

# **Framework for the Promotion of the Private Sector in West Africa**

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PROBLEMS	RECOMMENDATIONS/ ACTIONS/RESPONSIBILITIES		
	Regional Institutions	State	Private sector
<b>0. Persistent tensions in the sub-region</b>	Promote peace, security and good governance in the region	Promote peace, security and good governance in the region	Participate in regional bodies for conflict resolution
<b>1. Lack of a clear vision on developing sectors</b>	Develop a vision on developing each sector (including informal sector) as well as an action plan complete with a timeline and budget. Coordinate UEMOA and ECOWAS initiatives	Build on the regional vision and regional plans to design and implement their own national sectoral policies	Contribute actively in preparing and applying the vision and action plans
<b>2. Lack of a harmonised judicial and legal framework</b>	Update and harmonise legal provisions in all sectors including property rights and arbitration.  Develop a code of conduct for each sector, spelling out the basic principles that each State should respect  In particular, develop a community investment code and a common code for the ICT sector	Ensure effective application of the harmonised legal provisions.  Ditto  Ditto	Support and put forward ideas to update and harmonise legal provisions.  Ditto  Ditto
<b>3. Un-conducive business environment:</b>  - Long and complex administrative formalities and	Support good business ethics and create an international observatory on competitiveness in West Africa  Take measures to harmonise and simplify procedures at regional level	Adopt and support good business ethics and create a national observatory on competitiveness.  Simplify procedures and formalities	Practice good business ethics and support govt. effort to encourage healthy competition.  Propose measures for simplifying procedures

<p>procedures</p> <p>-Government structures/personnel are exclusive and non-supportive of PS initiatives.</p> <p>- Absence of regional quality /standards control, ratings and measures of risk.</p> <p>- High cost of setting up SME</p> <p>- Harassment during the movement of goods and persons</p> <p>- Poor implementation of the ECOWAS Protocol on Free Movement of Persons, Right of Residence and Establishment.</p> <p>-High cost of factors of production (water, power, transport, <i>inter alia</i>)</p>	<p>Create PS inclusive structures and awareness on the complimentary roles of all stakeholders.</p> <p>Facilitate the establishment of a regional standards and rating agencies.</p> <p>Harmonise documents/procedures for cross-border investments.</p> <p>Endeavour to put in place Observatories of malpractice on corridors and at borders; more generally, create mechanisms for facilitating movement.</p> <p>Adopt measures to re-invigorate awareness programs on the details of the Protocol in member states.</p> <p>Identify means of reducing production costs</p>	<p>Enlighten and re-orientate government officials and restructure government departments to support PS development.</p> <p>Support regional initiative.</p> <p>Reduce the cost of setting up SMEs</p> <p>Take concrete measures to ease the movement of persons and goods within the community's territory</p> <p>Complement regional initiatives with deeper and extensive publicity and implementation of provisions in the Protocol.</p> <p>Identify means of reducing production costs</p>	<p>Create awareness, perform PS roles and maintain pressure on government to support PS development.</p> <p>Support regional initiative</p> <p>List the obstacles entrepreneurs face during travel and inform the observatories, regional institutions and States. Participate in setting up and managing mechanisms for facilitating movement of property and persons</p> <p>Support regional initiatives with further publicity and encourage government to implement.</p> <p>Identify means of reducing production costs</p>
<p><b>4. Women's role in the management of SME is weak</b></p>	<p>Promote regional programmes for promoting women entrepreneurs</p>	<p>Develop national policies and programmes for promoting women entrepreneurs</p>	<p>Develop regional associations for women entrepreneurs</p>

<p><b>5. Low availability of ICT equipment in households and enterprises</b></p>	<p>Eliminate taxes on equipment in the ECOWAS Member States where this has not yet been done</p>	<p>Eliminate taxes on equipment in the ECOWAS Member States where this has not yet been done</p>	<p>Develop and market low cost, small packaged and simple ICT equipments for households.</p>
<p><b>6. Lack of appropriate financial instruments, low level of cross-border investment</b></p>	<p>Create funds for risk capital dedicated to the ICT sector in regional financial institutions (Cauris investment, ECOWAS Regional Investment Bank, etc.)</p> <p>Establish harmonised rules and procedures, as well as laid down norms.</p> <p>Facilitate the establishment of a Regional Stock Exchange and Re-insurance company and encourage Diaspora investment.</p>	<p>Negotiate with donors to raise funds for SME from donor sources</p> <p>Accord SME grants and low-interest loans.</p> <p>Support regional initiatives.</p> <p>Support regional and PS initiatives with relevant structures and incentives.</p>	<p>Banks in the region should endeavour to open branches and operate in several countries.</p> <p>Encourage enterprises in the region to forge ties across the region</p> <p>Support regional initiatives.</p> <p>Create a regional Reinsurance company and Stock Exchange. Solicit and encourage partnerships and linkages from the Diaspora.</p>
<p><b>7. Inadequate and low quality infrastructure and lack of opportunities for training in the region</b></p>	<p>Promote jointly managed regional projects</p> <p>Identify a road network for the region and contribute towards research and funding (regional criteria)</p> <p>Encourage the creation of an air company in which the region is a stakeholder</p>	<p>States can make offers to participate in projects identified by regional centres of excellence</p>	<p>The private sector should contribute to develop and manage infrastructure in the region (BOT, acquiring stakes, getting co-opted in Boards, etc.)</p> <p>Contribute to create an air company in which the region will be the main stakeholder</p> <p>Offer free training to</p>

	Create regional centres of excellence for vocational training in each sector		youth
<b>8. SME and start-ups lack good management</b>	<p>Encourage countries, large businesses and multinationals to share experience and build capacity for SMEs.</p> <p>Create an SME database</p> <p>Create a regional forum of SME</p> <p>Put in place incubating pilot projects in the region</p>	<p>Contribute to implement regional projects and initiate other projects at the country level</p> <p>Build the capacities of SME in management, production techniques and NICT</p>	Contribute to implement projects
<b>9. Fraud: dumping of imported commodities</b>	<p>Harmonise taxes, and reinforce collaboration among customs services and taxation departments at the regional level</p> <p>Control the importation of second-hand clothes</p> <p>Explore the ways and means for doing so in the WTO</p>	<p>Harmonise taxes, and reinforce collaboration among customs services and taxation departments at the regional level</p> <p>Control the importation of second-handed clothes</p> <p>Explore the ways and means for doing so in the WTO</p>	<p>Implement and complement regional initiatives.</p> <p>Develop and implement fraud and trade alert reporting systems</p>
Menace of second-hand clothes			
<b>10. Poorly organised information on commercial and economic issues</b>	<p>Reinforce the integrated regional network for information on economic and commercial issues.</p> <p>Produce and run documentaries on investment potentials in ECOWAS in key international media.</p>	<p>Reinforce the integrated regional network for information on economic and commercial issues</p>	Support regional initiatives.

<p><b>11. Poor exploitation of the underserved and low income earners'</b></p>	<p>Encourage the PS to penetrate low income markets with small packaged products and simple technologies.</p>	<p>Support regional initiatives with incentives, etc.</p>	<p>Support regional initiatives.</p>
<p><b>12. Lack of joint programmes for promoting investments</b></p>	<p>Encourage activities for promoting investment at the regional level</p> <p>Change the negative image portrayed by the media</p>	<p>Encourage activities for promoting investment at the regional level</p> <p>Change the negative image portrayed by the media</p>	<p>Encourage activities for promoting investment at the regional level</p> <p>Change the negative image portrayed by the media</p>
<p><b>13. Lack of professional associations and joint ventures among enterprises in the region</b></p>	<p>Encourage the creation of professional associations in the region and assist in building their capacity</p> <p>Organise regional trade shows and trade fairs</p>	<p>Encourage the creation of professional associations in the region and assist in building their capacity</p> <p>Organise regional trade shows and trade fairs</p>	<p>Create a professional association in the region for each sector</p> <p>In particular, expand POCTI (Professional Organisation of Cotton and Textiles Industries in UEMOA Member States), created in 2001, to include all ECOWAS Member States.</p> <p>Organise regional trade shows and fairs</p> <p>Forge business ties among entrepreneurs in the private sector.</p>

## **STRATEGIC AREAS FOR FOLLOW-UP ON THE FORUM**

# STRATEGIC AREAS FOR FOLLOW-UP ON THE FORUM

## Organisation and Operation of the Monitoring committee

### ***Members:***

- Representatives of regional institutions: ECOWAS, WAEMU
- Representatives of development partners: World Bank, USAID, CIDA, European Union, OCDE/Club Sahel
- Representatives of private sector organisations that are members of the preparatory committee: ABR (Alhaji Bamanga Tukur), WAEN (pending appointment)
- Representatives of professional private sector organisations in the region: the forum of employers in Senegal (Mr Mansour Cama), Manufacturers Association of Nigeria, the Association of Ghana Industries, FENISCI in Côte d'Ivoire, Wabnet for West African women entrepreneurs
- Co-opted personalities: Chief Mrs Nike Akande from Nigeria, Mr Ken Ofori-Atta from Ghana, Mr Gérard Mangoua from Côte d'Ivoire, Marcel Nikiéma from Burkina Faso.

### ***First meeting of the monitoring committee:***

The committee will hold its first meeting in December, as a side meeting during the WAEMU Heads of State summit. The exact date of the meeting will be set through correspondence by members of the Forum preparatory committee.

### ***Meeting agenda***

Discussion points may include:

- the monitoring committee's operational modalities (secretariat, frequency of meetings, budget, etc.)
- strategic objectives
- relations with regional institutions
- agenda priorities for 2003
- organisation and operation of sectoral monitoring committees.

## **II. Draft agenda of monitoring committee priorities**

The list of priorities may include:

1. Establishing the international observatory of Competitiveness in West Africa
2. Assistance to SME
3. Developing the finance sector
4. Developing selected sectors: agri-business, hides and skin, textiles
5. Removing barriers to the movement of persons and goods at borders
6. Removing barriers to cross-border investment in the region
7. Concrete measures for establishing joint ventures among businesses in the various countries in the region

The monitoring committee will draw up the final list of priority issues, taking into account criteria such as the relevance of the issues to West Africa, the added value the Committee can bring considering the work already done by regional institutions in this regard, and the impact expected in the short and medium term.

**WORKING GROUP 1 THE AGRI-BUSINESS SECTOR IN WEST  
AFRICA**

## THE AGRI-BUSINESS SECTOR IN WEST AFRICA

**Moderator: Mansour CAMA, Chairman PFS Senegal; Panellists: Chris Foli, Norpalm Ghana; Rui Ribeiro, Guinea Bissau; Boureïma Wonkoye, Niger)**  
**Session introduced by Wallace Tyner, Abt associates, USA**

### *Opportunities*

#### ***The sector offering the best opportunities in West Africa:***

- Over 50 % of the population is made up of farmers
- Growing involvement of Governments and donors
- The private sector, considerably involved in agri-business, is reputed to be more efficient than the public sector and can, in partnership with this latter and donors, be the driving force in modernising and developing agri-business
- The size of the market and high demand in the region
- The market in the region is more open and export markets can offer new opportunities
- Return on investment is rapid for certain sectors (e.g. the dairy sector in Niger; cashew nuts in Guinea Bissau).

### **Opportunities Countries/Sectors**

	Fruits	Cereals	Tubers	Oleaginous plants	Livestock farming	Fishing	Cashew nuts	Other
Benin	*	*				**	***	
Burkina Faso	**	*		***	**			
Cape Verde	*					**		
Côte d'Ivoire	**				**	*	**	**
Gambia	**		*	**	*	**		*
Ghana	**		*	**	*	**		*
Guinea	**					***		
Guinea Bissau						**		
Mali	*	**		*	***			*
Mauritania					**	***		
Niger	**				**			**
Nigeria			**	**	*			**
Senegal	**	*			*	**		
Sierra Leone						*		
Togo	*			**	*			*

Sources: [www.agro-ind.com](http://www.agro-ind.com)

## **Constraints**

- Fragile political environment/conflicts
- Low level of public awareness
- Adverse effects of informal trade
- Degradation of natural resources
- High cost of factors of production (transport, energy, communication, administrative procedures etc.)
- Minimal processing of basic commodities (1% of cashew nut production in Guinea Bissau:110.000 T exported to India (600\$/T) is resold at 5.000\$/T after being processed).
- Over-exploitation of resources (the case of fishing in Senegal)
- Lack of industrial integration (refrigeration chains, processing, packaging, etc.)
- Business managers' lack of vision and ability to be proactive
- Lack of business strategies
- Irregular supply of raw materials
- Competition is threatened as industrialised countries will soon be applying WTO rules to subsidize farming
- Phytosanitary rules for access to markets of industrialised countries
- Access to funding is problematic
- Securing financial transactions
- Movement of goods and persons
- Low level of training and quality of human resources

## **Recommendations**

- Upgrading quality by building capacity for SME and research in agri-business, and publishing research findings
- Increasing trade transactions and cutting production costs
- Adding value to commodities produced in the region. (Exporting raw materials is simply not viable)
- Enhancing capacity to take part in the international market (markets in the North and in Asia)
- Building economic complementarity in the region
- Taking account of environmental concerns and sustainable development
- Lobbying States and regional institutions to mainstream plans adopted by Forums like this one, into their policies
- Adopting new methods of production (the case of aquaculture, to address the issue of fishing)
- Reviewing new avenues for economic integration by coherently structuring economic activity in the region (common policy for regional development)
- Harmonising quality and sanitary standards
- Reinforcing partnership ties among the public sector, the private sector, grassroots communities and development partners by promoting sub-regional professional associations in each sector.

#### **IV. Priorities in developing agri-business for regional integration**

The agri-business working group considers that identifying the above priorities provides a framework for mobilising regional institutions, the States concerned, donors and the private sector around the sectors stated under priority N°5 in order to pursue a proactive approach that would serve as a pilot experience.

Above theoretical considerations, this approach should be a yardstick to measure the commitment of each and every one, and especially enable the private sector to play its role as investor, producer of wealth and an engine for growth.

#### **V. Five priorities in developing agri-business for regional integration**

- 1) Access to information (promotion of information networks on economic and trade issues)
- 2) Rationalising assistance to entrepreneurs and support for the development of enterprise in the sub-region (funding, mobilising private savings, developing infrastructure and reducing the cost of factors of production, etc.)
- 3) Building capacity for training human resources and promoting research (sub-regional agri-business technical centres, disseminating research findings etc.)
- 4) Promoting quality: assistance with production, labelling, etc.)
- 5) Selecting sectors for study and development (to improve understanding with support from OECD- Sahel and West Africa Club.
  - ❖ Milk/meat/hides
  - ❖ Fishing
  - ❖ Fruits and vegetables
  - ❖ Oleaginous plants
  - ❖ Cotton

## **WORKING GROUP 2 THE TEXTILES SECTOR**

## THE TEXTILES SECTOR IN WEST AFRICA

**Moderator: Gilles Moisan**, GTP Group, Ghana; **Panellists: Mrs Aïssatou Edith Dionne**, ADT, Senegal; **Harris Usman Etubi**, AREWA TEXTILES LTD, Nigeria; **Ibrahima FALL**, CEO NSTS, Senegal.

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**Session introduced by Charles Krakoff, Abt Associates, USA**

### Summary of discussions:

#### OPPORTUNITIES

- Availability of raw materials
  - Region: 15% of cotton production worldwide
  - 95% of production exported
- Existence of a significant regional market (250 million consumers)
- Existence of an enabling regime: AGOA (exportation of processed commodities without quotas or customs duty) and the Cotonou agreement (exportation of textile commodities to EU countries)

#### CONSTRAINTS:

- Lack of a strategy for developing the textiles industry in most of the countries in the region
- Fraud – dumping of imports from Asia into the region
- Significance import of second-hand clothes
- Failure to apply ECOWAS agreements in some countries
- Overlapping roles played by the formal and informal sectors in producing and distributing textiles commodities
- Lack of an appropriate institutional framework for cotton producing companies and organisations in the cotton – textiles sector
- High cost of energy, problems with infrastructure and water supply;
- lack of appropriate quality of labour

## RECOMMENDATIONS

- Vision for developing the textiles industry in the region: formulate policies and devise strategies for the region's textiles industry
- Harmonise taxes and reinforce collaboration between the customs and taxation departments at the regional level
- Control the importation of second-hand clothes: explore ways and means of doing so in the WTO framework
- Federation of actors of the cotton and textiles sector
  - Expand POCTI (Professional Organisations of the Cotton and Textiles Industry in UEMOA Member States), created in 2001, to include all ECOWAS Member States
  - Strengthen the capacity of this federation
- In the framework of POCTI: Invite Nigeria and Ghana to the POCTI meeting scheduled for February 2003 in Dakar
- In general: put in place a sectoral monitoring committee composed of a representative from Ghana, Nigeria and Senegal

### Action plan for the textiles sector

PROBLEMS		RECOMMENDATIONS/ACTIONS/RESPONSIBILITIES		
	Regional institutions	States	Private Sector	
1Lack of a strategy for developing the textiles industry in most of the countries in the region	Develop a vision and action plan including budget and time-frame for developing the textiles industry	Build on the regional vision and action plan to design and implement own national policies in the ICT sector	Contribute actively in preparing and applying the vision and action plans	
2. Fraud – dumping of commodities from Asia in the region	Harmonise taxes, reinforce collaboration between customs and taxation services at the regional level	Harmonise taxes, reinforce collaboration between customs and taxation services at the regional level		
3. Menace of second-hand clothes	Control the importation of second-hand clothes  Explore the means to do so based on WTO provisions	Control the importation of second-hand clothes  Explore the means to do so based on WTO provisions		
4. Lack of professional organisations in the cotton/textiles sector	Encourage the creation of a federation of operators in the sector and assist in building its capacity		Create a federation of actors in the cotton and textiles sector by expanding POCTI (Professional Organisation of Cotton and Textiles Industries in UEMOA Member States), created in 2001, to include all ECOWAS Member States	
5- Workshop follow-up			- Put in place a working group follow-up committee composed of representatives from Ghana, Nigeria and	

			Senegal
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**WORKING GROUP 3 THE NICT SECTOR**

## THE NICT SECTOR IN WEST AFRICA

**Moderator: William Tevie**, Network Computer Systems Ltd, Ghana; **Panellists: Tidiane SARR**, Net Wyz, Senegal; **Jean-Marie Noagbodji**, CEO, Café Informatique, Togo.

Session introduced by **Moubarack LO**, Adira s.a., Senegal

### Summary of discussions:

#### **1. Barriers to the development of the telecommunications and ICT sector in West Africa include:**

- Lack of a clear vision on the development of an information society
- Poorly integrated telecommunications infrastructure
- Under-equipped administrative departments, enterprises and households
- A multitude of often-obsolete judicial and legal provisions
- National policies often developed without prior consultation with the private sector
- A multitude of small telecommunications operators
- Lack of “incubating” and “breeding” enterprises and adequate collaboration between the private sector and higher institutions and research
- Lack of appropriate funding mechanisms and unsuitable investment and tax codes
- Inadequate quality and quantity of human resources to take account of emerging trades.

**A the close of the discussions, the participants in this working group recommended, as follows:**

1. Organise a summit of West African Heads of State and Government without delay on information and communication technologies, with a view to developing a clear and concrete vision for developing ICT at the regional and country level with the full involvement of the private sector. This vision must translate into operational action plans. ECOWAS and UEMOA should closely coordinate their actions in this regard.
2. Harmonise the legal framework for the ICT sector in West Africa through a common code of conduct with the force of law, and institute independent control mechanisms;
3. Eliminate taxes on ICT equipment in ECOWAS Member states where this has not yet been enforced;
4. Create a regional association of ICT professionals;
5. Put in place incubating pilot projects in the region and funds for risk capital for the ICT sector;
6. Create a regional centre of excellence for training ICT professionals as part of the partnership involving regional institutions, States and the private sector. Also, encourage specialised enterprises, *inter alia* through tax incentives, to provide free training to youth.

**Action plan for the NICT sector**

PROBLEMS	RECOMMENDATIONS/ACTIONS/RESPONSIBILITIES		
	Regional institutions	States	Private sector
1. Lack of a clear vision for developing the ICT sector	Organise a summit of Heads of State and Government on ICT  Develop a vision on developing the sector, as well as an action plan complete with budget and a time-frame	Build on the regional vision and action plans to design and implement their own national policies on the ICT sector	Contribute actively in preparing and applying the vision and action plans

	Coordinate the initiatives by UEMOA and ECOWAS		
2. Lack of a harmonised judicial and legal framework	<p>Develop a common code of conduct for telecommunications and information technologies</p> <p>Develop a regional code of conduct stipulating certain basic principles, for example, that ICT control mechanisms should be independent</p>	<p>Update legal provisions on the ICT sector</p> <p>Put in place independent control mechanisms</p>	
3. Inadequate ICT equipment to the population		Suppress taxes on equipment in ECOWAS Member States where this has not yet been done	
4. Lack of suitable financial instruments	Create funds for risk capital in the ICT sector in regional financial institutions (Cauris investment, ECOWAS investment bank, etc.)		
5. Insufficient training facilities	Create a regional centre of excellence for training ICT professionals	<p>States can make offers to ECOWAS to host the school</p> <p>Encourage specialised enterprises, especially through tax incentives, to offer free training to youth</p>	<p>The private sector should contribute to the centre's management</p> <p>Offer free training to youth</p>
6. Lack of incubators	Put in place incubating pilot	Contribute to implement regional	Contribute to implement projects

	projects in the region	projects and initiate other projects at the country level	
7. Lack of professional associations	Encourage the creation of professional associations		<p>Create a professional association for the region</p> <p>Promote partnership among entrepreneurs in the private sector</p>

## **WORKING GROUP 4 THE SME SECTOR AND WOMEN ENTREPRENEURS IN WEST AFRICA**

## THE SME SECTOR AND WOMEN ENTREPRENEURS IN WEST AFRICA

**Moderator:** Mrs Abiola Dosumu, Chairperson Superpower Nigeria Ltd, Nigeria; Panellists: **Xavier Bakyono**, Director, Afric Audit, Burkina Faso; **Mrs Mara Makélé Traoré**, CEO, SBI, Guinea; **Maja Sonko**, Sonko Jileng Enterprise, Gambia.

Session introduced by **Cheikh Oumar TALL**, Adira s.a., Senegal

### Action plan for the SME sector

Problems	Regional institutions	Governments	Private sector
<b>1. Inappropriate funding of SME</b>	Negotiate for special funds from donors for SME	Negotiate for special funds from donors for SME  States should subsidize SME and accord them low-interest loans	Take part in the negotiations for special funds  Lift syndicated loans  West African commercial banks should put in place appropriate financial instruments for SME
<b>2. Unconducive business environment :</b>  - long and complex administrative procedures and formalities  - high cost of creating	Take measures to harmonise and simplify procedures at the regional level  Harmonise documents for cross-border activities	Simplify procedures and formalities	Propose measures for simplifying procedures  The ABR and WAEN should facilitate application of ECOWAS protocols

SMEs			
3. Lack of clear policies for developing SME	Draft a white paper for developing SME in ECOWAS Member States  Harmonise the definition of SME at the regional level	Develop national policies for promoting SME, drawing on the ECOWAS region white paper	Participate in developing policies
4. Low SME capacity	Encourage the sharing of experience on capacity building among countries  Create a database on SME and a regional counselling centre for SMEs	Build the capacity of SME in management, production techniques and NICT	
5. Lack of joint ventures among SME in the region	Organise regional trade shows and fairs dedicated to SME		Build business partnerships among SMEs in the region
6. Low level of women's involvement in SME management	Promote regional programmes for developing women entrepreneurs	Develop national policies and programmes for promoting women entrepreneurs	Establish regional associations of women entrepreneurs

**WORKING GROUP 5 THE TRANSPORT AND  
LOGISTICS SECTOR IN WEST AFRICA**

## THE TRANSPORT AND LOGISTICS SECTOR IN WEST AFRICA

**Moderator:** Marcel Nikiéma, Chairman Translog, Burkina Faso; **Panellists:** Siélé Silué, World Bank; **Dr Babajimi Olusola**, CEO, Ecoair, Nigeria;

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Session introduced by: **Babacar Diop**, Adira s.a., Senegal

### Summary of discussions:

#### **Constraints**

- The gaps between national legislative and legal provisions, bilateral agreements and regional provisions in the transport sector;
- The excessive road checks on the region's various corridors, and general harassment experienced in the movement of persons and goods in the West Africa region;
- The lack and poor quality of transport infrastructure;
- The lack of professionalism in the transport sector.

The proposals made did pose challenges for regional institutions, Governments and actors in the private sector.

#### **Recommendations**

- Establishment of a mechanism for providing follow-up on the Forum recommendations;
- Use of all opportunities at meetings and seminars to review progress and sensitise all actors;
- Use the Sub-Saharan Africa Transport Programme (SSATP) to monitor the action plans.

## Action plan for the transport sector

<b>PROBLEMS CONSTRAINTS AND BARRIERS TO SMOOTH TRANSPORTATION.</b>	<b>ROLES /ACTIONS</b>		
	<b>REGIONAL INSTITUTIONS</b>	<b>States</b>	<b>PRIVATE SECTOR</b>
1. Gaps between national provisions, bilateral agreements and regional laws	Upgrade and harmonise legal provisions in the transport sector.	Enforce the harmonised provisions and transport codes.	Undertake studies and put forward ideas for updating and harmonising transport codes at the national and regional level.
2. Harassment in the movement of persons and property	Undertake studies for putting in place observatories of malpractices on corridors.	Enforce the recommendations for establishing observatories.	Collect and disseminate information from the observatories  Take part in establishing and managing corridors.
3. Lack and poor quality of infrastructure	Identify a network of region-wide interest  Contribute to research and funding (regional criteria)  Encourage States to do road maintenance.	States should undertake to do road maintenance and observe the rules for facilitating transport.	Contribute to the management and funding of transport infrastructure (tolls, road funds, etc...)
4. Lack of professionalism in the transport sector	Develop a regional framework for building regional capacity and criteria for operating in the transport sector.	Create a framework for building capacity	Provide training to transport workers.
5. Follow-up on the working group proceedings	Monitor the action plan through the Sub-Saharan Africa Transport	Monitor the action plan through the Sub-Saharan Africa Transport Programme (SSATP).	Monitor the action plan through the Sub-Saharan Africa Transport

	Programme (SSATP).		Programme (SSATP).
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## **WORKING GROUP 6 THE TOURISM SECTOR**

**THE TOURISM SECTOR  
IN WEST AFRICA**

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**Moderator: Charles Ukomadu**, Secretary General, Association of Nigerian Tourist Industry, Nigeria; **Panel members: Djibril Tabouré**, CEO, ATS Travel Agency, Mali; **James Owusu-Bonsu**, Vanef Ltd. Ghana

Opening session: Paper prepared by the **World Bank** and presented by Mor Talla Kane, Adira s.a., Senegal

**Action plan for the tourism sector**

**PROBLEMS**

**RECOMMENDATIONS/ACTIONS/RESPONSIBILITIES**

	<b>Regional institutions</b>	<b>Government</b>	<b>Private sector</b>
1.Low level of awareness among leaders, international institutions and public opinion, of the importance of the tourism sector in our economies.	<p>Put in place an enabling framework for investors</p> <p>Implement a better information and sensitisation policy</p> <p>Put in place a satellite account for tourism and create an observatory of statistics on the tourism sector</p>	<p>Put in place an enabling framework for investors</p> <p>Implement a better information and sensitisation policy</p> <p>Put in place a satellite account for tourism and create an observatory of statistics on the tourism sector</p>	

<p>2. Lack of air traffic, scarcity of crosscutting links</p> <p>High cost of transport and almost total lack of charters.</p>	<p>Encourage the creation of an air company with countries in the region holding a fair percentage of the shares</p> <p>Ensure more uniformity in the type of fixed rates proposed</p> <p>In the short term, encourage competition among national air companies.</p>		<p>Contribute to create a regional air company</p>
<p>3. Low level of qualification and gaps in human resources</p>	<p>Improve the quality of human resources by offering staff continuing training and opportunities for further studies</p> <p>Plan, in the short term, to create regional training centres for professionals in the tourism sector</p>	<p>Improve the quality of human resources by offering staff training and opportunities for further studies</p>	<p>Improve the quality of human resources by offering staff continuing training and opportunities for further studies</p>
<p>4. Lack of adequate funds for the tourism sector coupled with an unsuitable framework of incentives</p>	<p>Promote the establishment of specific lines of credit oriented towards the sector</p> <p>Adopt a community investment code with enough incentive to render the tourism sector more attractive to investors</p>	<p>Promote the establishment of specific lines of credit oriented towards the sector</p> <p>Re-inject the resources from tourism-related activities into the sector</p>	<p>Private banks should adapt their financial products to the characteristics of the tourism sector</p>
<p>5. Lack of enabling policies to promote the</p>	<p>Encourage activities for promoting tourism</p>	<p>Encourage activities for promoting tourism</p>	<p>Encourage activities for promoting tourism</p>

<p>sector</p> <p>Unsuitable methods for marketing, commercialisation and distribution</p>	<p>Use NICT in marketing</p> <p>Encourage activities for promoting tourism at the regional level</p> <p>Encourage countries in the region to jointly undertake initiatives to attract tourists in their countries of origin</p>	<p>Use NICT in marketing</p> <p>Encourage activities for promoting tourism at the regional level</p> <p>Encourage countries in the region to jointly undertake initiatives to attract tourists in their countries of origin</p>	<p>Use NICT in marketing</p> <p>Encourage activities for promoting tourism at the regional level</p> <p>Encourage countries in the region to jointly undertake initiatives to attract tourists in their countries of origin</p>
<p>6. The poor image of security and quality in Africa in general and West Africa in particular</p>	<p>Ensure better quality for tourism end-products by implementing the action plan on security and protection</p> <p>Improve the negative image projected in the media</p> <p>Undertake information, education and sensitisation initiatives in each country</p>		
<p>7. Poor organisation of people in the trade at the regional level</p>	<p>Encourage the creation of a regional association of tourism operators.</p>		<p>Create a professional association in the region</p> <p>Promote partnership among private-sector entrepreneurs</p>



## **WORKING GROUP 7 THE FINANCE SECTOR**

## THE FINANCE SECTOR IN WEST AFRICA

**Moderator:** Chief Rufus Giwa, Executive Vice-President, ABR, Nigeria;  
**Panel members:** Stéphane Carrère, Secretary General, Bank of Africa Group; Ken Ofori-Atta, CEO, DataBank, Ghana; Fogan Sossah, CEO, Ecobank Côte d'Ivoire.

Session introduced by Alioune Diagne, Adira s.a., Senegal

The working group on the finance sector made the following findings:

### 1. Financing SME investment

There are sufficiently stable resources in the sub-region that can be mobilised to fund investments for small and medium enterprises.

At the State level, there are social security funds and insurance companies that constitute a source of funding, which could be tapped much more effectively.

At the regional level, ADB's special facility - BOAD, the Proparco and several other funds make it possible to address the funding needs of SMEs despite the demise of development banks.

Furthermore, the region has security systems that can provide support to West African enterprises that want to embark on investment projects.

Indeed, the problem that arises is not so much one of security, but rather a problem of borrowers' credibility. An enterprise that is well run by credible managers and that keeps transparent and well-audited accounts endorsed by qualified experts, always finds the funding it wishes to have.

The existence of bonuses contributes also to favour access to credit.

In addition to this, the representatives of ECOWAS and BOAD mentioned some new financial commodities that these institutions have produced to

address the funding needs of enterprises and especially the small and medium enterprises.

Apparently, there is a gap in communication between these institutions and the private sector.

It would be useful to draw the attention of ECOWAS and UEMOA to the need for more openness towards the private sector and to design a new policy for communication to that end.

## **2. Funding for regional integration:**

With the existence of a common currency, financing cross-border operations in UEMOA Member States poses no problem.

Between the UEMOA Member States and the others in the region, Central Bank regulations make it difficult to effect transfers for exchanges. But, the existence of commercial banks and regional financial institutions that support entrepreneurs in their relations with countries outside the common monetary zone (Ecobank, Bank of Africa, Data Bank, etc.) certainly constitutes a powerful factor for integration.

## **3. Currency depreciation**

This problem considerably hinders the activities of enterprises and constitutes an obstacle to their development. It is worth recalling, nonetheless, that this problem stems from the economy and not the behaviour of entrepreneurs. A stable monetary environment is obviously conducive to profit-making and enterprise development. Accelerating West Africa's economic integration could contribute in finding the ways and means of providing appropriate solutions in this regard.

The ongoing efforts to harmonise banking laws in West Africa are a step in that direction. Entrepreneurs should encourage governments to accelerate this process.

A participant provided information on the process that would lead to the creation of a second monetary zone, indicating that the governments concerned had adopted a time-frame for creating this zone in 2003. This looked unlikely, considering the steps involved in creating a monetary union. Apparently, the private and public sectors generally are not well informed on ongoing negotiations to create this second monetary zone.

The participants also made other remarks on the integration process, *inter alia* the need for banks in the region to expand their services to several countries.

## Action plan for the finance sector

PROBLEMS	RECOMMENDATIONS/ACTIONS/RESPONSIBILITIES		
	Regional institutions	States	Private sector
<b><u>Financing and security for SME</u></b>	<p>Draw up a list of SME funding sources</p> <p>Review facilities for funding SMEs</p> <p>Create SME support funds, including the SME in rural areas and the informal sector</p>	<p>Draw up a list of SME funding sources</p> <p>Review facilities for funding SMEs</p> <p>Create SME support funds, including the SME in rural areas and the informal sector</p>	<p>Mobilise funds for financing investment</p> <p>Banks should accord part of their funding to sectors that face difficulties</p> <p>Improve on the preparation of SME project documents</p> <p>Strengthen SME management</p>
<b>2.Crossborder financing</b>	<p>Regional integration is the answer</p> <p>Harmonise the laws and regulations concerning the finance sector</p> <p>Harmonise standards and documents</p>	<p>Harmonise the laws and regulations concerning the finance sector</p> <p>Harmonise standards and documents</p>	<p>Encourage banks to open branches in several countries in the region</p> <p>Encourage enterprises to issue securities across the region</p>

<p><b>3. Inflation, interest rates and exchange rates</b></p>	<p>Make the second monetary zone a reality</p> <p>Identify laws and regulations that will be harmonised</p>	<p>States must ensure good macro-economic and fiscal management</p> <p>Identify laws and regulations that will be harmonised</p>	<p>The West African Bankers Association is going to put forward ideas for the creation of a second monetary zone</p> <p>Contribute to identify the laws and regulations for harmonisation</p>
<p><b>4. Lack of a West African reinsurance group</b></p>	<p>Encourage the creation of a West African reinsurance group</p>	<p>Encourage the creation of a West African reinsurance group</p>	<p>Creation of a West African reinsurance group</p>
<p><b>Follow-up on the Forum</b></p>		<p>-</p>	<p>ABR and WAEN will work together with the West African Federation of Chambers of Commerce, West African Bankers Association, regional institutions, States and donors to implement the recommendations that have been made.</p>

