

Data Sheet

USAID Mission:	West African Regional Program (WARP)
Program Title:	Regional Economic Integration Strengthened
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	624-004
Proposed FY 2004 Obligation:	\$6,390,000 DA
Prior Year Unobligated:	\$19,000 DA
Proposed FY 2005 Obligation:	\$6,456,000 DA
Year of Initial Obligation:	FY 2001
Year of Final Obligation:	FY 2008

Summary: USAID's program to promote economic growth through regional integration furnishes training and technical assistance to: 1) improve the environment for intra-regional trade; 2) foster extra-regional trade by linking the West African private sector to the global market; and 3) increase trade in energy by supporting the development of the West African Power Pool (WAPP).

Inputs, Outputs, Activities:

FY 2004 Program:

Improve intra-regional trade (\$3,500,000 DA). USAID will help create a more favorable environment for intra-regional trade by working with regional inter-governmental organizations, such as the Economic Community for West African States (ECOWAS), and the private sector. The ECOTrade activity will continue to build capacity within West African governments to assess the impact of adopting the ECOWAS-wide Common External Tariff (CET), implementation of which is a milestone toward an eventual Customs Union and full economic integration. The transparency and quality of customs and clearance procedures will be improved through the provision of computer equipment and associated training to upgrade and integrate these services across the region. Technical assistance and training to the West African Monetary Institute (WAMI) will result in the production of standardized macroeconomic statistics and eventually a currency unification policy and improved central bank operations. The design of a region-wide Market Information System (MIS) project will be complete by mid-FY 2004. Its subsequent implementation will facilitate trade in agricultural inputs and commodities. The West African Trade Hub (WATH) will provide technical advice to policy drafters in ECOWAS and the eight-country West African Economic and Monetary Union (WAEMU) to harmonize sanitary and phyto-sanitary (SPS) legislation. Region-wide agreement on the legislation will avoid charges of protectionism while regulating food, health and safety standards. Principal contractors and grantees: International Business Initiatives, Inc. (prime), IBM Business Consulting Services (prime), and Associates in Resources and Development (ARD) (sub).

Foster extra-regional trade (\$2,000,000 DA). Support to the West African International Business Linkages (WAIBL) program will continue with sector-specific trade missions and seminars, expanded outreach to U.S. companies on African Growth and Opportunity Act (AGOA) linkages, and quarterly meetings with West African ambassadors scheduled for FY 2004. An advisor from the U.S. Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS), working with the WATH, will accelerate the approval process for gaining entry to the U.S. market for between 6 and 10 agriculture products each year. The WATH will continue to increase exports of West African textiles under AGOA by training producers and exporters on the demands of the U.S. market and facilitating relationships with U.S. buyers. WATH will also assist the West African public sector in working with the U.S. Customs Service to receive textile visas and Category 9 certifications, both prerequisites to benefiting from AGOA. Principal contractors, grantees and agencies: Corporate Council on Africa (prime), USDA (prime), Carana Corporation (prime), and Abt Associates (sub).

Increase trade in energy (\$890,000 DA). USAID will fund technical assistance and training to promote development of the regional power sector. Technical advisors will help ECOWAS develop the WAPP's legal and regulatory framework; and establish regional regulatory capacity, a power pool institution, and an energy observatory. They will also help WAPP collect data, prepare regional grid codes, and secure financing for priority transmission projects. Training to improve the efficiency and competitiveness of energy utilities is also scheduled. Technical assistance will also be provided to prepare the gas market development plan. Principal contractors and grantees: Associates for International Resources and Development (prime), Purdue University (sub) and U.S. Energy Association (prime).

FY 2005 Program:

Improve intra-regional trade (\$3,500,000 DA). Continued funding under the TRADE and IEHA Initiatives will help develop and link national market information systems to the regional MIS. USAID will also support the joint ECOWAS-WAEMU plan to improve the condition of priority road transport corridors. Technical assistance to support the expansion of the CET will continue, and the need for follow-on work in customs facilitation will be reviewed. Support to WAMI will continue through mid-FY 2005, when the second currency is slated for introduction. Principal contractors and grantees: IBM Business Consulting Services (prime), others to be determined.

Foster extra-regional trade (\$2,000,000 DA). TRADE Initiative funds will be used to provide assistance to the private sector through WATH to promote exports globally and under AGOA. The WAIBL program will be supported through to its conclusion at the end of FY 2005. A training program that will ensure buy-in to the regional SPS legislation will be conducted. Principal contractors and grantees: Corporate Council on Africa (prime), others to be determined.

Increase trade in energy (\$956,000 DA). USAID will continue its long-term program of technical assistance and training to the WAPP. Technical advisors to national utility companies and ECOWAS will help further its development. USAID envisages technical assistance and training programs for legal and regulatory implementation, establishment of a regional regulator, institutionalization of the power pool organization, and assistance with developing regional finance for infrastructure investments. Training to improve the performance of utility companies will also likely continue. Same implementers as FY 2004.

Performance and Results: In FY 2003, USAID's trade promotion and regional economic integration activities benefited both public and private sector players, as best exemplified by the region's ministries of trade involved in the ECOTRADE project, ministries of energy as a result of the Power Pool program, hand-loomed textile producers working with the West African Trade Hub, in addition to West African and American entrepreneurs profiting from the WAIBL program. Heads of state of 15 countries signed the ECOWAS Energy Protocol. This protocol establishes a secure legal basis for facilitating trade and investment in the regional energy sector, potentially reducing one of the major barriers to business development in West Africa. Business linkage activities facilitated transactions totaling \$51.5 million between West African and U.S. businesses. Following a series of conferences in Mali and Washington, D.C., that attracted over 200 West African producers and U.S. buyers, over 90 tons of shea butter has been shipped from West Africa directly to the U.S. market.

By the end of this Strategic Objective, USAID will have helped create a more economically integrated West Africa by strengthening the region's ability to trade goods and services, with a special focus on improving trade in affordable energy. A largely "Balkanized" energy system comprising government-owned utility corporations will be transformed into a much more integrated and competitive regional industry through the construction of a backbone transmission line linking nine countries. The amount of energy traded across borders will have increased by over 60 % from the baseline.

US Financing in Thousands of Dollars

West African Regional Program (WARP)

624-004 Regional Economic Integration Strengthened	DA	ESF
Through September 30, 2002		
Obligations	8,569	1,694
Expenditures	903	40
Unliquidated	7,666	1,654
Fiscal Year 2003		
Obligations	7,396	0
Expenditures	3,633	602
Through September 30, 2003		
Obligations	15,965	1,694
Expenditures	4,536	642
Unliquidated	11,429	1,052
Prior Year Unobligated Funds		
Obligations	19	0
Planned Fiscal Year 2004 NOA		
Obligations	6,390	0
Total Planned Fiscal Year 2004		
Obligations	6,409	0
Proposed Fiscal Year 2005 NOA		
Obligations	6,456	0
Future Obligations	16,000	0
Est. Total Cost	44,830	1,694