction in the proliferation of small arms and light weapons in the region, and hence stability. Under the agreement, the Member States must obtain a certificate from the ECOWAS Commission authorizing the country to import a certain quantity of weapons. All suppliers of weapons are also bound to comply with this Agreement.

3.4 Meeting with the Department of Industry and Private Sector Promotion

The Department is divided into the Directorates of Industry and Private Sector Promotion.

The Department's main mandate is to promote growth in trade within the region. This is achieved through sensitizing the private sector within the Region on improvement in the quality standards of exports in order to gain international competitiveness. This is steered by the Directorate of Industry. The main areas of focus include Agrochemical, pharmaceutical, automotive and construction materials industries.

The Directorate of Private Sector Promotion is charged with the mandate of making West Africa the preferred destination for domestic and Foreign Direct Investment in the global investment market place. This is achieved through the following:

- i. Creating a favorable business environment to make the region attractive for investments;
- ii. Improving the competitiveness of the private sector in the region; and
- iii. Facilitating private sector involvement in regional integration process by initiating and implementing programs geared towards stimulating growth.

There are also efforts towards harmonizing the ECOWAS Payment and Settlement System to streamline the financial systems in the Region, and thus enhance trade by ensuring a regulated payment and settlement system.

The harmonization of the payment and settlement system will also contribute towards Financial Market Integration, culminating in a common currency area by 2020. Other expected outcomes of the harmonized payment and settlement system include a single payment area and thus increased movement of capital across the region and thus intraregional trade.

The Commissioner highlighted that the private sector development within the region still lies low. There are concerted efforts by the ECOWAS Commission towards transforming this. In addition to private sector promotion, the Commission Secretariat is working towards developing a Common Investment Market Policy framework aimed at creating a harmonized common investment market for the region. The Member States have also adopted the Private Sector Development Strategy aimed at enhancing the same.

3.5 Meeting with the Speaker of the ECOWAS Parliament

The ECOWAS Parliament is headed by the Speaker, Senator Ike Ekweremadu. He used the opportunity to interact with Members of the delegation on the role of the Parliament in facilitating regional integration.

The Parliament is the Assembly of Peoples of the Community. The members represent the interest of the people of the Member States.

Parliament consists of 115 seats. Each of the 15 Member States is allocated at least five seats. The remaining seats are shared in proportion to the country's population. As a result, Nigeria has 35 seats, Ghana 8, Côte d'Ivoire 7, while Burkina Faso, Guinea, Mali, Niger and Senegal have 6 seats each. Other countries: Benin, Cape Verde, Gambia, Guinea Bissau, Liberia, Sierra Leone and Togo have 5 seats each.

The regional parliament has the mandate of enacting legislations that contribute towards the overall objectives of the Community i.e. the creation of a borderless, peaceful, prosperous and cohesive region built on good governance.

3.6 Meeting with the Vice President, ECOWAS Commission

The Committee held its final meeting with Dr. Toga Gayewea McIntosh, the Vice President of the ECOWAS Commission on 11th December 2015. The Members had interest in understanding the following issues, among many others: continental federation, customs union, monetary union, early warning system, cross border conflicts, extremism and terrorism as well as the management of peace and security.

Other issues that were discussed include fear of dominance amongst Member States, the Community Levy paid by the ECOWAS Member States and political unrests in some Member States.

Responding to the issues, the Vice President conferred the following:

- The Community has helped to restore democracy and good governance in the region by declaring zero tolerance to usurpation of power through unconstitutional means. The Community does not recognize leaders who acquired power through such means. This has helped to restore democracy within the Member States and significantly reduced coups and political unrests.
- The Mechanism for early warning has been a great success as it has helped the Community to anticipate and avert crisis within the region. There are plans to extend the early warning system to cover other aspects to humanitarian wellbeing, such as health. The early warning system will also be expanded so as to establish an early warning office in every Member State.
- The region has adopted an Agreement on Small arms and light weapons, ammunition and other related materials. One of the objectives of the Agreement is to prevent and combat the excessive and destabilizing accumulation of small arms and light weapons within ECOWAS. Further, the commission has established in every Member State an office for handling matters of small arms and light weapons. This has curbed the unrestricted movement of arms within the region.
- The Community has a levy of 0.5% of the value of imports originating from third countries. The levy has contributed towards funding the activities of the Community and encouraged trade amongst Member States.

- The Community is working on cross border infrastructure development in order to improve interconnectivity, trade and thus economic development across the region.
- The community is looking to have a common currency in the region by 2020. As such, they have already started implementing a convergence criterion.
- The Community has managed to establish a Common Passport for the region, referred to as the ECOWAS Passport. The passport grants the citizens of the region the right to free movement and establishment in any Member State. This has been acknowledged as a huge success of the common market protocol.
- The community is handling fear of trade dominance by some Member States through increasing competitiveness of all countries.

4.0 LESSONS FOR KENYA AND THE EAST AFRICAN COMMUNITY

i. Funding of Community activities

The ECOWAS has been able to implement an efficient system for raising funds internally to run the activities of the Community. The community levy, which is payable to the Commission by the Member States, is charged as 0.5 % of the value of imports from third party states (i.e. ECOWAS Non-Member States). In contrast, the budget of the EAC is to a great extent donor funded, which means the community runs the risk of propelling the donors' agenda, and not its own. The EAC should therefore develop an sustainable financing mechanism to be able to successfully implement its activities.

ii. Cooperation on security, conflict prevention and resolution

The ECOWAS has done a lot in an effort to enhance peace and stability within the region. The steps they have undertaken can be replicated by the EAC, especially in her bid to ensure the full operationalization of the EAC Peace and Security Protocol. These include:

- a. Member countries within the ECOWAS region have been collaborating, sharing intelligence and information, as part of efforts to combat terrorism in the sub-region. These have been instrumental in the fight against insurgent attacks posed by terrorist groups. Further, the Sub region has implemented various counterterrorism strategies in an effort to combat violent extremism and terrorism acts in the region. These include early warning, preventive diplomacy, disarmament, education, peace and development.
- b. ECOWAS conflict prevention framework, which was adopted by Heads of States and Governments in the region, seeks to help resolve issues that could often lead to violent extremism. This has been instrumental in averting crisis in the region. The EAC should develop such a mechanism in light of the recent increases in numbers of radical groups in the region. Further, there is need to review EAC Peace and security institutional framework in line with African Union's Peace and Security Architecture (APSA) to effectively prevent, manage and resolve conflicts within the Community