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AFRICAN ECONOMIC OUTLOOK LAUNCH IN INDIA

The 52nd annual meetings of the African Development Bank (AfDB) took place from 22 to 26 May 2017 in the Indian cities of Ahmedabad and Gandhinagar. Held under the theme “Transforming agriculture for wealth creation in Africa,” the events focused on “Feed Africa,” which is the second priority area of the Bank’s 10-year strategy known as the “High 5s.” The meetings welcomed relevant stakeholders and guests of honour from all over the African continent including many West African presidents including Patrice Talon of Benin and Macky Sall of Senegal, as well as Vice-President Duncan from Côte d’Ivoire. AfDB President Akinwumi Adesina reiterated the need for Africa to industrialise its agricultural sector in order to unlock wealth. “Our goal is clear: achieve food self-sufficiency for Africa in 10 years, eliminate malnutrition and hunger and move Africa to the top of agricultural value chains,” declared Adesina. In his keynote address, he highlighted the need to establish staple crop-processing and agro-industrial zones to attract private agribusiness to rural areas, create stronger demand for locally-produced agricultural products and reduce high post-harvest losses in the supply chains. The annual meetings also hosted the release of the 16th edition of the African Economic Outlook, a joint publication of the AfDB, the OECD Development Centre and the United Nations Development Programme (UNDP). Besides the statistics and the notes on the 54 African countries, this year the report addresses the special theme -- Entrepreneurship and Industrialisation in Africa -- highlighting the high, untapped potential for African entrepreneurship. “African economies cannot miss out on their next production transformation. Entrepreneurs should be lead actors in Africa’s journey into the fourth industrial revolution”, said Mario Pezzini, Director of the OECD Development Centre and Special Advisor to the OECD Secretary-General. According to the Outlook, African governments need to integrate entrepreneurship more fully into their industrialisation strategies.
ECOWAS HELPS NIGERIA ADDRESS FOOD EMERGENCY

It will be the first test case of the newly-established ECOWAS Regional Food Security Reserve. Following a request from the Nigerian government in September 2016, ECOWAS and the Nigerian National Emergency Management Agency (NEMA) signed a memorandum of understanding on 22 May that outlines the areas of co-operation. According to the ECOWAS Regional Agency for Agriculture and Food (RAAF), ECOWAS will soon deliver food products to Nigeria worth USD 1 million, notably 1,650 tonnes of cereals (white maize, sorghum, millet and rice). NEMA will ensure the local distribution to the most vulnerable target groups such as internally displaced persons, pregnant or breastfeeding women and children. Of the 9.6 million people in need of food and nutrition assistance in the Sahel and West Africa (March-May 2017), some 7.1 million live in Nigeria; 3.2 million in Borno State, 800,000 in Adamawa State and 600,000 in Yobe State and the rest in other northern states. Some 44,000 more Nigerians currently face the threat of famine, mostly in Borno State. As the main component of the ECOWAS Food Storage Strategy, the Regional Food Security Reserve constitutes a third line of defence in response to food crises, after local/community level and national food reserves. Adopted in February 2013 at the ECOWAS Heads of State Conference in Yamoussoukro, the reserve is an important instrument of regional solidarity.

SWAC, SPECIAL GUEST ON FRANCE CULTURE

SWAC Secretariat Director Laurent Bossard participated in the weekly radio podcast “Affaires étrangères” (Foreign Affairs) presented by Christine Ockrent on France Culture. In his contribution, Laurent Bossard recalled that Africa is a continent in progress, notably in the field of food security. Indeed, during the past three decades, the West African population has doubled and the percentage of people suffering from chronic food insecurity has been reduced by 60%. Africa is the last continent that hosts a large number of “isolated populations” that are highly dependent on subsistence crop or livestock farming. Since they are not or only partially connected to the market, and live in areas with very weak government presence, they are naturally fragile and less resilient to both climate hazards and terrorist attacks from Islamist groups like Boko Haram. The risk of famine in north-eastern Nigeria is real. A comparison between the map of food insecurity and the map of Boko Haram-related violence illustrates just how closely civil insecurity and food insecurity are intertwined. Today, even more than funding, protection and access to Boko Haram-controlled territories are key challenges. Authorities have a window of one month or two to avert a famine in areas that are hard to reach.

ECOWAS TAKES STOCK OF PROGRESS ON TRADE LIBERALISATION

Salou Djibo, President of the ECOWAS Trade Liberalisation Scheme and former president of Niger, met with ECOWAS Commission President Marcel de Souza to discuss their progress in the implementation of the ECOWAS Trade Liberalisation Scheme (ETLS). During a briefing session of the ETLS Task Force on 10 May in Abuja, they reiterated the Commission’s commitment to achieve economic integration by improving inter-regional trade among member states.

According to de Souza, the ECOWAS Commission aims to increase intra-regional trade from 12% to 50% within the next four years. However, a large number of trade activities are not recorded in official statistics and the de facto level of intra-regional trade might be already much higher. A progress report, conducted in seven member countries, highlights the many challenges encountered by the ETLS. Smooth border crossings of West African goods still pose immense challenges and a general lack of information undermines the implementation of ETLS. “It is important to familiarise the members of the judiciary and legal sectors in the region on the provisions of the ETLS in order to effectively settle disputes which may arise at the national level,” Djibo said. Through various media channels and platforms, ECOWAS intends to raise awareness among citizens and key stakeholders. The ETLS is the main tool for promoting the West Africa region as a free trade area. It aims to eliminate all customs duties and taxes with the equivalent effect and to remove non-tariff barriers.
THE NEXUS BETWEEN FOOD AND NUTRITION SECURITY, AND MIGRATION

This ECDPM discussion paper calls for a new narrative on the development benefits of migration for food and nutrition security (FNS) and a more nuanced understanding of the drivers of migration. An overly simplistic interpretation of this nexus – i.e. investing in agriculture and rural development will significantly reduce migration from rural areas -- risks instrumentalising development co-operation for security purposes. Considering the important role that donors have in linking migration, mobility and development in the context of FNS, the paper puts forward some recommendations on what the G7 could do under the Italian Presidency.

COLLECTIVE ACTION ON CORRUPTION IN NIGERIA

This Chatham House report by Leena Koni Hoffmann and Raj Navanit Patel uses a social norms approach to analyse the drivers of corrupt behaviour in Nigeria. It is estimated that close to USD 400 billion was misappropriated from Nigeria’s public accounts from 1960 to 1999. Illicit financial flows from the country between 2005 and 2014 are estimated to have totalled some USD 182 billion. Corruption tends to foster more corruption, perpetuating and entrenching social injustice in daily life. The report presents new evidence of the social beliefs and expectations that influence some day-to-day forms of corruption. Nigeria’s entire system of anti-corruption laws and policies could operate more effectively if they more deliberately address the beliefs influencing collective behaviour. Collective grassroots pressure could help shape positive social norms and make anti-corruption efforts more effective.

INEQUALITY IN NIGERIA – EXPLORING THE DRIVERS

Despite the recession, Nigeria remains one of Africa’s biggest economies. But more than half of the Nigerian population lives below the poverty line. What makes Nigeria so unequal? This Oxfam report identifies the main drivers of inequality and presents some policy solutions. It suggests prioritising actions that empower women, reform the tax system, reduce governance costs and develop an active, vibrant civil society.
Fily Bouaré Sissoko, Mali’s former minister for economy and Finance (2013-15), has joined the UEMOA Commission and was sworn in on 9 May 2017 for a four-year term. She is in charge of the Department of Business Development, Energy, Telecommunications and Tourism. Designated by President Ibrahim Boubacar Keïta (IBK), her appointment confirms long-standing rumours and marks the return of a senior Malian customs official to the UEMOA Commission. Sissoko is familiar with how the community institutions function since she was the President of the UEMOA Council of Ministers in 2013 and was the Governor of the ECOWAS Bank for Investment and Development (EBID). Before starting a career in the Malian administration, she worked as an economist at the World Bank’s office in Mali. She then held several positions in Malian ministerial departments including in land affairs (2000-2002), communications and, eventually, economy and finance. She also has served as the Comptroller General of State and Deputy Executive Director of Customs. Born in 1955 in Dakar, Senegal, Sissoko holds an advanced degree (DEA) in development law, a master’s degree in economics, a certificate in customs techniques and a certificate in strategic planning and budgeting of public programmes. Sissoko’s new portfolio involves many roles: she will be responsible for developing the common industrial policy, advancing the Regional Initiative for Sustainable Energy (IREDS), improving telecommunications and creating an enabling environment for the development of tourism and handicrafts.

**NIGERIA’S RECESSION SLOWS DOWN WEST AFRICAN ECONOMY**

Real GDP growth rates, projections 2017

With 0.4% real GDP growth in 2016, West Africa has recorded the lowest growth rate in Africa, far below the continental average (2.2%) and the best-performing region of East Africa (5.3%). The situation can be explained by the economic downturn in Nigeria, which has slipped into recession (-1.5%) during the second term of 2016, due to the drastic fall in oil prices as well as the fragile security situation and political uncertainty. In fact, Nigeria accounts for two-thirds of West Africa’s GDP and nearly a third of Africa’s GDP. Nigeria’s recession therefore dragged down West Africa’s economy and had an adverse effect on Africa’s GDP growth, more so than the recessions in Chad (-3.4%) or Libya (-8.1%). A closer look at GDP growth rates per country reveals that all eight economies of the West African Economic and Monetary Union (UEMOA) recorded positive growth rates in 2016, ranging from 4% in Benin to 8.4% in Côte d’Ivoire. The latter remains Africa’s fastest growing economy, but still relies on exporting raw materials, especially crops, which are subject to global price fluctuations and climate risks. GDP growth in Ghana, the second strongest economy in the Economic Community of West African States (ECOWAS), slowed down for the fifth consecutive year, from 3.9% in 2015 to 3.3% in 2016. Ghana also continues to experience high levels of inflation (17%), but economic activity is expected to pick up again in 2017. In terms of GDP per capita, Cabo Verde leads the region with USD 6,800 (PPP). Liberia and Niger both remain at the bottom-end, with a GDP of less than USD 1,000 per capita. According to the African Economic Outlook 2017, growth prospects are positive. With the expected rebound in oil prices, Nigeria’s economy is projected to grow by 2.2% in 2017 and 4.8% in 2018. West Africa might then record an improved growth performance of 3.4% in 2017.

Sources: African Economic Outlook 2017, Statistical Department of the African Development Bank (AfDB); domestic authorities

**WHO’S WHO**

Fily Bouaré Sissoko, UEMOA Commissioner

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[Diagram showing GDP growth rates for different countries in West Africa]