



Implementing immediately an anti-EPA duty

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Summary

According to a credible source, 10 Heads of West Africa's (WA) States among 16 have already signed the Economic Partnership Agreement (EPA) with the EU on 15 December 2014, unaware they were signing at the same time their death sentence, but five have not done: Nigeria, The Gambia, Sierra Leone, Togo and Mauritania. Judge for yourself: if the EPA is implemented from the year 2015, WA would have to phase out customs duties (CDs), from 2020 to 2034, on 82% of its imports from the EU, losing €21.010 billion from 2015 to 2034, net of €150 million (€M) of annual CDs, or €3 billion (bn) over the 20 years, of the GSP (Generalised System of Preferences) CDs that Ivory Coast (IC), Ghana and Nigeria would have to pay on their exports to the EU (based on those of 2013) if the EPA is not implemented.

Now these €150 M could be covered by an anti-EPA duty of only 0.2% on all extra-WA imports of the 16 States. If 25% of the tax would rest on the 12 LDCs (least developed countries), they have the most to lose with the EPA as their LDC status would not require them to reduce their CDs on what they import from the EU in the absence of EPA. Indeed their total losses of CDs on imports from the EU could reach €10.015 bn or 47.7% of the net losses of €21.010 bn of the WA from 2015 to 2034 because they have not to pay CDs on their exports to the EU. So that the non-LDCs would still be the main beneficiaries of the anti-APE duty. IC would earn €89.5 M as it would have paid €99 M of GSP CDs but would have to pay only €14.2 M of anti-EPA duty. Ghana also would benefit of €24.8 M as it would have paid €39.4 M of GSP CDs and would pay only €14.5 M of anti-EPA duty. Nigeria seems to be the largest loser of €71.6 M, since it would have to pay €82.9 M or 55.3% of the total anti-EPA duty, while it has only to pay €11.3 M of GSP CDs. In fact Nigeria will be the biggest winner because it would lose the most in CDs on imports from the EU if the EPA is implemented as its share of WA imports from the EU was of 39.6% in 2013, implying a total net loss of €9.5 billion (bn) between 2015 and 2034 plus €1.1 bn per year from 2035 on. We understand why it is the most hostile to the EPA, and why it did not sign it on 15 December.

It is equally clear that the EU cannot stop the 11th EDF funds as well as the additional funds from the EU budget or the EIB (European Investment Bank) – the more so as they have already been widely announced during numerous visits by representatives of the European Commission in the WA capitals – if it does not want to lose any political credibility globally and to fall out forever with WA, and more broadly with sub-Saharan Africa, of which it has even a greater need than the reverse. The EU has also everything to gain in the long run economically since the EPA could only plunge WA in underdevelopment, not to mention the risk of a sharp rise in illegal immigration in the EU and of terrorism in WA.

One can also doubt the merits of an appeal for contributions from emerging countries to share the funding of the anti-EPA duty, as was alluded to by ENDA-CACID, because it makes no sense for WA to free itself from the EU's domination and fall then under that of emerging countries. Because these countries will do their damndest to increase their market share in WA. Indeed, to foster a balanced and sustainable development in the medium and long term, WA needs to increase its tariffs, particularly in the textile and clothing industry to withstand

competition from exports from Asian countries while adding value to its raw cotton instead of exporting it at very low and highly volatile prices, but also on its core food products which will face an increased competition with exports from Latin American countries.

Faced with all these challenges the WA civil society must join forces to raise awareness among their Heads of State and policy makers, through the media, that they have everything to gain and nothing to lose to break off immediately with the EU on the EPA. They will gain credibility and respect in the international arena, and social peace internally.

The state of play of the EPA signing

The ECOWAS' Heads of State and Government – which groups together 15 Member States (MS), of which 11 LDCs and 4 non-LDCs – have confirmed on 10 July 2014 in Accra the initialling of the West Africa (WA) Economic Partnership Agreement (EPA) by their Chief Negotiators on 30 June in Ouagadougou. Then the final Communiqué of the forty-six ordinary session of the Authority of ECOWAS Heads of State and Government on 15 December in Abuja has instructed *"the West African Chief Negotiators to expedite actions to organize, as soon as possible, the signing of the Agreement and its ratification by all Member States"*¹, and has encouraged *"them to finalize the negotiation process on the Association Agreement between ECOWAS and the Islamic Republic of Mauritania"*, which is included in the WA EPA and which had given a mandate to ECOWAS to negotiate on its behalf.

From its part the EU Council of Ministers of Foreign Affairs has authorized on 12 December in Brussels *"the signature and provisional application"* of the EPA², and the preparatory document of 9 December of the Permanent Representatives of MS to the Council has specified *"as regards those elements falling within the competence of the Union, on a provisional basis, subject to the fulfilment of the procedures required for its conclusion at a later date"*³, that is to say the ratification by the EU 28 MS and by two thirds of the WA MS, in accordance with the EPA article 107, although the WA Heads of State have said *"by all Member States"*. As soon as the official signing of both parties will be effective, the EPA will be transmitted to the European Parliament, where the International and Development Commissions will analyze it before submitting it for approval (ratification) to the Parliament in plenary session, after which the text will be submitted for ratification to all EU MS. This is compulsory because they are the MS which are financing the bulk of the EPA Development Programme (PAPEP) through the 11th EDF (European Development Fund) which is outside the Community Budget.

As the ratification process by all the EU and most WA MS will require several years – the CARIFORUM EPA, signed in October 2008, was only ratified in August 2014 by 7 out of the 15 CARIFORUM MS and 16 out of the EU 28 MS⁴ but has nevertheless been provisionally applied since 2008 –, the provisional application by the EU does not need to be approved by the European Parliament as it is the Council which decides. And there is already for the EPAs an exceptional provisional application based on the Regulation 1528/2007: before the provisional application of the agreement the EU Commission has already applied a preferential access to the European market for WA products since the 1st October 2014, even if Nigeria is not enjoying it since, contrary to Ivory Coast (IC) and Ghana, it had refused to sign an interim EPA at the end of 2007 or early 2008 so that it has had to pay since January 2008 the Customs duties (CDs) of the EU GSP (Generalized System of Preferences) on its exports to the EU. As for Cape Verde,

¹ <http://news.ecowas.int/presseshow.php?nb=248&lang=en&annee=2014>

² http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/146213.pdf

³ <http://data.consilium.europa.eu/doc/document/ST-13368-2014-INIT/en/pdf>

⁴ http://trade.ec.europa.eu/doclib/docs/2014/october/tradoc_152824.pdf

which is no longer an LDC since the 20 December 2007, it enjoys the statute of GSP+ since December 2011, with practically the same trade preferences as LDCs.

But the WA Heads of State must absolutely realize the overwhelming responsibility they would take if they would sign officially the EPA and its provisional application, even though the ratification of its MS would occur only after one or two years. All the more so that they will be strongly induced to sign under the pressures of the exporting businesses of IC and Ghana in order not to have to pay the GSP duties on their exports to the EU, and even by many WA Members of Parliaments as the tariff dismantlement on the imports from the EU would only begin the sixth year, in January 2020.

Indeed the WA Heads of State should know that, as soon as they would have signed the EPA and agreed on its provisional application, their countries would be forced to comply with the constraints that the EPA hangs over them, among which: they would lose the possibility to increase the customs duties (CDs) of the CET (Common External Tariff) – which has come into force the 1st January 2015 but in which many basic products are insufficiently protected to permit the development of the regional production, among which cereals and milk powder –, as well as to increase their export taxes without the EU consent. And the example of the provisional application of the CARIFORUM EPA, where the ratification is far from being finalized, testifies that they would be forced to open their markets to the EU exports. Thus *"At the second Trade Development Committee (September 2012), the EU expressed its concern that only six CARIFORUM States had implemented the first tranche of tariff cuts scheduled for 1st January 2011. The picture since then has slightly improved as twelve States have implemented the 2011 reductions (shown in Table 6). Of those twelve, another ten have indicated their implementation of the 2013 reductions. Consultations held for this review indicate that the delays stem from, inter alia, concerns about impacts on revenues (particularly in light of the global recession) and legislative bottlenecks with respect to the preparation and passage of the requisite legal instruments – with implementation in some countries relying on administrative orders"*⁵.

Therefore urgent political decisions of the WA Heads of State are imperative and the most decisive is to break off once and for all with the EU on the EPA, setting up without delay an anti-EPA duty on extra-WA imports so as to compensate the GSP CDs that the exporters to the EU from IC, Ghana and Nigeria will have to pay.

The Regional anti-EPA Solidarity Fund

The WA civil society has proposed in its Declaration of 14 January 2014 in Dakar⁶ that a Regional Solidarity Fund reimburse to the exporters of IC, Ghana and Nigeria the GSP CDs which would tax their exports to the EU if the regional EPA is not ratified. These CDs have been estimated at \$51.9 M for Ghana and \$121 M for IC by a South Centre's report of 2012.

These amounts are close to those calculated by Solidarité for 2013: €150 M in total – or \$198.8 M at the exchange rate of \$1.3281 dollar to the euro in 2013 –, of which \$52.3 M for Ghana, \$131 M for IC and \$15 M for Nigeria⁷. The 900 billion (bn) of CFAF, or \$182.2 M, put forward for IC alone – and quoted by Cheikh Tidiane Ndièye, Executive Manager of ENDA-CACID,

⁵ http://trade.ec.europa.eu/doclib/docs/2014/october/tradoc_152824.pdf

⁶ <http://www.lifixew.com/declaration-de-la-societe-civile-de-lafrique-de-louest-sur-laccord-de-partenariat-economique-ape/>

⁷ *Losses of tariff revenues linked to the West Africa's Economic Partnership Agreement*, Solidarité, 7 September 2014, <http://www.solidarite.asso.fr/Papers-2014>

during the debate following his conference of 4 May 2013 in Dakar on "*Is free-trade the solution? Come-back on the EPAs*"⁸ – are therefore overestimated. According to him these CDs could be offset by a 0.5% duty on ECOWAS imports except on oil products, and, as this financing would not be enough, other funds would be asked to emerging countries as they would suffer a trade diversion if the EPA is ratified, the WA importers being induced to import more cheaper EU products after the dismantlement of CDs on imports from the EU.

The losses of customs duties on WA imports from the EU

WA would lose a lot of CDs on 82% of its imports from the EU at the end of the dismantlement period – after 20 years, up to 2035 if the market opening starts in 2020 – as the South Centre in April 2014 showed that the 75% rate of opening written in the WA EPA text referred to tariff lines for the years 2002 to 2004, while the value of imports in 2012 of these 75% of tariff lines was of 82% on average, ranging from 75.3% for IC to 91.8% for Togo, through 80.4% for Ghana, 80.7% for the LDCs, 85.9% for Nigeria and 86.1% for Senegal.

The South Centre has shown – on the basis of actual imports in 2012, when the exchange rate was 1.2848 dollar for 1 euro, and regardless of their likely future growth – that the annual loss of customs revenue on the liberalized products would be €746 M (\$958 M) in year 6 (product category A), plus €887 M (\$ 1.139 bn) after 10-15 years (category B) and plus €239 M (\$307 M) in year 20 (category C), amounting then to an annual loss of €1.872 bn (\$2.405 bn), the D category concerning the non liberalized products.

According to the International Trade Center (ITC)⁹ total ECOWAS' imports reached \$99.604 bn (€77.525 bn) in 2012 but, after deducting intra-ECOWAS imports, extra-ECOWAS imports were of \$90.460 bn (€70.408 bn). If we add Mauritania's extra-ECOWAS imports of \$2.985 bn in 2012, we get to \$93.445 bn (€72.732 bn) for extra-WA imports. Given that WA imports from the EU were of \$37.074 bn (€28.856 bn) in 2012 implies that 41% of extra-ECOWAS imports and 39.1% of extra-WA imports came from the EU.

But that does not account for revenue losses due to trade diversion in favor of imports from the EU. Applying the 32.5% of revenue losses due to trade diversion estimated by Fontagné et al. for 2002-04¹⁰ to estimates of the South Centre on the basis of imports in 2012, the imports from the EU would increase to \$49.123 bn (€38.234 bn), or to 54.3% of all ECOWAS imports and to 52.6% of all WA imports in 2035. So that the annual loss in CDs would be of €988 M (\$1.270 bn) from year 6 (2020) to year 15 (2029), of €2.163 bn (\$2.779 bn) from year 16 to year 20 (2030) and then of €2.480 bn (\$3.187 bn) in year 21 (2035) and beyond.

In fact the loss of CDs on imports would be higher taking into account the loss of the value added tax (VAT) on imports, since it is calculated on the CIF value plus the CD. Following Fontagné's assumption that the average ECOWAS VAT is of 16%, this implies an annual loss of VAT on imports of €158 M from 2020, of €346 M from 2030 and of €397 from 2035. Finally this implies a total annual loss of CDs on imports of €1.146 bn (\$1.472 bn) from 2020, of €2.510 bn (\$3.225 bn) from 2030 and of €2.877 bn (\$3.696 bn) from 2035.

As the 12 LDCs have accounted for 41.7% of WA imports from the EU in 2013 (in FOB value in the EU), their losses of CDs would be close to €478 M from 2020, to €1.047 bn from 2030 and from €1.200 bn from 2035.

⁸ <http://www.endacacid.org/french/index.php/mp-rmediatheque-2/mp-videos/player/23/28>

⁹ http://www.trademap.org/Country_SelProductCountry_TS.aspx?nvpm=1||8||8|TOTAL||2|1|1|1|2|1|3|1|1

¹⁰ http://lionel.fontagne.free.fr/papers/fontalabmita_JAE.pdf

In reality it is difficult to estimate an average VAT rate for ECOWAS since it is only of 5% in Nigeria but this country maintains high additional fees to the Common External Tariff (CET) and to VAT on many products, particularly agricultural products: 15% on wheat and cassava, 65% on wheat flour, 20% to 100% on rice, 50% to 75% on sugar, 15% on tomato paste, 30% on wines and spirits (plus 20% of excise duty), 100% on cigars and cigarettes (plus 20% of excise duty) and 35% on cars (in addition to the increase of 35% also in the CD). Many other Member States of ECOWAS, including IC and Senegal, also use additional fees to the CET and VAT on certain agricultural products. And it is doubtful that the new CET, theoretically implemented since 1 January 2015, will remove these additional duties overnight. They could even be increased in the short term after the recent collapse in oil prices in countries where oil exports account for a significant share of budget revenues, in the first place Nigeria where furthermore the sharp depreciation of the naira has greatly increased the cost of imports.

WA would lose a lot of additional export taxes that the EPA forbids to raise, despite the large losses expected on CDs on imports from the EU, and in the context of the demographic explosion – from 340 M inhabitants in 2014 to 510 M in 2050 –, and since these taxes exceed already import duties in some countries, notably in IC.

The limited loss of CDs on exports to the EU compared with the huge loss of CDs on imports from the EU

Assuming that WA would not sign and implement the EPA, the annual €150 M of CDs to pay on exports of IC, Ghana and Nigeria to the EU in 2013 – or \$199.2 M at the exchange rate of 1.3281 \$ to the € – should be compared with the €1.146 bn of annual losses of CDs on imports from the EU from 2020 to 2029, of €2.510 bn from 2030 to 2034 and of €2.877 bn (\$3.696 bn) in 2035 and beyond.

Therefore, given that €150 M would have to be paid annually to the EU, the total net gain would be of €21.010 bn from 2030 to 2034 – difference between the lack of CDs losses on imports from the EU of €24.010 bn, of which €9.960 bn from 2020 to 2029 and of €11.800 bn, and the €3 bn paid in DCs on exports of IC, Ghana and Nigeria to the EU – and then a net annual loss of €2.727 bn in 2035 and beyond.

Although there are good theoretical reasons not to discount the "present value" of the future losses of CDs, we can see what they would be in discounting them either at 5.9% – the average inflation rate in Sub-Saharan Africa in 2013 according to the IMF – or at 8.3%, the ECOWAS inflation rate in 2013 according to UNECA (although the rate was limited to 1.6% in WAEMU)¹¹. Discounting the total loss of €21.010 bn between 2015 and 2034 at 5.9% would be of €10.384 bn and of €7.847 bn if discounted at 8.3%, which is still a considerable loss. And in 2035 the present value of the net loss of \$2.727 bn would be of €863 M at the 5.9% rate and of €539 M at the 8.3% rate.

Net losses of customs duties on imports from the EU if the WA EPA is implemented

€ million	CDs on WA exports to the EU without EPA	Lost CDS on WA imports from the EU with EPA	Present value of net loss at the inflation rate of	
			5,9%	8,3%
2015	150		142	139
2016	150		134	128
2017	150		126	118
2018	150		119	109

¹¹ http://www.uneca.org/sites/default/files/uploads/ice17_report_ecosocial_resume_eng_ecawa2014_03_final.pdf

2019	150		113	101
Losses 2015-19	750		634	595
2020	150	1146	706	617
2021	150	1146	667	570
2022	150	1146	630	526
2023	150	1146	595	486
2024	150	1146	561	449
2025	150	1146	530	414
2026	150	1146	501	383
2027	150	1146	473	353
2028	150	1146	446	326
2029	150	1146	422	301
2030	150	2510	943	659
2031	150	2510	891	608
2032	150	2510	841	562
2033	150	2510	794	519
2034	150	2510	750	479
Total 2015-34	3000	€24.010 bn	€10.384 bn	€7.847 bn
2035	150	2877	863	539

In order to identify the basis on which to levy the anti-EPA duty, it is necessary to analyze the trade flows within and outside ECOWAS, which will be done over the period 2007-13 from the UNCTAD trade data base¹², itself largely conform to the United Nations COMTRADE. All these data are in US \$. This analysis, placed in annex, will simultaneously help to assess the degree of regional integration of the different Member States (MS) and their trade relationships with key customers and suppliers countries, including the EU and the other ACP regions. A detailed Annex under powerpoint allows to view easily these various trade flows.

On which imports to calculate the anti-EPA duty?

There are 4 possible options:

- Total imports, intra-ECOWAS + extra-ECOWAS
- Total imports minus exports of petroleum products (PP), as alluded to by Cheikh Tidiane Ndièye of ENDA-CACID
- Extra-ECOWAS imports
- Extra-ECOWAS imports minus extra-ECOWAS PP imports

The option chosen should be fair – for LDCs – less penalizing the MS more integrated into ECOWAS – those of WAEMU – and be simple to calculate. It will be based on the year 2013.

Possible distribution of imports: total, extra-ECOWAS, with or without petroleum products

	Total		Extra-ECOWAS		Total minus PP		Extra-ECOWAS minus PP	
	M\$	%	M\$	%	M\$	%	M\$	%
WAEMU	105143	100%	95772	100%	86570	100%	83105	100%
Non WAEMU	33591	31.95%	26480	27.65%	26391	30.48%	24011	28.89%
ECOWAS	71552	68.05%	69292	72.35%	60179	69.52%	59094	71.11%
LDCs	25916	24.65%	21570	22.52%	20671	23.88%	18360	22.09%
Non-LDCs	79227	75.35%	74202	77.48%	65899	76.12%	64745	77.91%
Nigeria	56000	53.26%	54603	57.01%	46174	53.37%	45769	55.07%

PP accounted in 2013 for 17.7% of total imports (intra- + extra-ECOWAS), 68.2% of which were extra-ECOWAS. LDCs have made 28.2% of PP imports, 12.7% being extra-ECOWAS.

¹² <http://knoema.com/UNCTADIMPTOTAL2014/merchandise-trade-matrix-imports-and-exports-of-total-all-products-annual-1995-2013?location=1001430-niue&partner=1002600-ecowas-economic-community-of-west-african-states>

The four non-LDCs imported more PP than the 11 LDCs although being net exporters of PP like Nigeria for \$85.057 bn and Ghana for \$2.997 bn. Nigeria alone imported \$9.826 bn or 52.9% of total intra- + extra-ECOWAS PP imports of \$18,573 bn to cover 90% of its finished PP needs, for lack of refineries. Nigeria accounted for 69.7% of \$12.667 bn of extra-ECOWAS imports, of \$8.829 bn, but only for 5.9% of the \$5.862 bn of intra-ECOWAS PP imports, or \$997 M.

The simplest option would be to base the calculation of the anti-EPA duty on extra-ECOWAS total imports of \$95.772 bn in 2013. It does not seem necessary to deduct the imports of petroleum products (HS code 27) from total extra-ECOWAS imports (or total extra-WA imports) as ENDA-CACID echoed it. Certainly this option penalizes Nigeria the most which will bear 57% of the anti-EPA duty on extra-ECOWAS imports or 55.3% duty on extra-WA imports, but it is also Nigeria that has the most to lose in CDs duties on imports from the EU if the EPA is signed and implemented, and this will also reduce enormously its ambitious agricultural and industrial development projects.

Conclusion: distribution among Member States of the anti-EPA duty on extra-West Africa imports

The €150m or \$199.2 M of the annual anti-EPA duty to be levied on the \$95.772 bn of extra-ECOWAS imports correspond to a modest rate of 0.208%, well below the 0.5% suggested by ENDA-CACID. Once added the \$2.985 bn of extra-ECOWAS imports from Mauritania the extra-WA imports become \$98.757 bn, limiting the anti-EPA duty at 0.2017%.

The \$199.2 M would be allocated for \$53.430 M (26.82%) to the WAEMU States, for \$139.755 M (70.16%) to the 7 non-WAEMU States, and for \$6.016 M (3.02%) to Mauritania, and this corresponds also to \$49.525 M (24.86%) for the 12 LDCs and to \$149.676 M (75.14%) for the 4 WA non-LDCs.

Distribution of the anti-EPA duty among the West Africa's Member States

	Benin	BF	CI	Guinea-Bissau	Mali	Niger	Senegal	Togo	WAEMU
M\$	6,694	6,813	18,766	0,598	3,725	2,749	10,459	3,626	53,430
% total	3.36%	3.42%	9.42%	0.30%	1.87%	1.38%	5.25%	1.82%	26.82%
	Cape Verde	Gambia	Ghana	Guinea	Liberia	Nigeria	Sierra Leone	Mauritania	Non WAEMU
M\$	1,44	0,498	19,324	3,785	2,092	110,146	2,470	6,016	139,755
% total	0.73%	0.25%	9.70%	1.90%	1.05%	55.29%	1.24%	3.02%	70.16%

IC would be a big winner of \$112.7 M as it would have paid \$131.5 M of GSP CDs on its exports to the EU while it would only pay \$18.8 M of anti-EPA duty. Ghana would also earn \$33 M since it would have paid \$52.3 M in GSP CDs to the EU and would pay only \$19.3 M of anti-EPA duty. Nigeria appears to be the largest loser of \$95.1 M, since it would have to pay an anti-EPA duty of \$110.1 M, or 55.3% of the total, when he has only to pay \$15 M in GSP CDs (as it did in 2013). In fact Nigeria will be the biggest winner because it would lose much more in CDs on imports from the EU if the EPA is implemented as its share of WA imports from the EU was of 39.55% in 2013, implying an annual loss of about \$453 M from 2020 to 2029, of \$993 M from 2030 to 2034 and a total net loss between 2015 and 2034 of €9.495 bn, plus €1.138 bn per year from 2035 on. Indeed we understand why he is the most hostile to the EPA.

Annex: total trade flows, intra-ECOWAS + extra-ECOWAS

On average, from 2007 to 2013, the 9.2% of intra-ECOWAS trade relative to total intra- + extra-ECOWAS trade of \$210.359 bn hide the big difference between the 23.7% for the eight WAEMU countries – Benin, Burkina Faso, IC, Guinea-Bissau, Mali, Niger, Senegal and Togo – and the 5.3% for the 7 non-WAEMU countries: Cape Verde, The Gambia, Ghana, Guinea, Liberia, Nigeria, Sierra Leone. This shows that the WAEMU countries are much more advanced in terms of regional integration.

The percentage of intra-ECOWAS exports was 8.3% of total intra- + extra-ECOWAS exports on average from 2007 to 2013 – of which 8.4% in 2007 and 9.4% in 2013 – while the percentage of intra-ECOWAS imports was 10.5% of total intra- + extra-ECOWAS imports on average, with 10.2% in 2007 and 12% in 2013.

Nigeria clearly dominates the total intra + extra-ECOWAS trade, with an average balance of \$44.1 bn from 2007 to 2013, but fallen from \$69.6 bn in 2011 to \$44 bn in 2013. The source of the Nigeria's dominance is its average surplus of \$71.2 bn in petroleum products (in the broad meaning of Chapter 27 of the Harmonized System) without which it would have had an average deficit of \$27.1 bn from 2007 to 2013. The average surplus of \$44.1 bn of Nigeria provides an average surplus of \$39.2 bn to the 7 non-WAEMU countries.

The average deficit of \$5.6 bn in total trade of WAEMU, of which \$9 bn in 2013, is due to the fact that IC is the only surplus country (\$2.2 bn on average, despite a deficit of \$287 M in 2013) and to the heavy recurrent deficit of Senegal (average of \$3.5 bn, of which \$4.1 bn in 2013).

Intra-ECOWAS trade

On average, from 2007 to 2013, Nigeria accounted for 28.2% of the \$19.4 bn of intra-ECOWAS exports + imports, IC for 25.4%, Ghana for 13.3% and Senegal for 8.4% or 75.3% for the 4. Only Ghana saw its share increase from 10.6% in 2007 to 16.3% in 2013.

Nigeria dominates largely the intra-ECOWAS exports, with 42.7% of the total \$10.1 bn – a figure that has changed little from 2007 to 2013 –, against 26% for IC, 7.2% for Ghana and 8 7% for Senegal, or 84.6% for the 4, Senegal having increased its share from 5.2% to 7.6%.

But IC dominates for intra-ECOWAS imports with 24.8% of the total \$9.3 bn on average against 20% for Senegal, 12.4% for Nigeria and 7.9% for Ghana, or 65.1 % for the 4, Senegal having increased its share from 16.7% to 24.9%.

Extra-ECOWAS trade

After increasing by 92.3% from 2007 to 2011 (except in 2009) extra-ECOWAS exports fell by 36.8% from 2011 to 2013, of which 39.7% for non-WAEMU States and 11.8% for WAEMU States. Nigeria exported 77.1% of extra-ECOWAS total of \$111.5 bn on average, a percentage which fell from 80% in 2007 to 73.6% in 2013. IC + Ghana's exports accounted for 63.9% of total ECOWAS without Nigeria on average and 63.8% in 2013.

The EU has received on average 32.1% of ECOWAS exports, followed by India (10.5%), the USA (9.1%), other ACP regions (8.1%), Brazil (6 , 4%), South Africa (4.1%), China (2.4%), Japan (1.8%), Indonesia (1.3%) and South Korea (0.8%). And the share of the EU in the extra-ECOWAS exports increased by 25.9% of the total in 2007 to 37.3% in 2013, although the 133%

increase in exports to the EU from 2007 to 2013 was lower than that to other ACP regions (148%) and the more so to China (392%), but was higher than the 73% increase of exports to Brazil, 83% to the US and 88% to India.

Nigeria accounted for 56,7% of extra-ECOWAS imports on average, of which 54.8% in 2013, and, together with IC and Ghana, the 3 represented 77.8% on average with 77.9% in 2013 against 75.6% in 2007.

Contrary to the trend in exports, the share of extra-ECOWAS imports from the EU28 fell from 41% in 2007 to 31.4% in 2013 whereas it surged for China from 13.9% to 23,1%. IC, Senegal, Ghana and Nigeria imported from EU28 on average 71.4% of extra-ECOWAS total of \$37.8 bn (EU FOB value), of which 41.2% by Nigeria, and 68.5% of extra-WA total of \$39.4 bn, of which 39.5% by Nigeria.

Extra-ECOWAS exports to other ACP regions averaged \$9.2 bn from 2007 to 2013, and increased by 185% from 2007 to 2011 when they were of \$14.5 bn before falling to \$10.5 bn in 2013. The SADC has received 54.9% of exports on average, ahead of the CEMAC (30%), the CARIFORUM (10.3%), the COMESA (2.5%), the Pacific (2%) and the EAC (East Africa) of only 0.4%.

ECOWAS' imports from the other ACP regions have averaged \$4.5 bn from 2007 to 2013, increasing by 243% from 2007 to 2011 when they were \$7.7 bn before falling to \$4.6 bn in 2013. The SADC has provided 44.9% of imports on average, ahead of the CARIFORUM (37%), the COMESA (10%), the CEMAC (8.3%), the Pacific (1.6%) and the EAC (1.3%).

This resulted in an average ECOWAS' surplus of \$4.6 bn on other ACP regions, of which \$3.041 bn on the SADC, \$2.379 bn on the CEMAC, \$117 M on the Pacific, but a deficit of \$967 M with the three other ACP regions: from \$725 M with the CARIFORUM, \$216 M with the COMESA and \$26 M with the EAC.