

# ECOWAS Agricultural Trade (EAT) program

The ECOWAS Agricultural Trade (EAT) program improves the conditions for regional agricultural trade in West Africa. Together with its political partners at the ECOWAS commission and other private and public stakeholders, it works on policy harmonisation, trade facilitation, and the promotion of the private sector. It is funded by BMZ's special initiative 'Transformation of Agri-Food Systems'.

## The challenge

Approximately 23 million people within the Economic Community of West African States (ECOWAS) region suffer from malnutrition. Factors such as high population growth, climate change, and rapid urbanisation contribute to a situation where agricultural production struggles to meet the increasing demand for food. Consequently, food shortages are on the rise, leading to a growing reliance on imports. The COVID-19 pandemic and the Russian war in Ukraine have underscored the risks associated with dependency on the global market.

Enhanced regional integration and increased intra-ECOWAS trade offer potential solutions to this challenge, while also boosting agricultural productivity. However, according to available data, intra-regional trade currently accounts for roughly 10% of total agricultural exports – compared to 59% in Asia and 69% in Europe – highlighting substantial room for improvement.

Besides inadequate infrastructure, the low trade volume between neighbouring countries is mainly caused by obstacles at border crossings and along trade routes and contrary national interest. Despite efforts to implement regional trade policies on ECOWAS level, the reality on ground and the level of implementation of ECOWAS policies vary between member states. High customs duties are often levied, and different legislation applies. Added to this are long waiting times and other non-tariff barriers at border crossings, which affect women disproportionately.

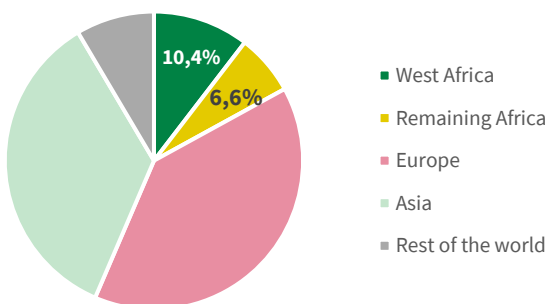
These obstacles have resulted in a significant portion of the region's cross-border agricultural trade occurring in the informal sector. This informal trade presents difficulties in accurately capturing data and formulating effective policies to support small scale cross-border traders.

## Our approach

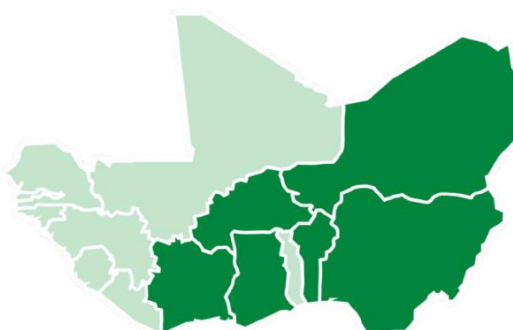
The program adopts a multi-level and multi-actor cooperation approach. At the political level, it collaborates with various ECOWAS Directorates, such as Agriculture and Rural Development, Trade, and Custom Union and national ministries for Trade or Agriculture in selected member states. To empower traders, the program collaborates with business support organisations and national chambers of commerce.

Through its three components, the program facilitates participatory policymaking at the regional level while translating policy into action through interventions at the national and local levels.

Destination of food exports from West African countries, 2019



## Intervention countries



All 15 ECOWAS member states are involved in regional activities, while national and local program activities focus on Benin, Burkina Faso, Cote d'Ivoire, Ghana, Niger, and Nigeria.

## The benefits

As food is traded from surplus to deficit regions, regional trade contributes significantly to food security in West Africa. The coastal West Africa and Sahel regions, with their diverse climates and agricultural conditions, offer ample opportunities for agricultural trade. Regional supply or price shocks caused for example by extreme weather events or local conflicts can also be mitigated by trade, increasing resilience to the food supply chain.

Simultaneously, deepened regional economic integration reduces dependency on overseas food imports and the exposure to world market prices fluctuations for grains and other staple foods.

Food within the ECOWAS region is 30-40% more expensive than in other regions with comparable incomes. One major cost driver for food prices are non-tariff barriers, such as regulatory hurdles or delays at border checkpoints, which impede the smooth flow of regional trade. The program addresses these barriers both at the policy level and through trade facilitation measures, such as establishing information desks for traders and implementing reporting mechanisms on trade obstacles. By reducing non-tariff barriers, regional agricultural products become more competitive and affordable for consumers.

Perishable goods, in particular, are susceptible to spoilage during unexpected transport delays, leading to increased costs and greenhouse gas emissions. Through the support of storage and cooling facilities and the harmonisation of regulatory procedures, the program aims to reduce food losses and promote more efficient resource usage.

Furthermore, the program aligns with the objectives of the African Continental Free Trade Area (AfCFTA), recognising that harmonised legal frameworks within regional economic communities like ECOWAS is essential for the successful implementation of a pan-African free trade agreement.

The three program components are:

- 1) **Policy harmonisation** with ECOWAS Commission and Member States
  - a. Develop sustainable, gender-sensitive agricultural **trade policy instruments** with ECOWAS and member states
  - b. **Public-private dialogs** with relevant stakeholders
  - c. Production of knowledge and communication products
- 2) **Trade facilitation** at selected border posts
  - a. Set up and test **trade facilitation measures**
  - b. Addressing **procedural and operational bottlenecks** at border posts
  - c. Improve **access to information** on regulations
  - d. Consult with member states and other stakeholder to scale up tested measures
- 3) Empower traders and **promote cross border agri-food trade**
  - a. Improve **competencies** of traders in regional trade
  - b. Strengthen **business associations**
  - c. Provide market **information and linkages**
  - d. Improve **access to finance**

Through its gender-sensitive interventions, the program promotes gender equality. Despite comprising 70% of all traders, the majority of women operate only on a small scale within the informal sector. They are hindered by limited access to finance and education, customary laws, traditional gender roles, and low representation and consideration in politics. As a form of affirmative action and to unlock the economic potential of women, the program provides exclusive training and other services to female traders.

<b>Program name</b>	Strengthening the ECOWAS Commission for the promotion of regional agricultural trade
<b>Commissioned by</b>	German Federal Ministry for Cooperation and Economic Development (BMZ)
<b>Region</b>	The 15 ECOWAS countries; pilots in Benin, Burkina Faso, Cote d'Ivoire, Ghana, Niger, and Nigeria
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