



OBSTACLES TO THE DEVELOPMENT OF SMALL SCALE FISH TRADE IN WEST AFRICA

By

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ABSTRACT

Background information is presented of the importance of the artisanal fisheries sector in West Africa in terms of income and employment generation, foreign exchange earning and as a major supplier of animal protein to low income urban dwellers and the rural poor. Processing methodologies of smoking, salting/drying and fermentation is still traditional although improved technologies are being introduced and gradually adopted and coupled with a few semi-industrial processors to produce a final product with preferred tastes and market preferences. West Africa artisanal fisheries could benefit considerably from increased trade to the so called "ethnic market" in Europe, USA and other developed countries. Some key trading routes have been identified for the artisanal fishery products which represents 70 per cent of fish consumed and traded in the region. Constraints to trade expansion in the handling, processing, distribution and marketing chain of artisanal fisheries are highlighted. Areas to improve the sector for a better trade in west Africa and the global marketplace are suggested. Recommendations are given for possible strengthening intra-regional trade and creating awareness of market opportunities in the region and beyond.

<u>Key words. Development, fish trade channels, cured products, tariff barriers, artisanal sector.</u>

1. BACKGROUND:

The artisanal fisheries of West African Coast from Mauritania to Nigeria with a total coast line and continental shelf of 6500 km² and 310,050 km² respectively developed from the use of small sail canoes to the situation where the fleet has become more diversified and motorized. This includes 18-20 meters long canoes, which carry on board larger crew. This development facilitated by access to modern equipment and gear through projects or national programs, plays on important role in socioeconomic well being of fisher folks.

The catches serve local and breign markets, usually through intermediaries. The artisanal sector is an important source of employment and foreign exchange and consistently provides about 40% of animal protein¹ to the region's growing population. In 1995, the artisanal fleet landed 1,200,000 tons; the major part of it is small pelagic (60%). About 1,000,000 fishermen who deliver to thousands of intermediaries (fishmongers, processors and traders) operate this fleet. Women play a prominent role in artisanal fisheries post harvest activities - processing and marketing - and they are major players in socio-economic development of West African countries.

The average annual fish consumption according to FAO/IDAF² was estimated at 9,2 per capita in 1995, below the world average, which was 13 kg in the same year and 15 kg in 1998. The reduction in fish consumption can be attributed to fall in imports resulting from economic crises being experienced by the countries of the region, increased population growth and inefficient utilization of fish catches.

The annex 1 shows the histograms and curves of import and export volumes and values from the ECOWAS region.

In 1994 the quantity of fish imported into ECOWAS stood at 1.2 million MT and increased to approximately 1.7 million MT in 1998. Côte d'Ivoire, Ghana, Nigeria and Senegal are the leading importers. Between them they are responsible for 85% of the total import into the sub-region. Translated to foreign exchange outflow, the 16 ECOWAS countries spent US\$ 363,362,000 to import fish in 1994 and US\$ 493,016,00 in 1998 an increase of about \$30,000,000

The outflow of fish and inflow of dollars of ECOWAS countries is somehow favorable. In 1994 export of fish and fishery products out of ECOWAS stood at 262,173 MT, it increased to 330,086 MT in 1998. In return a total of US\$628,070,000 and US\$822,272,000.00 came in 1994 and 1998 respectively. The four main exporters are Côte d'Ivoire, Ghana, Mauritania and Senegal.

² FAO/IDAF, 1998: The State of Artisanal Fisheries in West Africa in 1997

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¹ FAO, 1998: The state of Fisheries and aquaculture

2. PROCESSING METHODOLOGIES

The processing methods used are mainly traditional ones, though improved technologies are being introduced and gradually adopted. An active cured fish production exists in Western Africa. Except for a few semi-industrial operators engaged in fish smoking, drying and salting, fish curing is organized at artisanal level.

Different techniques of smoking fish exist and vary from a country to another, based on tradition, preferred tastes and market preferences. The quality of smoked fish is different according to the smoking methods, species used to the wood (aradirachita, mangifera, schirrophora, etc.) used in the smoking process, which can give a different taste to the final smoked product.

In general there are two main different smoking techniques: hot-smoked and dried-smoked. The first is considered of superior quality than the second and has a better market acceptance but, as it contains some water, it has a reduced conservation time compared to the dried-smoked fish. The main products processed and traded include smoked sardinella, smoked bonga, smoked or dried anchovy, smoked catfish and smoked tilapia. Other traditional forms of processing are sun-dried, dried-salted, fermented and fried.

3. MAIN FISH TRADE CHANNELS IN WEST AFRICA

Though mostly unrecorded, processed products from the artisanal sector form a highly significant part of the small pelagic fishery products traded intra-regionally within the selected countries. This trade has increased considerably over the past years but its importance is still not reported, as it should be, in trade data, since much of this activity takes place unrecorded. Some key trading channels can be however identified:

- Ghana: to Togo and Benin for smoked sardinella/anchovy and cured freshwater fish
- Côte d'Ivoire: to Burkina Faso for smoked sardinella
- Sierra Leone: to Guinea and Liberia for smoked sardinella and bonga
- Gambia: to Guinea and Senegal for smoked bonga and skates
- Gambia: to Ghana for dried shark products
- Mali: to Burkina Faso, Côte d'Ivoire, Niger and Nigeria for cured freshwater fish
- Senegal: to Cameroon, Congo, Côte d'Ivoire, Gabon, Ghana, Guinea, Nigeria, Togo, Benin, Zaire and Mali for smoked/dried-salted marine fish
- Benin: to Nigeria for smoked catfish and bonga.

INFOPÊCHE³ Missions Reports indicate that 70 % of fish consumed in the region is in smoked form. Cured fish marketing has the most extensive distribution network in the region. This particularly true for smoked dried products and to a lesser extend, sun-dried, dry-salted and fermented products. While dominated by women, cured fish marketing in the region is on activity, which is complex, involving large-scale wholesalers, who purchase in bulk from processors, small-scale retailers who may sell in small pieces to consumers and a host of other middlemen in between. The high population growth rate is not accompanied by a concomitant increase in landings, which reduces the per capita fish supply.

Artisanal fisheries catches are marketed fresh or processed in line with consumer taste, storage conditions supply and demand. The lack of a highly developed cold storage and marketing network makes fresh and frozen fish distribution to the inland population in most West African countries difficult.

In many countries, cold storage systems are inadequate and fish not sold the same day is either dried or smoked. In Senegal, 36% of the artisanal fishery catches are processed, 1/3 is sold fresh on the domestic market, and another 1/3 is goes to export markets in neighbouring countries, such as Côte d'Ivoire, Ghana, Mali, Mauritania and Nigeria.

In Côte d'Ivoire 80% of production consists of smoked fish, particularly sardinella, anchovies and *bonga*. In Benin, the bulk of fish sold is processed but increasing quantities of *bonga* are sold fresh. In general, there is an increasing tendency to sell the fish captured by artisanal fisheries in fresh form due to an increased availability of ice, together with better infrastructures that make an enhanced distribution towards hinterland possible. There is also a growing trade among neighbouring countries due to the same reasons together with improved co-operation between countries.

Fresh and frozen fish are generally exported to Europe, though some is also traded within the region, especially African mix and small pelagic fish. But because of the absence of well organized African fleets for frozen pelagic caught in African waters, the European exporters can sell their products, and countries such as Mauritania and Senegal cannot compete with them in this market. Hopefully, the market for small pelagic in this region is very important, it is estimated about 800,000 Mt.

The key western African markets for frozen small pelagic are Nigeria, Côte d'Ivoire, Zaire, Cameroon, Ghana, Togo and Congo. Despite the importation of fish into a country like Nigeria, the demand still fall short of supply. Demand for fish in that country is put at 1.3 million tons whereas supply is presently put at 0.5 million tons.

Frozen fish is often imported for processing by the artisanal fishery. High value fish such as sole, barracuda, snappers etc. are exported to Europe and in return mackerel, sardines and mixed fish are imported from EU countries, Russia, South America, Ireland, Mauritania Angola, Namibia and Senegal. This category of fish are consumed mainly by the urban and rural poor in the fresh and smoked or fried form. The artisanal urban fish processors smoke the fish for sale throughout the year while the artisanal rural processors smoke the fish during off season of sardinella and bonga.

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³ INFOPÊCHE, 1990 marketing of Artisanal Fish Products

Cured fish trade is very complex, informal and no bookkeeping process is recorded. We assume the trade enables them to increase their assets but more investigation are needed as well as training on bookkeeping.

The leading African suppliers of these products are Mauritania, Senegal Namibia and Angola. Small pelagic such as sardinella, mackerel and horse mackerel are the most popular frozen fish traded the easiest species marketed. The most important quality criteria are fish size and their fat content. Mackerel should be at least 25-30 cm and as fat as possible, while horse mackerel should be minimum 20-25 cm with the same fat as mackerel.

The distribution of artisanal products in the region is an important activity involving several thousands of traders, most of them women. While this activity may serve a social purpose, such as providing food for the families of the traders, its primary objective is economic - to generate income.

The bulk of the cured fish products are transported by road, in lorries, pick-up trucks, passenger vehicles, taxis and motorcycles. The choices are dependent on distance, volume of load, costs and whether in the urban or rural area. River transport is also very popular on Volta Lake and river Niger. A striking observation is the limited use of rail transport in some areas. Except for the Abidjan-Ouagadougou line, as well as some rail connections in Togo. This means of transportation has featured less in cured fish marketing.

4. MAJOR OBSTACLES TO TRADE EXPANSION IN WEST AFRICA

Fisheries communities are confronted by serious problems throughout all stages of handling processing distribution and marketing. The following are the major constraints that affect intra-regional fish trade:

<u>Lack of infrastructure</u>: for handling, storage, (problems with ice, electricity, etc.), processing facilities, distribution, transport facilities, inter-state roads and border controls.

<u>Lack of cargo vessels</u>: the present situation sees most of the cargo vessels covering the Morocco to South Africa route coming directly from Europe. If the vessels are full, then it becomes a problem for Mauritania or other countries to ship their products to their destination in the Gulf of Guinea.

<u>Lack of information</u>: in general, fishermen live in small isolated settlements along the shores of coastal and inland waters and usually extension officers do not visit them because of the lack of incentives and proper wages.

This situation, coupled with high illiteracy amongst them, engenders the absence of crucial information, not only within the communities of fisher folks themselves but also between these and the outside. This hampers their access to appropriate technology for fish preservation and processing as well as their ability to access information on resource and markets. The region is also characterized by low

dissemination of appropriate techniques leading to insufficient knowledge of the fish handling, preservation, processing and distribution methods used.

<u>Political and civil unrest</u>: this situation is aggravated by a number of military coups and civil strife's among the countries in particularly in the West African sub-region. In most cases, when a military junta or a rebel group overthrows a government, existing trading arrangements are affected.

Economic situation: this is alarming in many countries of the region. The introduction of SAP in some countries in the 80s e.g. Ghana and Nigeria adversely affected all sectors of the economy including the artisanal fishery sector. The purchasing power of the rural poor was lowered. Scarce foreign exchange to import fishing inputs for example petrol, fishing gears, out board engines, etc. have resulted in scarcity of fish leading to price hike beyond the reach of the poor. For example for CFA French speaking African countries such as Côte d'Ivoire, the devaluation of the CFA franc of 1994 showed a sharp drop of the imports, it was 170,141 Mt and 140,588 Mt respectively in 1994 and1997, this, despite the high rate of the population growth, decrease of aquaculture production and national wild catch. After the "choc" due to the devaluation the imports are increasing but still below the 300,000 Mt needed. Consequently, less fish is available and low income communities will have their purchasing power weakened

Foreign exchange to pay imported products: many African countries are finding it difficult to pay for their imports as their currencies continue to weaken and are not convertible, the dollar and other foreign currencies are used for the transactions in the region.

Credit: it is difficult for fish traders who want to expand or improve their operations, to accomplish these objectives and to put more fish in markets at reasonable prices. On one side, access to credit is difficult and on the other, repayment conditions are often harsh. This is particularly true for the artisanal fish traders, the majority of whom avoid the formal credit channels.

Ineffective National and Regional Policies: virtually all the countries making up ECOWAS have individual National Fishery Policy and ECOWAS fish trade policy. However, these policy are ineffective either due to sabotage, bureaucracy or lack of will power on the part of those who should implement these policies. An example is the ECOWAS initiative on streamlining fish trade policy in West Africa which started in 1970s and still nothing concrete on the ground.

Tariff barriers and non tariff barriers

Tracasseries/corruption:

Checkpoints along roads and at borders between states are major obstacles to trade in the region. As traders and transporters cannot read, anything is required by custom officers, health officers and policemen. Money is the valid "authorization" for passing. Some transporters by avoiding checkpoints took shortcuts and ended with more hours and any other problems. All this cost money and is added to the price of fish sold in the region.

Quality assurance in fish and fishery products:

Health regulations and quality standards based on Hazard Analysis of Critical Control Point (HACCP) with regards to fish and fishery products have been adopted in developed countries, and are in the process of being implemented in many other countries, including the African ones. For example, imports of fishery products into the EU and the USA must have an original health certificate, from approved establishments and bear the name of the country of origin. Some countries have been certified e.g. Mauritania, Senegal, The Gambia, Côte d'Ivoire, Ghana and Nigeria, while the others are to upgrade plants and improve their inspection skills.

Taxes and import duties:

An effort are being made by a number of regional and sub-regional organizations in identifying a common trade policy for their respective member countries but, so far, very little has been achieved because countries did not enforce regional trade initiative rules.

In the year 2000 an important political measure to improve fish trade has been obtained by the eight member countries of the UEMOA (Senegal, Guinea Bissau, Mali, Burkina Faso, Niger, Togo, Benin and Côte d'Ivoire) that benefit from a zero tariff, the so-called TEC (Tarif Economique Commun) for products produced within the region (annex 2).

Another example is given by ECOWAS (Economic Community of West African States) whose efforts to streamline fish trade policy in West Africa date back to the 1970s. A common duty and tax schedule was worked out in May 1979 but Member States failed to incorporate these special provisions, preferring to apply their own regulations. Under the stipulated common policy, non-tariff barriers should have been removed within 4 years from May 1981. (Annex 3).

Both UEMOA and ECOWAS have taken decisions establishing the classification of import duties and taxes and indirect internal taxes and duties to be reduced and eliminated or harmonised in conformity with the provisions of their treaty. However, the Economic pressures in the individual Member States made it impossible to put the new policy into effect

Furthermore, Central African countries import substantial volumes of their frozen and cured fish from West Africa. However, products originating from the West African region do not benefit from the special tax concessions applicable in UDEAC Member States, making the impact less effective.

Lack of harmonisation and and/or enforcement in trade policies and sanitary regulations among African States, corruption, harassment at check points continue to hamper the development of intra-regional trade in fish and fishery products.

5. IMPROVING FOR A BETTER TRADE IN WEST AFRICA

Improvements in the artisanal sector of conditions and infrastructure on board and in the landing sites, of the roads and communications networks, of the processing and trading establishments, and of fish inspection services are the prerequisites for good quality and safe fish products oriented for the intra-regional trade. Also, a trade information network on responsible fishing of the resources, appropriate technology, demanded product forms and lucrative markets and rules and regulations are necessary in market access.

The statistical database on West African artisanal fisheries is weak and should be improved. Awareness, education, training and information of the social and economic importance of the sector will help to improve its performance and to strengthen livelihoods in the sector.

Economic co-operation and regional integration offer tremendous opportunities for economic growth enabling participating countries to overcome the constraints of small national markets, increasing intra - Africa trade and providing opportunities for integrating African economies into the global economy.

In the same vein, the monetary co-operation programme which shall involve the adoption of collective measures for the purpose of setting up a harmonised monetary system and common management institutions shall aim at the achievement of the objectives of monetary Co-operation Programme through a phased approach.

6. CONCLUSIONS AND RECOMMENDATIONS

Artisanal fisheries have become an important source of high currency, employment and animal protein in the region. To strengthen an increase intra-regional trade by stimulating production in a sustainable manner and trade development, and to enhance trade by creating awareness of market opportunities in the region to the business community, develop trade channels, trade services in support to market integration, the following measures should be undertaken:

- Organisations of market surveys for the artisanal fish products trade in the region to identify the needs and tailored a n appropriate program of assistance to improve regional. Fish traders will act as market consultant;
- Organisation of buyers and sellers and seminars on trade opportunities in the region to put together decision makers of the sector and made business contacts.
- Strengthening the regional trade information network to provide data on raw material, intermediate inputs annual supply and demand as well as consumption pattern. INFOPECHE and WADAF have jointly been publishing BONGA Flash a bi-monthly magazine on volume of trade and price trends in the region until it was rested because of lack of fund from the EU project.

- Preparation of a directory on exporters and importers from the region based on data collected in the market surveys and buyers and sellers meetings of selected products.
- Implementations of liberal trade policies e.g. the UEMOA TEC and the ECOWAS trade programme.
- Harmonisation Rules and regulations on packaging, labelling and marking of goods. In fact, cured fish losses are high during transportation because of poor packaging and mislabelling.
- Development of standards, quality assurance, certification and methodology
- Expanding the scope of existing trade information network e.g. INFOPECHE, by establishing contacts and promoting information flows among trading organisations; such as commercial enterprise export and marketing bodies to link-up with other sub-regional institutions in Africa.
- Organisation of training programmes to improve the skills of national trade promotion officials utilising existing institutions available in the region.

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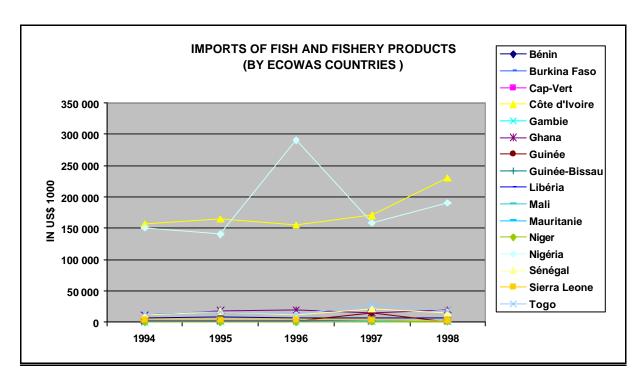
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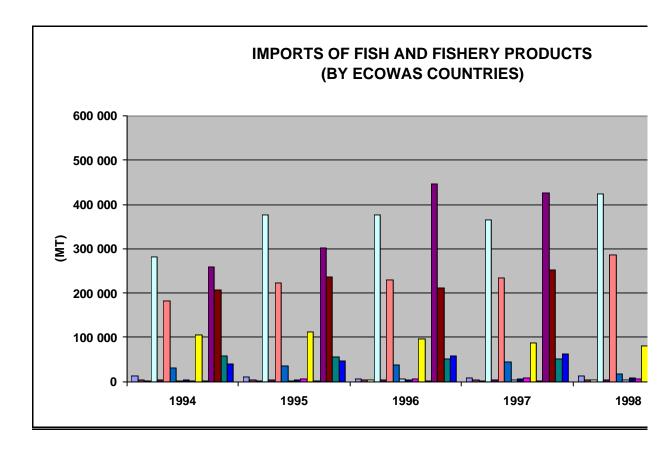
Import and export volumes and values from the Ecowas region

Source: INFOPECHE

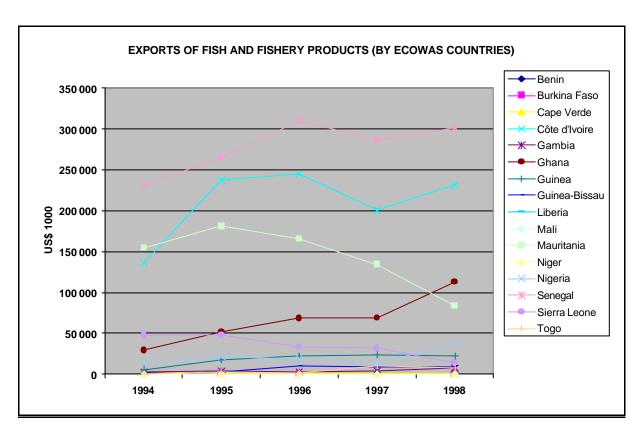
IMPORTS OF FISH AND FISHERY PRODUCTS BY CECAF COUNTRIES IN US\$ 1000									
Country 1994 1995 1996 1997 19									
Benin	7 123	9 288	7 228	6 910	6 399				
Burkina Faso	911	935	1344	1210	2741				
Cape Verde	350	539	1 946	1 334	687				
Côte d'Ivoire	1701417	147,582	140588	159588	264383				
Gambia	202	277	413	1 546	1 320				
Ghana	10 986	19 132	19 359	14 827	19 196				
Guinea	1 270	1 495	1 373	15 861	308				
Guinea-Bissau	400	506	554	2 469	1 265				
Liberia	1 785	1 731	2 422	2 199	1 426				
Mali	272	303	381	222	387				
Mauritania	800	1 039	818	2 532	202				
Niger	92	203	253	390	437				
Nigeria	150 948	140 309	290 350	158 633	190 098				
Sénégal	11 970	17 215	11 259	21 797	15 759				
Sierra Leone	3 420	3 425	3 446	3 562	3 215				
Togo	15 557	16 599	13 835	27 901	19 031				



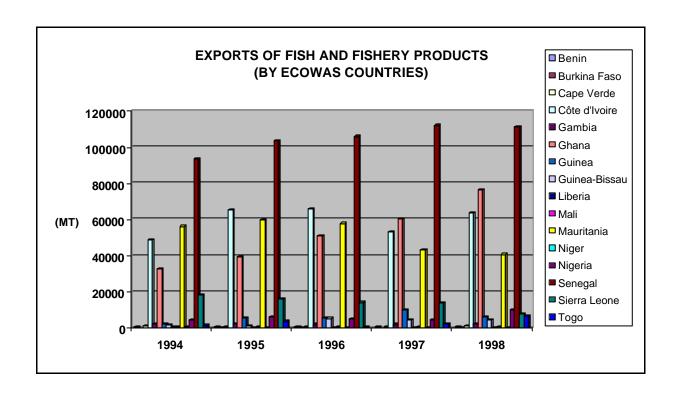
IMPORTS OF FISH AND FISHERY PRODUCTS (BY ECOWAS						
COUNTRIES QUANTITY TM)						
Country	1994	1995	1996	1997	1998	
Benin	14 103	9 607	7 324	9 295	12 726	
Burkina Faso	4 075	3 945	3 212	3 846	3 874	
Cape Verde	2 371	1 915	2 735	2 652	2 881	
Côte d'Ivoire	280 785	375 620	375 862	366 350	424 834	
Gambia	4 299	3 031	3 137	3 402	3 908	
Ghana	182 694	222 825	230 539	234 558	285 235	
Guinea	31 179	34 931	36 865	44 079	17 479	
Guinea-Bissau	1 630	1 483	5 527	4 885	4 763	
Liberia	4 782	4 565	4 957	5 323	9 393	
Mali	2 543	6 630	6 234	8 042	7 309	
Mauritania	105 573	112 046	96 430	86 747	81 270	
Niger	1 613	1 563	1 457	1 525	3 041	
Nigeria	258 725	302 871	446 199	425 643	478 197	
Senegal	206 293	236 277	210 871	252 142	233 275	
Sierra Leone	57 285	55 234	51 958	51 154	42 906	
Togo	41 162	46 629	58 593	63 173	51 205	



EXPORTS OF FISH AND FISHERY PRODUCTS BY ECOWAS						
COUNTRIES (US\$ 1000)						
Country	1994	1995	1996	1997	1998	
Benin	1 518	1 569	2 125	1 359	2 032	
Burkina Faso	-	15	61	-	7	
Cape Verde	2 350	1 782	1 578	2 134	1 490	
Côte d'Ivoire	135 666	237 290	244 869	200 391	231 105	
Gambia	3 061	4 440	2 585	3 831	7 349	
Ghana	29 187	51 844	68 674	69 162	113 011	
Guinea	5 910	17 508	22 572	24 344	22 012	
Guinea-Bissau	740	2 473	9 692	8 435	9 344	
Liberia	908	211	3	18	11	
Mali	370	412	450	459	359	
Mauritania	154 132	180 805	165 471	134 431	83 654	
Niger	740	586	234	321	70	
Nigeria	14 083	21 546	19 040	13 856	36 833	
Senegal	231 600	264 373	310 541	286 667	301 363	
Sierra Leone	47 805	48 100	33 093	31 824	13 632	



EXPORTS OF FISH AND FISHERY PRODUCTS BY ECOWAS					
COUNTRIES (QUANTITY IN MT)					
Country	1994	1995	1996	1997	1998
Benin	488	330	266	202	565
Burkina Faso	-	3	14	-	2
Cape Verde	858	216	267	552	963
Côte d'Ivoire	48 698	65 177	66 096	53 269	63 816
Gambia	2 088	1 844	1 803	1 747	2 295
Ghana	32 734	39 417	50 942	60 351	76 173
Guinea	1 927	5 199	5 592	9 652	6 043
Guinea-Bissau	1 330	1 149	5 174	4 484	4 431
Liberia	322	91	2	2	3
Mali	250	256	250	203	201
Mauritania	56 081	59 768	57 766	42 932	40 583
Niger	185	98	105	52	18
Nigeria	4 081	5 923	4 926	4 301	9 658
Senegal	93 673	103 458	106 027	112 152	111 273
Sierra Leone	18 165	16 050	? 036	13 593	7 681
Togo	1 293	3 407	216	1 914	6 582



UEMOA preferential trade measures (TEC)

Products are classified into 4 categories:

Categories	Products	Required Documents	
0	Essential social goods from a restricted list	?	Commercial receipt(details of the goods, fob price and costs of insurance and fret
		?	EUR1 certificate for products originating from EU
		?	Certificate of origin for third countries
1	Goods of first necessity, commodities, raw material, specific equipments		
2	Equipment and intermediary products,		
3	Goods of final consumption and other products not taken into account somewhere else.		

Permanent rate and tax duties applicable since January 1st, 2000 are the following:

Category	Tax duties	Taxes for statistics	Taxes taken for solidarity of the community fund
0	0%	1%	1%
1	5%	1%	1%
2	10%	1%	1%
3	20%	1%	1%

Taxes are based on the CIF prices.

DECISION A/DEC.18/5/80 OF THE AUTHORITY OF HEADS OF STATE AND GOVERNMENT OF THE ECONOMIC COMMUNITY OF WEST AFRICAN STATES RELATING TO TRADE LIBERALISATION IN INDUSTRIAL PRODUCTS

THE AUTHORITY OF HEADS OF STATE AND GOVERNMENT.

MINDFUL of the Treaty establishing the Economic Community of West African States and especially its Articles 5, 13 and 17;

CONSIDERING Decision No 5 of the Council of Ministers Meeting of 25th May, 1980 :

DECIDES:

Article 1Trade Liberalisation in industrial products and elimination of tariff barriers shall be governed by the following schedules:

SCHEDULE 1

a. Products of Community Enterprises

Such products shall be liberalised immediately they are produced and they shall have free access to the Community market duty free.

b. Priority Industrial Products to enjoy accelerated liberalisation

Such products shall be liberalised over a period of four (4) years at the following rates: 25, 50, 75 and 100 per cent which shall be implemented on the 28th of May of the years 1981, 1982, 1983 and 1984, respectively.

c. Other Products

Such products shall be liberalised over a period of six (6) years at the following rates: 15, 30, 50, 70, 90 and 100 per cent which shall be implemented on the 28th of May of the years 1981, 1982, 1983, 1984, 1985 and 1986, respectively.

Article 2 The Tariff Elimination Scheme stipulated in schedule above shall apply to Ivory Coast, Ghana, Nigeria and Senegal.

SCHEDULE II

a. Products of Community Enterprises

Such products shall be liberalised immediately they are produced and they shall have free access to the Community market duty free.

a. Priority Industrial Products to enjoy accelerated liberalisation

Such products shall be liberalised over a period of six (6) years at the rate of 15, 30, 50, 70, 90 and 100 per cent which shall be implemented on the 28th of May of the years 1981, 1982, 1983, 1984, 1985 and 1986, respectively.

b. Other Products

Such products shall be liberalised over a period of eight (8) years at the rate of 10, 20, 30, 45, 60, 75, 90 and 100 per cent which shall be implemented on the 28th of May of the years 1981, 1982, 1983, 1984, 1985, 1986, 1987 and 1988, respectively.

Article 3 The Tariff Elimination Scheme stipulated in schedule ii above shall apply to Benin, Cape Verde, Gambia, Guinea, Guinea Bissau, Upper Volta, Liberia, Mali, Mauritania, Niger, Sierra Leone and Togo.

PROTOCOL RELATING TO THE RE-EXPORTATION WITHIN THE ECONOMIC COMMUNITY OF WEST AFRICAN STATES OF GOODS IMPORTED FROM THIRD COUNTRIES

THE HIGH CONTRACTING PARTIES.

Aware of the necessity to facilitate the implementation of Article 22 of the Treaty of the Economic Community of West African States on the re-exportation within the Community of goods imported from third countries.

AGREE AS FOLLOWS:

Article I

Definitions

In this Protocol:

"Treaty" means the Treaty of the Economic Community of West African States;

"Community" means the Economic Community of West African States;

"Council" means the Council of Ministers established by Article 6 of the Treaty of the Economic Community of West African States;

"Commission" means the Trade, Customs, Immigration, Money and Payments Commission established by Article 9 of the Treaty of the Economic Community of West African States;

"Barter Agreement" means any agreement or arrangement by which goods are imported into a Member State of the Community, being goods for which settlement may be affected, in whole or in part, by the direct exchange of goods;

"Customs Duty" shall include import duties and taxes of equivalent effect;

"Re-exportation" means the exportation from a Member State to another Member State of goods originally imported from a third country.

Article II

Customs duty collected to be refunded in the collecting State

- 1. Where any goods which are imported into a Member State of the Community from a third country and in respect of which customs duty has been charged and collected in that State (in this paragraph referred to as "the Collecting State) are transferred to one of the other Member States of the Community (in this paragraph referred to as "the Consuming State) the following provisions shall apply:
- a. An administrative fee representing 0.5% of the c.i.f. value of every consignment being reexported is to be charged by the Collecting State;
- b. The Collecting State shall refund to the importer within its territory, the full amount of duty paid on the goods while other costs such as c.i.f., port charges, etc. involved in the importation are to be included in the invoiced price to be paid by the importer in the Consuming State;
- c. The Consuming State shall charge and collect the duty payable on such goods.

2. Where goods which imported into a Member State of the Community from a third country and in respect of which customs duty is charged and collected in that State (in this paragraph referred to as "the Collecting State") are wholly or in part used in the Collecting State in the manufacture of other goods are subsequently transferred to another Member State of the Community (in this Article referred to as "the Consuming State"), the Collecting State shall refund to the importer within its territory the full amount of the manufactured goods subsequently transferred to the Consuming State.

Article III

Power of the Council of Ministers of the Community

- 1. The Council of Ministers of the Community may make regulations generally for the better carrying into effect of the provisions of this Protocol and matters connected therewith.
- 2. Without prejudice to the measures referred to in Article 23 of the Treaty and to this Protocol, the Council may, on the recommendation of the Commission lay down other conditions under which re-exportation of goods from third countries may be permitted under this Protocol. Such conditions shall include the type, the minimum value and quantity of goods that may be reexported and the minimum amount of customs duty that may be refunded by a Member State.

Article IV

Infringements

1. Without prejudice to the powers conferred upon the Tribunal of the Community established under Article 11 of the Treaty, continued infringement by a Member State of the provisions of this Protocol may be referred by another Member State to the Council through the Commission.

Article V

The Provisions of this Protocol and the Treaty

The provisions of this Protocol shall, where specific provisions exist on the same subject matter in the Treaty, be so construed as to complement each other.

Article VI

Deposit and Entry into Force

- 1. This Protocol shall enter into force provisionally upon signature by Heads of State and Government of Member States and definitively upon ratification by at least seven Member States in accordance with the constitutional procedure applicable for each signatory State.
- 2. This Protocol and all the instruments of ratification shall be deposited with the Depository Government of the Treaty which shall transmit certified true copies of this Protocol to all Member States and notify them of the dates of deposit of the instruments of ratification and shall register this Protocol with the Organisation of African Unity, the United Nations and such organisations as the Council shall determine.
- 3. This Protocol shall be annexed to and shall form an integral part of the Treaty.

in faith whereof, we, the heads of state and government of the economic community of west African States have signed this protocol.

done at Lomé, this 5th day of November, 1976 in one single original in the English and French languages, both texts being equ ally authentic..