

Support to ECOWAS Increased Trade and Regional Economic Integration in Africa (ECOWAS ITREIA)

Key results:

Through earmarked funding to the ECOWAS Commission Directorate of Trade this project contributes to the strengthened effectiveness of the ECOWAS Commission in performing essential tasks for achieving the community's objective and strategies for promoting the free movement of people and goods and accelerate market integration in West Africa. This will be done by facilitating:

- Increased intra-regional trade in goods and services
- Reduced barriers to the free movement of persons, goods and services
- Increased intra-departmental capacity to coordinate, monitor, and report on activities by establishing a *Project Implementation Unit* (PIU) serving as staff-assistance to the Director of Trade
- Significant strengthening of competitive markets and regional competitiveness


















Justification for support:

Trade is crucial for West Africa's economic growth, development, and resilience. However, trade between the countries in Africa is low and beneath the potential. Commodities - especially oil, gas, and minerals - dominate Africa's trade, covering more than 60% of export earnings in more than half the African countries, which makes these countries, including in West Africa, vulnerable to volatile global markets. The US Government's trade barriers have exposed West Africa's vulnerability to global shocks, potentially hurting West Africa's trade and market integration in significant ways.

The present support reflects the Danish government's intention to provide direct bilateral support to the core African partner institutions as well as the government's intention to support immediate needs and gaps of the African communities to tackle the consequences of the global trade barriers and frictions.

Major risks and challenges:

A key risk is that ECOWAS is unable to deliver fully against the high level of ambition due to weak or lack of political commitment and/or shifting political priorities of ECOWAS and Member States. The main institutional risk concerns institutional capacity shortcomings. Staff support (PIU) will be provided to ensure key administrative functions are improved, and the RDE will engage in active dialogue focused on results, lessons learned, and adaptive support with the ECOWAS Commission supplemented by external monitoring and learning support.

File No.					
Country	Regional cooperation, West Africa				
Responsible Unit	RDE Abuja				
Sector	Trade and Economic Integration				
Partner	ECOWAS				
DKK million	2026	2027	2028	Total	
Commitment	40			40	
Projected disbursement	11,3	15,4	13,3	40	
Duration	2026-2028 (3 years)				
Previous grants	N.A.				
Finance Act code	06.32.01.30				
Head of unit	Jens Ole Bach Hansen				
Desk officer	Nosakhare Hilda Ayejimiwo				
Reviewed by CFO	Jesper Alex Jørgensen				
Relevant SDGs					
 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	

Objectives

To strengthen the effectiveness of the ECOWAS Commission in performing essential tasks for achieving the community's objective and strategies for promoting the free movement of people and goods and accelerate market integration in West Africa.

	Climate adaptation	Climate mitigation	Biodiversity	Other green/environment
Indicate 0, 50% or 100%	0	0	0	0
Total green budget (DKK)	0	0	0	0

Justification for choice of partner:

ECOWAS is selected as partner as it is the key building block in West Africa. ECOWAS and its Member States have for decades engaged in efforts to expand intra-regional trade and integration, adopting numerous harmonized protocols, policies, regulations, sectoral strategies, and implemented infrastructure projects, with focus on reducing tariffs, removing NTBs, and working for economic and market integration

Summary:

This project provides earmarked funding to the ECOWAS Directorate of Trade under the Department of Economic Affairs and Agriculture (DEAA). It will support the department's effectiveness in performing essential tasks for achieving the community's objective and strategies for promoting the free movement of people and goods and accelerate market integration in West Africa, including through the use of staff support (PIU), recognizing the severe human resource constraints in the ECOWAS Commission.

Budget (engagement as defined in FMI):

Total	40 DKK million
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Updated: 20-11-2025

**Increased Trade and Regional Economic Integration in Africa
(ITREIA)
Support to the ECOWAS**

Contents

1. Introduction	3
2. Context, strategic considerations, rationale and justification	3
2.1 Trends and challenges of trade and economic integration for West Africa	3
2.2 ECOWAS' status and key issues on trade and market integration	6
2.3 Donor support to trade and market integration in West Africa.....	7
2.4 Danish policies and initiatives on free trade and economic integration in Africa	8
2.5 Lessons learned from previous support	9
2.6 Choice of ECOWAS Commission as partner.....	10
2.7 Poverty, gender, HRBA, and climate/environment.....	12
3. Objective and summary project description.....	13
4. Theory of Change and key assumptions	14
5. Results framework.....	15
6. Budget	18
7. Institutional and Management Arrangement.....	19
8. Financial Management, Planning and Reporting	21
9. Risk Management	24
10. Sustainability/Closure.....	25

Annexes:

Annex 1: Context

Annex 2: Partner Assessment

Annex 3: Results Framework

Annex 4: Risk Matrix

Annex 5: Budget

Annex 6: Overview of ECOWAS Organisational Structure

Annex 7: Process Action Plan

Abbreviations

AfCFTA	Africa Continental Free Trade Area
AGOA	African Growth and Opportunity Act
AMG	Aid Management Guidelines
CET	Common External Tariff
CM	Common Market
CU	Customs Union
DKK	Danish Kroner
EAC	East African Community
ECOWAS	Economic Community of West African States
EGD	European Green Deal
EPA	European Partnership Agreement
EU	European Union
GDP	Gross Domestic Product
IMF	International Monetary Fund
MFA	Ministry of Foreign Affairs, Denmark
MTEF	Mid-Term Expenditure Framework
NTB	Non-Tariff Barriers
OECD DAC	The Organisation for Economic Co-operation and Development – Development Assistance Committee
SITA	Sustainable and Inclusive Trade in Africa
TMA	Trademark Africa
UNCTAD	UN Trade and Development
UPR	Council for Development Policy
UA	(West African) Units of Account

Exchange rates 1st July 2025

1 UA = 1.38 USD

1 USD = 6.33 DKK

1 DKK = 0.16 USD

1. Introduction

This presents project document outlines the background, rationale and justification, objectives and management arrangement for development cooperation concerning *Increased Trade and Regional Economic Integration in Africa (ITRELA) - Support to the Economic Community of West African States (ECOWAS) (2025 – 2028)* as agreed between the parties: *ECOWAS Commission* and *Embassy of Denmark in Abuja*, in support of the community's effort to promote trade and economic integration in the region. The project/programme document is an annex to the legal bilateral agreement with the implementing partner and constitutes an integral part hereof together with the documentation specified below.

“The Documentation” refers to the partner documentation for the supported intervention, which are ECOWAS Vision 2050, ECOWAS Community Strategic Framework (CSF) 2023-2027.

The project is for a grant contribution of DKK 40 million (approx. UA¹ 4.5 million) for the period 2025-2028 in support of ECOWAS the Vision's pillar 3 “economic integration and interconnectivity”, strategic orientation 1 and 2 and earmarked to the ECOWAS Community Strategic Framework (CSF) 2023-2027's result area linked to “consolidating the free movement of people and goods and accelerating market integration”.

The contribution is an initiative on part of the Danish government to bolster the capacity of African countries to mitigate the economic and social effects of the mounting trade barriers globally. The contribution supplements the wider set of Danish initiatives to support trade and economic integration in the Africa region, notably support to the East African Community (EAC); support for sustainable and inclusive trade in Africa through Trademark Africa (TMA), support for TMA in Uganda, and private sector development support through bilateral programmes in the region.

The initiative follows the Danish Government's Strategy for Strengthened Engagement with African Countries to strengthen partnerships with African institutions and respond to their demands and is part of a wider set of Danish initiatives to support trade and integration in the Africa region.

2. Context, strategic considerations, rationale and justification

2.1 Trends and challenges of trade and economic integration for West Africa

Trade is crucial for West Africa's economic growth, development, and resilience. Averaging USD 127 billion, trade is a major contributor to the ECOWAS region's combined GDP of more than USD 600 billion and its expected tripling the next 20 years². Trade is a major driver of the region's economic growth, it is essential for foreign exchange earnings for the region's debt-stressed countries, and to expand market access and specialisation for the region's several small country-level markets.

Increasing and diversifying trade patterns are also critical for making West Africa's growth more inclusive and impact stronger on poverty reduction, an essential need with 27% of

¹ UA = unit of accounts, which is the currency used by ECOWAS for financial accounting and reporting.

²ECOWAS' GDP in 2019 was 633 billion and estimated to grow to USD 2 trillion by 2023, ECOWAS Geographic Futures, 2025 Africa Futures and Innovation Programme.

the region's population living in poverty³ including large segments of women and youth engaged in trade-related activities. A significant share of intra-African trade is informal and 70% of cross-border traders are women with many being poor and vulnerable.⁴ Trade is vital for the agriculture sector which occupies the majority of the region's poor. Trade is also vital for the manufacturing sector, with its large numbers of small- and medium scale enterprises (SMEs) being the main generators of new jobs and better incomes, especially for the region's growing poor urban populations.

Meanwhile, commodities - especially oil, gas, and minerals - dominate Africa's trade, covering more than 60% of export earnings in more than half the African countries, which makes these countries, including in West Africa, vulnerable to volatile global markets. It also means that much of West Africa's trade is not automatically or always inclusive or benefitting the poor, as oil- and mineral exports typically generate fewer jobs, rural incomes, and linkages to SMEs.

In addition, despite the vital role of trade for West Africa's economic development and poverty reduction, the region only participates minimally in global trade with its share of less than 0.6%⁵. Moreover, West Africa's "global" trade is concentrated with a handful of major economies, especially EU, China, India, and the US, which makes West Africa highly vulnerable to these countries' shifts in trade regimes and demands.

A case in point, the US Government's trade barriers has exposed West Africa's vulnerability to global shocks, potentially hurting West Africa's trade and market integration in significant ways. The US is a significant destination for Africa's exports for a handful of oil and textile exporting countries, such as Nigeria and Ghana. The US Government's levy of a 10%-30% base tariff for all African countries is a major deterioration in Africa's trade conditions after the expiry in September of the African Growth and Opportunity Act (AGOA) which granted 32 Sub-Saharan African countries duty-free export rights to the US. Possibly the direct impacts will be limited for the majority African countries that export only a minor share to the US.

However, there are speculations of Chinese trade dumping in African markets as outfall of the trade barriers imposed by the USA. Highly significant could be the geo-economic fragmentation arising from the US-China trade disputes which could pressure countries to choose sides and undermine African integration and have an impact on the development of African countries and their global integration. The response called for by African stakeholders consulted is to further strengthen intra-African trade- and economic integration as bulwark for the global trade and political volatility. To prepare effective measures by the ECOWAS and countries, better analysis and understanding is needed of the implications and to devise effective responses to the trade barriers in West Africa. The Danish support to the ECOWAS Commission can help address this gap.

As West Africa's largest trading partner, EU is critically important especially for West Africa's large agriculture sector, particularly cocoa products where countries like Cote

³Ibid. African Futures

⁴ <https://www.tralac.org/documents/news/2239-idda3-high-level-event-concept-note-unga-september-2018/file.html>

⁵ ECOWAS share of global trade averaged 0,58 %, the past 3 years, ECOWAS Bank for Investment and Development, 2025

d'Ivoire, Nigeria, Ghana, and Cameroon provide more than 70% of EU imports [sources]. Key to fully utilise the potential is to move forward on the EU-Africa Economic Partnership Agreement (EPA), giving Africa quota and preferential duty access to the EU, with the present EPA expiring in 2027.⁶ Central to the future West Africa-EU trade is also the European Green Deal (EGD) and its EU Deforestation Regulation (EUDR) which strengthen sustainability requirements of EU's imports from Africa, while challenging African growers and exporters who do not have the capacity and resources to comply.

The above underscores the need to develop intra-African regional trade and integration as well as diversify trade networks and regional supply chains to bolster the African countries' economic resilience, as key African stakeholders call for (UNCTAD). It also underlines the needs for targeted measures to ensure that trade is inclusive and benefit the poor, women, and youth, as reflected in ECOWAS's strategies.

Despite the importance of intra-African trade for inclusive growth and resilience, trade between the countries in Africa is low and beneath the potential. Only 16% of Africa's total trade is with other African countries. This also goes for West Africa which - despite being the second-largest contributor to intra-African trade - only trades at a level of USD 16 billion with other African countries, of which the lion share is from champions like Côte d'Ivoire and Nigeria (AfreximBank, 2023). At the same, West Africa's further trade potential with the rest of the continent is estimated to be significant at USD 12 billion, especially through developing value chains for processed and semi-processed goods.

The regional communities are essential to further intra-African trade, with most trade concentrated within the communities, a reflection of the importance both of trade agreements and market proximity. In West Africa, the dominant part of USD 8 billion is destined within the region itself. Moreover, to this should be added the significant levels of informal trade flows between the countries, estimated at 7-16% of the formal intra-African trade where much comprises of foods and basic consumer goods⁷. This underlines that the best immediate opportunities to expand and diversify West African countries regional trade remain within the ECOWAS market.

The West African countries are relatively diverse, which present opportunities but also a wide variety in needs and interests to join in a shared agenda around the region's trade and market integration. Nigeria (constituting half the region's GDP) and Cotes d'Ivoire are major drivers of the region's trade agendas next to the tiny economies with limited market competition, such as Guinea Bissau, Gambia, and Cabo Verde. Significant levels of informal trade take place especially across Nigeria and Ghana. Socio-economic conditions are diverse, including low-income and lower-middle income countries. ECOWAS embraces the francophone West African Economic and Monetary Union (WAEMU), and the coexisting trade systems and alliances can challenge a uniform West African system. The region is also marked by conflict, political instability, and extremism. The ECOWAS Commission has a crucial but challenging task in promoting the shared agenda, which is important to support.

⁶ The LDCs will however continue to trade under the "Everything but arms" agreement.

⁷<https://www.lse.ac.uk/research/research-for-the-world/economics/understanding-african-trade-is-key-to-helping-its-development>

Essential for expanding and diversifying trade within West Africa is to tackle both tariff- and non-tariff barriers (NTB). Even if tariffs were fully removed, NTBs remain and will continue to hamper trade - including inadequate infrastructure, inconsistent technical requirements, and inefficient customs processes where different authorities involved in clearing customs at border points have not streamlined their systems and do not communicate and share information well enough. Such NTBs need attention to reduce the costs and ease of moving along the major trade corridors, such as the Dakar-Lagos which covers 75% of the trade in the region⁸. Essential measures to expand West African internal trade also include diversifying the production base and strengthening value-chains. NTBs are challenging to address, since they require coordination, streamlining of regulation and procedures, and institutional capacity of different stakeholders on the ground. Yet this is where focus is needed to significantly raise intra-ECOWAS trade with significant potential benefits. The ECOWAS strategy described later is designed with focus on tackling these barriers.

2.2 ECOWAS' status and key issues on trade and market integration

ECOWAS and its Member States have for decades engaged in efforts to expand intra-regional trade and integration, adopting numerous harmonized protocols, policies, regulations, sectoral strategies, and implemented infrastructure projects, with focus on reducing tariffs, removing NTBs, and working for economic and market integration.

The major achievements of ECOWAS include the Economic Trade Liberalisation Scheme (ETLS) (1979) providing for free movement of internal products without customs duties and taxes among ECOWAS Member States, covering agricultural and industrial products, with definition of Rules of Origin. The Common External Tariff (CET) was established in 2013. ECOWAS has developed policies in areas of competition, common market industrial Policy, common investment code, and customs, while work on policy for liberalising trade in services is on-going.

Implementation on the ground of the free trade agreements has been limited. ECOWAS has limited authority over member governments which is where implementation is to take place. The trade taking place under the ETLS remains limited, with most SMEs not aware of it and most trade is conducted by the informal sector outside of procedures. Implementation of the CET has been better, with 10 out of 15 ECOWAS original member-countries reportedly implementing it. Moreover, the departure of Burkina Faso, Mali, and Niger in January 2025 from ECOWAS Commission had wide implications both politically, for security, and for trade and movement of people. Despite the risk, there remains political goodwill to continue trading with the countries who are leaving on favourable trade terms including extending the ETLS to them during the transition period. The reduced cooperation on security and political stability will also hamper trade flows and cooperation between the countries, and risks exist that the ECOWAS Commission or countries withdrawing from the Commission neglect agreed trade protocols.

⁸ Four other corridors, connecting Bamako to Conakry, Bamako to Monrovia, Conakry to Abidjan, and Dakar to Conakry, complement the coastal Dakar-Lagos corridor by providing feeder roads for more isolated areas and non-capital cities. <https://documents1.worldbank.org/curated/en/585581637328017410/pdf/Corridors-without-Borders-in-West-Africa.pdf>

AfCFTA has widened the scope and ambitions for trade integration by ECOWAS, creating the largest free trade area in the world, and covering 54 of the 55 African Union members, USD 3.4 trillion, and 1.4 billion people. The gains would come from the envisaged tariff reduction, but especially from removing the significant non-tariff barriers that restrict trade across African borders linked to burdensome regulatory procedures, poor infrastructure, logistics, and transport facilities. ECOWAS is expected to benefit significantly from AfCFTA. Much of the ECOWAS Commission's effort to promote regional trade integration sits within the larger framework of the AfCFTA and aligns with this.

2.3 Donor support to trade and market integration in West Africa

The African Development Bank, EU, and Germany are the main donors supporting the ECOWAS in areas of trade and economic integration (Box 2), including a few joint programmes by Germany and EU.

Combined these donors ensure support for ECOWAS' trade and integration *both* at the Community level as well as at the country implementation level, focused on trade facilitation, development of selected value chains, SME competitiveness, and private sector development. This provides a comprehensive framework of support, which the more targeted Danish support for the ECOWAS Commission's core tasks on trade integration can catalyse. Meanwhile, the Danish programme will provide supplementary resources for the Commission in areas not covered by the larger programmes. In addition to the larger programmes on trade and economic integration, an on-going joint EU-Germany programme supports institutional development of the ECOWAS Commission, with focus on making the ECOWAS Commission ready for an EU pillar assessment (expected in 2027). While the EU-Germany programmes are anchored in specific Directorates under the Commission, they do not provide direct support for the Commission. The Danish support targeting the ECOWAS Commission's institutional effectiveness will help to reinforce the results of the EU and German programmes, by alleviating the Commission's human and resource constraint in essential areas for advancing the ETLS, CET, and adaptation towards AfCFTA.

2.4 Danish policies and initiatives on free trade and economic integration in Africa

The project directly follows from the Danish government's Strategy for Strengthened Engagement with Africa and reflects the strategy's declaration of the Government's commitment to support Africa's ambitions on economic integration.

Box 2: Main donor support programmes for trade and market integration in ECOWAS

- Africa Trade Competitiveness and Market Access (ATCMA)-ECOWAS Programme (Euro 50 million). Focus on increasing competitiveness of West African SMEs, selected value chains, international standards, infrastructure, and women- and youth-led businesses (part of the Africa wide ATCMA programme which also covers East Africa/EAC) (European Union, UNIDO, and ITC)
- Market Oriented Value Chains for Jobs and Growth in ECOWAS region, approx. Euros 63 million, (MOVE) (Germany/BMZ/BMGF and EU)
- Support of the ECOWAS Commission in the implementation of the AfCFTA, Euros 20.5 million (Germany/BMZ and EU), anchored with Directorate of Trade.
- Strengthening the ECOWAS Commission to promote regional Agricultural Trade, Euro 13 million, (EAT) (BMZ). Focus on conditions for regional trade in agriculture, with three components on 1) policy implementation, analysis, communication 2) member state-level support on infrastructure focused on the Lagos-Abidjan corridor, 3) private sector trade promotion, chambers of commerce, women, financial support and business plan development
- Support to ECOWAS on Organisational Development (Germany and EU), focus on institutional reform of ECOWAS Commission including preparing the ECOWAS to pass the EU pillar assessment, and capacity of Directorate of External Relations and mechanisms for policy dialogue with donors.
- Germany/GIZ – Trade in services component
- Institutional Support to Ecowas Commission for an effective implementation of the AfCFTA by ECOWAS vulnerable states, African Development Bank.

The contribution is part of an initiative by the Danish government to help bolster the capacity of African countries to mitigate the economic and social effects of the current imposition of global trade barriers and frictions. While exact consequences for Africa are still unknown, impacts of higher tariffs, possible trade dumping, and fragmentation of trade regimes could be disastrous, especially for low-income African countries with weak economic resilience, high debt, and large numbers of poor and vulnerable people. More fundamentally, the initiative delivers on the Danish government's Strategy for Strengthened Engagement with African Countries to strengthen partnerships with African institutions and respond to their demands.

The present support reflects Danish government's intention to provide direct bilateral support to the core African partner institutions in line with the strategy's commitment to develop partnerships with African partners. The support also reflects the government's intention to support immediate needs and gaps of the African communities to tackle the consequences of the global trade barriers and frictions.

In addition, the new Danish development cooperation policy underlines the connections between policies on development cooperation, foreign policy, and trade. In line with this, the project will also support Danish priorities under for strengthening conditions for Africa's trade with EU, including concerns for inclusion and sustainability.

The project will supplement and create synergies with a range of other Danish initiatives addressing trade facilitation, market integration, and private sector development in the region. Most immediately, this includes a parallel contribution to the East African Community also for approval in 2025, and the Sustainable Inclusive Trade for Africa programme (SITA) 2025-2029, as well as support to implementation of AfCFTA through UNECA.

More broadly, Danish private sector programmes such as in Kenya, Uganda, and expected value-chain support in Tanzania, will address the conditions for African SMEs and agricultural producers to develop goods and products for trading under the initiative.

2.5 Lessons learned from previous support

The following lessons from across previous Danish engagements with support to trade and private sector development inform the support:

- Support to African institutions directly is essential to enable them to exercise the necessary leadership, direction, and ownership for the trade reforms and policies. This is essential for the trade reforms to be sustainable and effective.
- Implementation of trade reforms in the ECOWAS and uniform application of the Community Customs Code in ECOWAS member States are slow, which should be anticipated. This reflects the political realities of a highly diverse community with varying capacities and interests. It is important to focus on what is achievable and be flexible and adapt based on lessons and opportunities arising.
- An effective and fruitful dialogue both for ECOWAS and Denmark will require the necessary time and resources by the embassy and MFA to manage the dialogue and follow-up.
- Denmark's relationship with ECOWAS Commission is long-standing with two decades of engagement with the Commission's Department for Political Affairs, Peace and Security (PAPS) on support for peace and stability. While this present grant will be Denmark's first engagement with ECOWAS Commission in its focus area on trade and economic integration, and thus with its Department for Economic Affairs and Agriculture, it complements the long-standing support by addressing the nexus between trade, integration, peace and security. Lessons from Denmark's long-standing engagement with ECOWAS has informed the design of this proposed new contribution, especially on the earmarked support modality and approach to manage the engagement with ECOWAS.
- A lesson learned from the previous and ongoing support to ECOWAS Department of Political Affairs, Peace and Security (PAPS) is the need for keeping up regular dialogue to enhance the quality of the partnership and manage the risks associated

with the project; a dialogue needed to be founded in substance of the ECOWAS plan and trade instruments and implementation process and status. A dialogue process, which, considering the embassy in Abuja's limited staffing and technical resources and ECOWAS's human resource constraints, may require supplementary assistance at critical stages in the annual process of dialogue, monitoring, and managing the support.

2.6 Choice of ECOWAS Commission as partner

ECOWAS is selected as partner based on its position as the Regional Economic Commission (REC) in the AU architecture for West Africa; its mandate for promoting trade and economic integration in the larger West Africa region; its essential roles in coordinating and facilitating the development and rollout of the key regional trade policies and instruments; and its key role for furthering the AfCFTA in West Africa. ECOWAS Regional AfCFTA Strategy seeks to promote the region's competitiveness in integration in the continental market.

The Danish support will focus on the ECOWAS Commission, centring on its role in facilitating and coordinating the development and operationalisation of the ECOWAS trade policies and instruments. The Commission is the executive arm of ECOWAS, with mandates to support the Community, execute the Council decisions and regulations, promote community development programmes, convene sector Ministers on regional issues, prepare budgets and programmes, supervise their execution after approval by Council, and report on Community activities to all meetings of the Authority and Council.

Specifically, the Commission coordinates ECOWAS' initiatives and develops policies, strategies and programs and takes lead on driving and facilitating the removal of barriers to trade and harmonise standards and requirements, including the aforementioned tariff and NTBs. While the Commission initiates and prepares policy initiatives and facilitates and helps to coordinate implementation, adoption of these is by the Member States in the Council and implementation at country-level. This underlines that the Secretariat's core deliverables consist of policy preparation and coordination and facilitation of implementation, whereas the final results – in form of adoption of protocols, domestication of trade legislation, and removing non-trade barriers on the ground - are delivered by the member states' decision and actions.

Box 3: ECOWAS' main organs

The Parliament, Community Court of Justice, ECOWAS Bank for Investment and Development, Office of the Auditor General, West African Health Organisation, Inter-governmental Action Group Against Money Laundering and Terrorism Financing in West Africa.

Box 4: Vision 2050 – vision statement and pillars

Vision: A fully integrated Community of peoples, living in a peaceful and prosperous region, with strong institutions and respect for fundamental rights and freedoms, striving for inclusive and sustainable development

Pillar 1: Peace, Security and Stability

Pillar 2: Governance and Rule of Law

Pillar 3: Economic Integration and Interconnectivity

Pillar 4: Transformation, Inclusive and Sustainable Development

Pillar 5: Social Inclusion

The ECOWAS Commission is headquartered in Abuja, Nigeria. The Commission is headed by a President as Chief Executive Officer, assisted by a Vice President and five Commissioners. The Commission is structured in (five) Departments, each led by a commissioner; each department is sub-divided into directorates. The Danish support will be anchored in the Department for Economic Affairs and Agriculture, which in turn is divided into eight directorates⁹. Directorate of Trade is expected to be the main anchor for the Danish support. The ECOWAS Commission has been restructured over the years, first changing the initial Executive Secretary into a Commission (2007) with 15 commissioners, and again in 2021 when the number of commissioners were reduced to 7.

Presently the Commission is confronted with significant capacity and resource constraints, exactly what the current donor support aims to address through institutional support. While the exact status is still being clarified, several key positions within the Commission are not filled and resources do not match up to the basic expectations of what the Commission should deliver following the Vision 2050 and strategy. This includes tasks that are critical for the Commission to play its role in facilitating and coordinating the member countries' efforts to move forward on tackling the tariff- and NTBs, hence, to achieve the vision of greater intra-regional trade and integration, including the adaptation to AfCFTA and measures targeted at women and youth.

ECOWAS is guided overall by the Vision 2050 which defines five pillars, where the Danish support will focus on pillar 3, Economic Integration and Interconnectivity, and its Strategic Objective 3 – “Make ECOWAS a fully Integrated and Interconnected Economic Region”.

To achieve Objective 3, Pillar 3 defines three strategic orientations, namely 1) Consolidate the free movement of people and goods and accelerate market integration, 2) Accelerate monetary union and economic and financial integration, and 3) Intensify infrastructure development and enhance interconnectivity - where the Danish support will focus on Strategic Orientation 1 with emphasis on the free movement of goods and accelerating market integration. Box 5 shows the possible intervention areas that Vision 2050 defines under strategic orientation 1.

Central for the Danish support, Vision 2050 establishes the integration of cross-cutting issues, including gender and women, youth employment, and climate change and resilience. Therefore, also activities related to women and trade under Pillar 5 will have relevance for Danish support - to the extent there is a strategic interface with trade and interconnectivity.

Box 5: Vision 2050's outline of possible intervention areas under Pillar 3: Strategic Orientation 1

- (1) Consolidate the regional market
- (2) Promote regional trade and ETAA implementation
- (3) Promote Free Movement of People and Goods
- (4) Develop and implement regional policies
- (5) Strengthen regional competitiveness; and
- (6) Develop integrated value chains

Further, ECOWAS operationalises Vision 2050 through its Community Strategic Framework (CSF) 2023-2027, as the overarching medium-term strategic framework for the ECOWAS region's development for ensuring the projects/programs under the CSF are

⁹ Directorate of Private Sector & Industry; Directorate of Trade; Directorate of Customs Union & Taxation; Directorate of Free Movement of Persons, Migration & Tourism; Directorate of Research & Statistics; Directorate of Multilateral Surveillance; Directorate of Agriculture and Rural Development; Directorate of Environment. The Department also has three agencies.

executed, supported, monitored to achieve the vision 2050. The CSF defines for each pillar the guiding theory of change, expected outcomes, indicative results indicators and targets, and implementation framework. Consequently, the Danish support targets the three outcomes (or strategic intervention areas) under Strategic Orientation 1 (free movement of goods and market integration), namely: 1) Increased intra-regional trade in Goods and Services; 2) Reduced barriers to the free movement of persons, goods and services; 3) Competitive markets and regional competitiveness significantly strengthened. These outcomes outline the structure in the Danish results framework.

For planning, budgeting, and monitoring purposes, ECOWAS Commission uses a rolling medium-term expenditure framework (MTEF) 2025-2028 and Annual Work Plans and Budgets. The MTEF and Annual Work Plans and budget will be the direct basis for planning of the earmarked activities financed by the Danish support.

The Commission is tasked with monitoring progress and results on the CSF using a results-based management approach. The responsibility for monitoring and evaluation is placed in the Commission's Directorate of Strategic Planning, Monitoring and Evaluation. The CSF provides for reporting periodically through the ECOWAS Online Monitoring and Evaluation System (to be implemented) for reporting to the Member States, and other stakeholders on progress, challenges, and mitigation measures against the results framework. The Online Monitoring and Evaluation system is still to be implemented. The CSF states the need to monitor implementation of initiatives in Member State, capacity development, and regional integration programs based on an implementation plan of the CSF.

2.7 Poverty, gender, HRBA, and climate/environment

The ECOWAS Vision 2050 recognises that women remain a disfavoured group in West Africa, despite progress made by most countries in the region. The Vision establishes that cross-cutting concerns will be integrated in the development and trade integration strategies. This includes the empowerment of women and fight against gender-based discrimination to promote gender equality. In addition, youth employment is defined as focus, to be pursued through enabling the adoption of policies and implementing structural reforms to create decent employment opportunities for young people, strengthen human capital and unleash their ingenuity and potentials in building a prosperous and peaceful Community.

Studies confirm that regional trade integration in ECOWAS is significant in reducing poverty, especially through employment generation¹⁰. The study results underline the importance of efforts to support smaller countries to improve their productive capacities, prioritize trade with other ECOWAS nations, implement policies on foreign investments that benefit the local economies, and focus on exporting finished goods rather than raw materials to create employment opportunities and support poverty reduction efforts.

The project has potential for supporting the Vision's cross cutting priorities on gender, youth, and climate. The project is envisaged to promote these, inter alia, through the choice

¹⁰ The Impact of Trade Integration on Poverty Reduction in Ecowas by Akinyemi, Christopher Afolabi, Dickson Thomas Ndamsa, Journal of Developing Economies, 2024

of thematic area to be supporter, for example considering gender in trade and integration. Also, the Danish support will focus on the ECOWAS' Commission's efforts to promote integration by Member States in ways that promote these pathways to poverty reduction and inclusive growth.

3. Objective and summary project description

The **objective** of the support is:

- Strengthened effectiveness of the ECOWAS Commission in performing essential tasks for achieving the community's objective and strategies for promoting the free movement of people and goods and accelerate market integration in West Africa.

This will contribute to the higher-level objective of stronger regional trade, market integration, and economic resilience to shocks from global volatility and trade barriers.

To achieve this, support will be provided for Vision 2050's pillar 3, Economic Integration and Interconnectivity, targeting specifically the CSF's Strategic Orientation 1, 'Consolidate the Free Movement of People and Goods and accelerate market integration', as well as possible activities under pillar 5 which addresses the nexus of trade and gender, as follows:

- **Outcome area 1: Increased intra-regional trade in Goods and Services.** Outputs supported under this are expected to focus on Trade Negotiation Capacity Building (TNCB), which is of key importance to ECOWAS and critically important as the trade environment globally becomes more hostile. It will also include ECOWAS's strengthening its role in regional coordination of trade negotiations and in implementation of the AfCTFA strategy. Moreover, the Commission prioritises a focus on strengthening the implementation ECOWAS Trade Liberalization Scheme, strengthening the Institutional structures of Ministers responsible for Trade and ECOWAS Commission, and development and implementation of Trade Policy and Trade Facilitation measures.
- **Outcome area 2: Reduced barriers to the free movement of persons, goods, and services.** Associated outputs will target Empowerment of Traders/Entrepreneurs with a focus on Women, Youth and PWD, which is a key priority of the Commission. This can involve ECOWAS' Gender Development Center and support ECOWAS's work to simplify procedures for small cross border traders with special focus on women and young traders (such as simplifying declaration requirements or exceptions from detailed declarations for small trading amounts), including training of young and women traders as well as border officials. In addition, outputs can focus on Resolution and elimination of Non-Tariff Barriers, which are at the core of the constraints hampering cross-border trade in the region. Also, Sensitisation and Awareness Campaigns for Traders is a priority, given that low knowledge level among traders of the ECOWAS trade liberalisation scheme is a key impediment to it being used.
- **Outcome area 3: Competitive markets and regional competitiveness significantly strengthened.** Associated outputs prioritised will include Trade information portals, which are key to help private businesses navigate in a more

volatile environment where domestic prices are influenced by tariffs imposed on ECOWAS exports. Outputs will also focus on supporting the implementation of ECOWAS trade and gender action plan.

The further specification of above outcomes and associated outputs targeted by the Danish support will be undertaken during an initial 6-month inception phase, based on further consultations with ECOWAS and the Commission's MTEF (see section 7).

In addition, Denmark will support a project implementation unit (PIU) in the department, in the form of resources for enhanced intra-departmental coordination, and technical capacity for planning, monitoring, and reporting. TOR for the PIU will also be developed during the inception phase as one of the initial actions.

4. Theory of Change and key assumptions

The preliminary Theory of Change (TOC) guiding the support is summarised below, however, the TOC will be finally developed based on the further dialogue with ECOWAS and clarification of the critically key areas within the ECOWAS Commission's MTEF targeted by the Danish support.

<i>If</i> Denmark provides funding to the ECOWAS targeted towards reducing critical resource and capacity constraints of the ECOWAS to play its role in moving key processes forward on the free movement of goods and accelerating market integration		
<i>Then</i> the ECOWAS Commission will be able to implement necessary and critical activities in the MTEF, under responsibility of the Commission, to achieve ECOWAS’ Strategic orientation 1 on the free movement of goods and accelerating market integration.		
<i>And if</i> Denmark through its embassy in Abuja maintains an active dialogue focused on results, lessons learned, and adaptive support with the ECOWAS Commission		
<i>Then</i> the Commission will deliver the following set of critical and necessary Outcomes:		
Increased in intra-regional trade in Goods and Services	Reduced barriers to the free movement of persons, goods and services	Competitive markets and regional competitiveness significantly strengthened
<i>And then</i> capacity will be strengthened of the ECOWAS Commission to deliver its functions in selected essential areas for enabling ECOWAS to progress significantly on its Strategic Orientation 1 on the free movement of goods and accelerating market integration, in support of stronger regional trade, market integration, and economic resilience to shocks from global volatility and trade barriers.		
<i>And then</i> technical and capacity constraints to removing NBS will be alleviated to facilitate more intraregional trade	<i>And then</i> the ECOWAS Member States through the Council will have at their disposal the technical documentation and policy/regulatory drafts on items that require political approval	

<i>And then</i> ECOWAS will move towards achieving the Strategic Orientation 1 with emphasis on the free movement of goods and accelerating market integration.
<i>And then</i> West Africa will have reduced barriers to trade, leading to increased regional trade, value chains and economic integration.
<i>And then</i> West African countries will have strengthened their economic resilience to mitigate negative economic and social impacts from the disruption in global free trade regimes.
<i>And then</i> West African countries will experience sustainable and inclusive jobs creations and poverty reduction

Assumptions (drawing on the ECOWAS CSF):

- The ECOWAS Council continues to prioritise development of the Commission’s institutional capacity development for a strengthened focus on its core task of driving the implementation of the decisions and directives of the Council, including coordination and implementation of the adopted directives and regulation.
- Member States will have the political will to ratify and implement regional legal frameworks/conventions, protocols, decisions, and other agreements.
- A basic commitment and effort in country processes to mainstream developed regional policies into including national Visions and development plans.
- A basic level of political will to cooperate on issues of cross-border security and ensure good governance, democracy, and rule of law.
- Commitment by Member States to crosscutting, aspects of gender, youth, digitalisation/ICT, entrepreneurship as well as climate change will be considered and implemented by Member States.

5. Results framework

For managing and reporting purposed, the results-framework below will serve as the reference frame. Progress will be measured through the ECOWAS monitoring framework relating to the Community Strategic Framework (CSF) (2023-2027), particularly strategic objective 3 (consolidating the free movement of people and goods and accelerating market integration). The results framework will be further developed and finalised during the sixth-month inception phase.

The results table below indicates the main preliminary structure of the results framework to be finalised during the inception phase. The finalised results framework will define the main outputs linked to these outcomes that will be the basis for the annual reporting as well as dialogue and approval by the embassy of following year’s plan and budget.

As the outcomes and outputs are drawn from ECOWAS' CSF and priority areas as set out in the CSF the project results table thus represents a sub-set of ECOWAS' wider set of outputs/indicators. It should be noted that a number of relevant outputs will not in all cases be under full control of ECOWAS, since they involve inputs and coordination of the full set of actors involved in promoting trade and market integration, not least the ECOWAS member states and their institutions. The indicators chosen from ECOWAS results framework are those which best tally with Danish priorities for the commitment. While it will be possible to attribute specific activities and possible outputs to the Danish grant, the anticipated results at the outcome level will not result from the Danish funding only, but be the result achieved by the available sum of financial resource available.

During the inception phase, efforts will be made with the ECOWAS Commission to include indicators and targets in the results framework for monitoring the integration of concerns for youth and gender.

Programme		Support to ECOWAS trade and economic integration	
Programme Objective		Strengthened effectiveness of the ECOWAS Commission in delivering essential tasks for achieving the community's objective and strategies for promoting the free movement of people and goods and accelerating market integration in West Africa	
Impact Indicator		Real expansion in intra-Africa trade in USD	
Outcome 1		Increased intra-regional trade in Goods and Services (<i>trade facilitation</i>)	
Outcome indicator		Value of intraregional trade in Goods (as % of Total Trade)	
Baseline	Year	2025	
Target	Year	2028	
Output 1.1.		Enhanced capacity of DEAA to support interconnectivity between customs administrations to facilitate transit of goods	
Output indicator		Number of Customs Administrations interconnected to facilitate transit of goods	
Baseline	Year	2025	?? (2023-baseline = 5)
Target	Year	2028	15
Output 1.2		Enhanced capacity of DEAA to support the process of simplifying procedures and documentation for small-scale traders.	
Output indicator			
Baseline	Year	2025	
Target	Year	2026	
Target	Year	2027	
Target	Year	2028	
Outcome 2		Reduced barriers to the free movement of persons, goods and services	
Outcome indicator		Number of reported barriers to goods and services resolved ¹¹	
Baseline	Year	2025	
Target	Year	2028	
Output 2.1.		Enhanced capacity of DEAA to support implementation of the ECOWAS Trade Obstacles' Alert Mechanism (TOAM)	
Output indicator		Number of reported barriers to goods and services resolved (accumulated)	
Baseline	Year	2025	???
Target	Year	2027	8

¹¹ Means of verification: ECOWAS Trade Obstacle Alert Mechanisms

Target	Year	2028	10
Output 2.2		Training programme on elimination of NTBs for Border Officials and Ministries key staff	
Output indicator		Number of officials trained	
Baseline	Year	2025	?
Target	Year	2026	
Target	Year	2027	
Target	Year	2028	
Output 2.3		Stock-taking on NTBs – geographical spread and significance	
Output indicator		Report produced	
Baseline	Year	2025	0
Target	Year	2027	1
Outcome 3		Competitive markets and regional competitiveness significantly strengthened	
Outcome indicator		Goods Market Efficiency (GCI- Pillar 6) ¹²	
Baseline	Year	2025	
Target	Year	2028	
Output 3.1.		DEAA to push forward the process of a Common Trade Policy	
Output indicator		Number of DEAA activities in support of formulation of Common Trade Policy	
Baseline	Year	2025	?
Target	Year	2026	X of [what type of activities are foreseen?]
Target	Year	2027	Y of [what type of activities are foreseen?]
Target	Year	2028	Y of [what type of activities are foreseen?]
Output 3.2		Support implementation of ECOWAS Trade and Gender Action Plan	
Output indicator			
Baseline	Year	2025	
Target	Year	2027	
Outcome 4		<i>Intra-departmental capacity to coordinate, monitor, and report on activities</i>	
Outcome indicator		A functioning PIU	
Baseline	Year	2025	0
Target	Year	2028	1
Output 4.1.		Regular DEAA coordination improved	
Output indicator		Number of quarterly coordination meetings	
Baseline	Year	2025	0
Target	Year	2026	At least 4 quarterly meetings
Target	Year	2027	At least 4 quarterly meetings
Target	Year	2028	At least 4 quarterly meetings
Output 4.2		Monitoring and Reporting on external financed development programme	
Output indicator			
Baseline	Year	2025	
Target	Year	2026	
Target	Year	2027	
Target	Year	2028	
Output 4.3		Communication and visibility	

¹² World Bank GovData3 60 ([https://g ovdata360. world bank .org/indicat ors/ha03 bec65?cou ntry=BRA &indicator =41472&v iz=line_ch art&years =2017,201 9\)](https://g ovdata360. world bank .org/indicat ors/ha03 bec65?cou ntry=BRA &indicator =41472&v iz=line_ch art&years =2017,201 9)))

Output indicator		Number of DEAA communications about ????	
Baseline	Year	2025	
Target	Year	2026	
Target	Year	2027	
Target	Year	2028	

Annual targets will set in connection with preparation of ECOWAS' annual work programme and budget and inform the work programme and budget to be financed by the Danish grant.

6. Budget

Outcome area/Year	2026	2028	2028	Total DKK
Outcome 1: Increased intra-regional trade in Goods and Services.	3.0	4.0	3.75	10.75
Outcome 2: Reduced barriers to the free movement of persons, goods and services.	3.0	4.5	3.5	11.0
Outcome 3: Competitive markets and regional competitiveness significantly strengthened.	3.5	5.0	4.0	12.5
Project Management Unit (incl. reporting & audit)	1.25	1.35	1.4	4.0
Communication & Visibility	0.25	0.25	0.25	0.75
Total ECOWAS*				39.0
Review, TA, and lessons learned thematic studies **	0,3	0,3	0,4	1.0
Total project				40.0

*) ECOWAS budget in Unit of Account. The total project budget corresponds to approx. to UA 4.8 million.

**) Managed by the embassy in Abuja.

***) Exchange rate: 1 UA = 1.38 USD / 1 USD = 6.33 DKK

The budget above assumes a grant of DKK 40 million to finance activities in the ECOWAS for the financial years 2026–2028 and shows the planned disbursements from MFA to ECOWAS. The total commitment of DKK 40 mil. is planned to be signed for in 2025, whereas the disbursements for actual execution of the work planned will start with effect from January 2026. To ensure implementation starts as soon as possible in 2026, Denmark can already in December 2025 disburse the amount planned to be executed in 2026, subject to a signed legal agreements ECOWAS/Denmark (expected in November 2025) followed by a written request from ECOWAS (attached an indicative work programme and output-based budget).

Under the outputs to be defined, the Danish grant will finance activities such as technical assistance, meetings, operational cost such as training and convening of meetings, and travel costs associated with monitoring of and dialogues with Member States. The budget for the PIU will mainly be used for technical assistance to facilitate planning, reporting and intra-

departmental coordination. The PIU budget will also cover cost of external audit of the Danish grant.

A minor share of the contribution is allocated to reviews to meet Danish aid management requirements for approval of commitments and learning-based adaptive management, and for technical assistance and thematic studies facilitated by the embassy as well as the annual audit of the project's financial statement.

An output-based budget is attached at Annex 4. The budget distribution across output-areas is indicative and reallocations can be made between out-puts. Any reallocation of budgets between outputs over 10% will require approval by RDE Abuja.

7. Institutional and Management Arrangement

Similar to the management arrangement for the Danish support to ECOWAS Political Affairs, Peace and Security, the ECOWAS Commission and Danish embassy will strive for full alignment of the Danish support to the implementing partner rules and procedures, while respecting sound international principles for financial management and reporting; as a minimum requirement in compliance with the Ministry of Foreign Affairs' [General Guidelines for Financial Management \(um.dk\)](https://amg.um.dk/bilateral-cooperation/financial-managent)¹³.

Management: The Danish contribution will be managed through ECOWAS Commission's existing governance, management, and reporting system, and will be administered in accordance with the applicable policies, procedures, and regulations approved for the Commission. The President of the ECOWAS Commission is the overall Accounting Officer of the Commission; authority to incur expenses are delegated to members of staff. The project is anchored in the Directorate of Trade, but activities will involve different directorates, where ECOWAS stresses the importance of a proper intra-departmental coordination for planning of activities. The Danish funds will be utilized under the oversight of the Director of Trade as the administrative anchor for the project, who will be responsible for planning, budgeting, and implementation of activities as well as coordination between directorates.

In compliance with ECOWAS Financial Regulations (2021) the Danish earmarked support will be declared and included in ECOWAS's budget for the years where funding is provided and utilized and thus subjected to approval by the Council of Ministers. Likewise, the quarterly budget performance reporting to the Council of Ministers on the execution of the Annual Budget will include the information on the performance of the project. However, it is not foreseen that the reporting to the Council will be a document shared with the embassy.

Project Implementation Unit (PIU): ECOWAS has a severe human resource constraint, which makes it difficult for the organisation to manage and coordinate external resources. Recognising this, ECOWAS has requested for a small part of the grant to be allocated to staff-assistance to the Director of Trade (focal point responsible for the implementation of the grant) to assist the focal point with tasks related to the internal departmental coordination and management as well as monitoring and reporting on the grant. The budget is part of the grant disbursed to ECOWAS; ECOWAS develops functions descriptions for

¹³ <https://amg.um.dk/bilateral-cooperation/financial-managent>

the PIU and recruits eventual short-term TA. The PIU reports to the focal point who will be the daily contact point between the embassy and ECOWAS for this grant.

The purpose of the PIU is to ensure the sufficient capacity in the Commission's Department for Trade to lift the administrative burden to ensure delivery of the expected outcomes and outputs related to the Danish grant. The specific TOR for the PIU will be developed as a first step during the inception phase with support from a consultant (contracted by the Embassy), however, the main tasks of the PIU will include:

- Facilitate planning and coordination to deliver outputs supported by the Danish grant across the ECOWAS Commission's departments/desks.
- Manage implementation of activities related to outputs and outcomes supported by the Danish grant.
- Monitor progress on activities and outputs supported by the Danish grant and prepare relevant narrative results reporting to the Embassy, including any efforts and document for communication and visibility.
- Manage any procurement tasks linked to the Danish grant, such as technical assistance, within the procedures and structures of the ECOWAS Commission
- In all activities, ensure alignment within the Commission structures, processes, and reporting.

Safeguarding: Safeguarding policies and procedures follow ECOWAS's governance code, which includes stipulations for:

- Code of Conducts
- Conflict of interest Policy
- Anti-fraud and Anti-corruption policy
- Whistle Blowing Policy

It is noted that ECOWAS does not have a policy framework along the lines as Denmark would expect from an international organisation, which implies inter alias, that ECOWAS does not have a Whistle Blowing Policy or link on its webpage. However, various documents deal with the obligation of ECOWAS staff related to code of conduct and anti-corruption, including stipulations in the Financial Regulations.

Donor coordination: There is no formal donor coordination mechanism for and among ECOWAS donors. The two largest actors and donors to ECOWAS are GIZ and EU, which have a close relationship because of GIZ's contracts with EU regarding implementation of EU programmes supporting ECOWAS (commission and regional community). The Danish Embassy will ensure coordination of the Danish support with the donors in the area of trade and market integration and work to promote aligned and harmonised support to ECOWAS, including drive specific initiatives that promotes coordination.

Inception phase. To finalise certain details of the basis for the Danish support, the project will commence with a 6-month inception phase. The following tasks will be undertaken during

the inception phase: 1) Develop TOR for the PIU, 2) Finalise the results framework and update the TOC, based on consultations across the Commission and with donors, 3) Take stock of the overall implementation plan and consider its realism in context of the 3-year support period, 4) Consider efforts and targets to ensure focus on youth and gender, 5) Develop a final output-based budget. The outputs developed through these tasks should be discussed and finally approved by the Embassy to be included in the documentation that is part of the agreement with the Danish Embassy. The Embassy should hire a consultant to support the ECOWAS Commission during the inception period to undertake these tasks and deliverables and funded from the review/TA budget-line.

8. Financial Management, Planning and Reporting

The Grant: The Danish support will be provided bilaterally as an earmarked contribution and ECOWAS will be responsible for ensuring that the Danish support is fully aligned with ECOWAS' plans and harmonised with the support provided by other international partners. The Danish funds may be used to supplement funding from ECOWAS sources as well as from other partners where there is good reason.

Procurement of assets is not included in what can be financed by the Danish support. All technical assistance, eventual personnel costs, and travel cost financed under the Danish grant is to be managed in compliance with ECOWAS' budget regulations and financial procedures. However, Denmark will only accept cost of travel for travel on economic class travels (any travel class above economy class is not eligible).

Planning and budgeting of the Danish grant will follow ECOWAS's planning and reporting cycle; the financial year runs from January – December. The Annual work plan and budget is prepared in September – November for approval by the Council; as the Commission is only authorized to spend funds, which has been included in the approved budget revision it is paramount that the Secretariat submit and get approval of the Danish annual contribution timely to have it included in the annual budgets.

The Commission will present its work programme and budget for the Danish contribution as follows: i) the work programme and budget for activities to be implemented in 2026 to be presented to the Danish embassy for approval in November/December 2025; ii) subsequent work programmes and budgets for the FY2027 and FY 2028 to be presented by November for the approval of the embassy. The format and content of the work programme and budget shall be at the outcome and output level. This annual workplan (and its associated budget) will be discussed with embassy in Abuja at a bilateral planning meeting (each November), following which it will be agreed.

Disbursement: The embassy will disburse funds to ECOWAS Commission bi-annually. The first tranche will be released upon signature of the project agreement, anticipated in December 2025; subsequent disbursements will be based on a written request from ECOWAS (the embassy's disbursement template to be used). The disbursement request shall be attached to a copy of the approved budget and work plan, an interim financial statement for utilization of previous disbursements, and be subject to:

- confirmation of receipt of prior transfers,
- satisfactory technical and financial reporting,

- satisfactory use of prior transfers i.e. 80 % of former transfers should have been used before new transfer,
- approved workplan and budget for period to be financed,

Financial management: In compliance with ECOWAS Financial Regulations, Article 44, the financial management and accounting for the Danish grant will be in accordance with the relevant rules and procedures of ECOWAS, save for the specific limitations set in the project document regarding procurement of fixed assets and the limit on air travel class (see below). ECOWAS follows IPSAS (International Public Sector Accounting Standards), which also will apply to the Danish grant.

Work practice for previous and ongoing grant from Denmark to ECOWAS to PAPS (Political Affairs, Peace and Security) has been that ECOWAS maintains a dedicated bank account for the programme in a commercial bank of ECOWAS' choice – operated in accordance with ECOWAS Financial Regulations. The formulation team suggests that a similar arrangement be utilized for this grant, and it be clarified with ECOWAS whether the existing dedicated bank account Danish funds would suffice for all funds from Denmark (i.e. PAPS and this project) or yet another dedicated bank account is to be opened. In either case, Denmark will deposit the contributions into the dedicated bank account managed by ECOWAS. Budget and control, authorisation of disbursements and payments will follow ECOWAS' procedures. The accounts shall be kept updated and in accordance with IPSAS and records be kept to a level of detail enabling financial reporting at the same level of detail as in the project budget and the approved annual activity budgets.

Internal control will likewise be performed in accordance with ECOWAS procedures; as the internal control functions in ECOWAS is still in the process of upgrading the work processes, the minimum requirements for the Danish grant is an budget vs. actuals review be performed with quarterly intervals, and a variance report be produced for the grant responsible officer to review and analyse performance; this in order to ensure timely and compliant execution of the grant agreement, and monitor the efficiency and effectiveness of expenditure.

While ECOWAS utilizes Unit of Account (UA) for their financial reporting, the financial reporting to Denmark will use United States Dollars (USD) as the reporting currency. Exchange rates applicable will be those issued by ECOWAS Bank for Investment and Development (EBID). The Danish Kroner (DKK) amount for the grant cannot be exceeded. Any gain and loss resulting from conversions between UA/USD/DKK shall be accommodated within the DKK grant limit.

In line with the stipulation for the Danish support to PAPS (APPS), ECOWAS will provide bi-annual financial reports (in February and September each year). The financial reports are to be generated from ECOWAS' accounting system (SAP system) and to be signed by two ECOWAS signatories at the appropriate level holding responsibility for grant execution and compliance.

The financial reports to be submitted to the embassy will include:

- (a) Bank account reconciliation,
- (b) Statement of Receipts and Payments,

- (c) Variance reports,
- (d) Uses of Funds by Activity (to be prepared on accrual basis), and
- (d) Balance Sheet.

Monitoring and reporting: The day-to-day monitoring of the implementation of the grant will rely on the ECOWAS' monitoring and reporting system. Specific Danish monitoring will consist of the embassy in Abuja's review of the reports received and semi-annual dialogue meetings. ECOWAS will submit biannual narrative reports on the project for the preceding year alongside its annual financial reporting (see below) in February and September each year. The narrative reports will report at output and outcome level for the areas covered by this project. These reports will serve as the basis for the semi-annual dialogue meetings. Reports are to be prepared in a format that enables monitoring and verification of results and expenditures related to the Danish grant annually.

There will be regular programmatic and financial dialogue between the embassy and ECOWAS, occurring at least twice a year (in November and February). Additional meetings may be arranged, as necessary. Furthermore, there will be recurring high level dialogue on the cooperation between ECOWAS and Denmark represented by the Danish Ambassador to ECOWAS.

Review: The embassy will subject the project to a review in late 2027 to assess progress towards envisaged results for this grant, lessons learned, and the quality of management, including compliance with the grant agreement, and will recommend on any adjustments to the project. Further, the review will assess the continued interface-fit between ECOWAS Vision 2050 and underlying strategic action plans and Denmark's development strategies, and the continued need for external funds for financing the Commission in trade and integration. The review will make recommendations regarding a possible continuation of support or phasing-out of the support to the Pillar 3. Resources external to ECOWAS and the embassy will perform the review. The embassy in Abuja will contract and manage the review team based on terms of reference consulted with ECOWAS.

The Embassy of Denmark in Abuja and/or HQ unit in the Ministry of Foreign Affairs of Denmark shall have the right to carry out any technical or financial supervision mission that is considered necessary to monitor the implementation of the project/programme.

After the termination of the project/programme support, the Embassy of Denmark in Abuja and/or HQ unit in the Ministry of Foreign Affairs of Denmark reserves the right to carry out evaluations in accordance with this article.

Audit: All funds under ECOWAS Commission's management, including donor funds, are subjected to internal control and to an external audit by a professional audit company, in accordance with ECOWAS Financial Regulation. The audit is conducted in accordance with International Auditing Standards (IAS) by the External Auditor appointed by the Council based on recommendation of the Council's Audit Committee.

Specifically for the Danish project the project's financial statement will be subjected to an audit of project expenditure and compliance review by an external audit firm. The ECOWAS Commission will take the lead on the audit and develop terms of reference for

the auditors in cooperation with the embassy in Abuja. It will be discussed with ECOWAS if the embassy should procure the audit. The Commission will share the audit reports including the auditor management letter with embassy no later than the end of June in the following year. The embassy shall have the right to carry out any further audit or inspection considered necessary as regards the use of the Danish funds in question.

9. Risk Management

The embassy will be responsible for monitoring and managing the risks that face the support from a Danish perspective. The embassy will draw on ECOWAS risk management matrix defined in the CSF and associated systems to this end. The semi-annual/annual meetings and reports will be the main Danish risk management instruments in addition to the planned review in 2027. The basis for the Danish risk management will be the risk matrix outlined in annex 4, including the most significant risks highlighted below, which also considers ECOWAS' own risk matrix:

- A main **contextual** risk arises from the global trade barriers disrupting ECOWAS exports, domestic markets, economies, and basic political coherence of ECOWAS. The main response is focus on continued strengthening of the ECOWAS intraregional trade and economic integration and diversification of regional value chains to strengthen economic resilience and ensure alternatives to global supply chains. This can include studies and analysis to examine and devise effective response measures. The Danish support addresses this as a core focus.
- A main **programmatic risk** is continued slow political decision on key legislation and mechanisms which delay the Commission's efforts to support implementation of the relevant instruments, hence delaying the expected results of the support. This is to be expected and a natural part of the political process. The main response is that the Commission focuses on awareness creation on advantages of implementing trade reforms while sanctions are also considered. Also, the Commission can apply a stop-go process where it ensures solid preparation with the Member States and detect and support the opportunities for progress when they arise, working within its capabilities of the regulation for approval when the Member States are ready.
- Another programmatic risk is that the ECOWAS Commission shows weak organisational capacity in implementing its work plan and MTEF, hence delaying achievement of expected results. This is at the core of what the Danish support will aim to address, by alleviating part of the financial constraint of the Commission and enable it to preserve and/or replace key knowledge resources and staff. However, the Danish support can reduce part but not the entire capacity and resource gap facing the Commission, so part of the risk will remain.
- The main **institutional risk** to consider concerns corruption, mismanagement or fraud within ECOWAS Commission including with Danish fund. However, this is assessed to as unlikely, given the tight earmarking and monitoring the support by the embassy and based on previous Danish experience with the ECOWAS Commission.

10. Sustainability/Closure

ECOWAS Commission is envisaged to be fully financed by its Member States, however, is expected to continue facing financial constraints in the short to medium term due to MS not paying their dues fully. While improvements in MS payment of their dues have been seen (e.g. Nigeria paid its contribution in full in 2024), improvements to a level where ECOWAS Commission can fully finance its activities to shoulder their responsibility as a REC in the implementation of AfCFTA is not foreseen in the medium term. Hence, it is not unlikely that there will be a need for continued external resources; a medium to longer-term engagement could be an option for Denmark subject to both parties' strategic priorities and the funding needs for the specific project objective.

The sustainability of the results of the present support is ensured as the results and activity areas are fully aligned with ECOWAS' Community Strategic Framework and the ECOWAS AfCFTA Implementation Strategy.

The mid-term review in late 2027 will form the basis for assessing progress towards envisaged results for this grant, lessons learned, and the continued need and relevance of support from Denmark, including relevance and fit with Denmark's development strategies, and on this basis to make recommendations regarding a possible continued support or phasing-out of the project.

Annex 1: Context Assessment

Trends and challenges of trade and economic integration for West Africa

Trade is crucial for economic growth, development and resilience West Africa. Averaging USD 127 billion, trade is a major contributor to the ECOWAS region's combined GDP of more than USD 600 billion and its expected tripling the next 20 years¹⁴. By comparison, foreign aid to Africa totalled USD 42 billion in 2024 (OECD DAC)¹⁵. West Africa's trade is a major driver of economic growth, generates critically needed foreign exchange earnings for the region's debt-stressed countries, and is essential to develop the region's small domestic markets and expand their market access and opportunities for specialisation.

Trade is also essential for poverty reduction and job creation, with 27% of the West Africa's population living below the poverty line of US\$2.15 (2019)¹⁶. Trade is essential to growth and value-addition in the agriculture sector in which the majority of the region's poor are occupied. Trade is also main outlet for the region's manufacturing industries which are the main generator of job- and income creation for the poor, especially in West Africa's growing urban areas, especially small- and medium scale enterprises (SMEs). Significantly, many poor and vulnerable groups are directly engaged in trade, as 40% of intra-African trade being informal with a high concentration of poor people and 70% of cross-border traders are women.¹⁷ Trade also is role in expanding the range of goods available to the poor, keep prices in check to protect real incomes, and generate public revenue for social services.

Typically, specific measures are needed to make sure trade benefits marginalised and vulnerable groups, especially women and youth, as trade improvements are not automatically inclusive. For instance, oil and mineral exports typically generate few jobs, and trade liberalisation and formalisation could shift activity and revenues away from low-income groups in cross-border communities. National contexts must be considered, and while two-thirds of Sub-Sahara's multidimensionally poor live in West Africa (2016), major country-level differences exist, with Niger's poverty rate of 42% versus Cabo Verde's of less than 1% (EBID report, 2025).

While trade is significant to West Africa's economies, like Africa overall the region only participates minimally in global trade with a share of less than 0.6%¹⁸. Moreover, Africa's exports are dominated by commodities, especially oil, minerals, and agriculture products¹⁹ accounting for more than 60% of export earnings in more than half the countries, which make them vulnerable to volatile global markets, currency appreciations, and challenges the

¹⁴ECOWAS' GDP in 2019 was 633 billion and estimated to grow to USD 2 trillion by 2023, ECOWAS Geographic Futures, 2025 Africa Futures and Innovation Programme.

¹⁵ <https://www.oecd.org/en/about/news/press-releases/2025/04/official-development-assistance-2024-figures.html>

¹⁶Ibid. African Futures

¹⁷ <https://www.tralac.org/documents/news/2239-idda3-high-level-event-concept-note-unga-september-2018/file.html>

¹⁸ ECOWAS share of global trade averaged 0,58 %, the past 3 years, EBID 2025

¹⁹ , especially mineral fuels; bituminous substances; natural or cultured pearls; metals, metals clad; cocoa and cocoa preparations; rubber and articles thereof; cotton; fertilisers, etc. (EBID, 2025)

development of domestic manufacturing sectors and job creation – even exports are key for driving growth. This underlines the call by key actors that Africa strengthens its intra-African trade and integration as pathway to diversify supply chains, bolster economic resilience, and ensure inclusive growth (UNCTAD).

However, despite the special importance of intra-African trade, like other African regions, there is only limited trade between West African countries and the rest of Africa. Just 16% of Africa's total trade is with other African countries (UNCTAD)²⁰. ECOWAS accounts for one-fourth of the intra-African trade as the second-largest contributor, but this amounts to just USD 16 billion (2023) (AfreximBank). Moreover, West Africa's intra-African trade is highly concentrated, largely driven by champions such as Côte d'Ivoire and Nigeria, being the second and the fourth largest contributors to intra-African trade²¹.

Meanwhile the potential exists to expand intra-African trade and strengthen and diversify regional supply chains. More than 60% of Africa's regional exports consist of processed and semi-processed goods, which suggest opportunities to further develop regional value-chains²². The estimate for West Africa's potential additional exports to the rest of the continent is substantial at USD 12 billion. However, the primary market for Est African export is the region itself. ²³.

As the case of other African regions, the best potential to expand West African countries' trade with other African countries exists within the region itself. Presently the main share of about USD 8 billion of West Africa's trade is destined within the region itself. The general African pattern is that half the intra-African trade happens within the communities, which reflects the importance both of trade agreements and market proximity. Measures to expand West Africa's internal trade would have to tackle that the ECOWAS countries trade largely identical commodities with each other, much of it being unprocessed goods with limited value-added²⁴, underlining the need for diversification and strengthening value-chains. Measures would also have to focus on costs and ease of moving along the major trade corridors, such as the Dakar-Lagos which covers 75% of the trade in the region ²⁵ The cost in time, money, and stability of transporting goods along the corridors is key to determining levels of intra-region trade and value addition, underlining the need to focus both on tariff reductions and non-tariff barriers (NTBs). The above trade figures miss the informal trade flows across Africa's borders estimated to 7-16% of formal intra-African trade, with much comprising foods and basic consumer goods²⁶. (EBID, 2025).

²⁰ Only 16 of 54 countries source more than 0.5% of intermediate goods regionally. UNCTAD, Economic Development in Africa Report, 2024

²¹ African Trade Report 2024, Afreximbank

²² UNCTAD 2024 Ibid.

²³ 'Primary market for West African exports is the West African region itself, with an estimated value of US\$5.3 billion' in African Trade Report 2024, Afreximbank.

²⁴ Mainly mineral fuels; plastics and articles; animals, vegetable or microbial fats and oils and their cleavage products; salt, sulphur, earths and stone; iron and steel; essential oils and resinoids; and fertilisers

²⁵ Four other corridors, connecting Bamako to Conakry, Bamako to Monrovia, Conakry to Abidjan, and Dakar to Conakry, complement the coastal Dakar-Lagos corridor by providing feeder roads for more isolated areas and non-capital cities. <https://documents1.worldbank.org/curated/en/585581637328017410/pdf/Corridors-without-Borders-in-West-Africa.pdf>

²⁶ [Understanding African trade is key to helping its development](#)

Like Africa overall, West Africa's most important global trade partners are the EU, China, USA, and India. More than 50% of the trade is destined for these markets. Shifts in demands and trade regimes of these markets impact significantly on West Africa's trade and development. While EU remains Africa's largest trading partner at euros 64 billion, Africa's trade and economic orientation has changed significantly towards China and India²⁷.

EU is critically important as export destination for West Africa's large agriculture sector, particularly cocoa and cocoa products with countries like Cote d'Ivoire, Nigeria, Ghana and Cameroon providing more than 70% of EU imports [sources]. The potential to further expand exports to Europe depends significantly on the development in the main trade agreements, especially the Economic Partnership Agreement (EPA) which gives Africa quota and duty-free access to the EU, with the present EPA expiring in 2027.²⁸ In addition, the European Green Deal (EGD) and its EU Deforestation Regulation (EUDR) which aim to strengthen the sustainability of EU's imports from Africa is also recognized to challenge African growers and exporters as most do not have the capacity and resources to comply, possibly resulting in diverting exports to other markets.

The US is a significant destination for Africa's exports, though mainly from a small set of countries, in West Africa especially Nigeria and Ghana in West Africa, focused on oil and textiles. The Africa-US trade relations have been shaped by the African Growth and Opportunity Act (AGOA) which allows Sub-Saharan African countries duty-free exports to the US, but the US government's trade barriers now involve a 10% base tariff for all African countries (excluding oil exports). However, since 19 of the 24 AGOA countries export less than 4% to the US, the direct impact is expected to be limited. More significantly, the US-China dispute could lead to geo-economic fragmentation (IMF) as countries may be pressured to choose sides and thereby undermine African integration. The response called for by African stakeholders consulted is to further strengthen African trade- and economic integration as bulwark for the global trade and political volatility.

ECOWAS' status and key issues on trade and market integration

As part of consolidating its economic integration, ECOWAS and its Member States have adopted numerous harmonized protocols, policies and regulations, sectoral development strategies, and implemented infrastructure projects, particularly along the different regional economic corridors. The Economic Trade Liberalisation Scheme (ETLS) (1979) operationalises the free trade area by providing for free movement of originating products without customs duties and taxes among ECOWAS Member States and covers both agricultural and industrial products, including definition of Rules of Origin for products eligible to be traded under the ETLS. In addition, the Common External Tariff (CET) (2013), a key feature of the Customs Union, which draws on the basic UEMOA CET and is composed of a five-band tariff structure by type of goods (essential to "specific" goods), including various safeguard measures. ECOWAS has also developed several policies, including Competition Policy, West African Common Market Industrial Policy, Common

²⁷ , Share of Africa's exports to EU went from approx. 32% during 2004-2013 to 26% during 2014-2023, while to Asia it went from 16% to 26% the same period (Afreximbank report)

²⁸ The LDCs will however continue to trade under the "Everything but arms" agreement.

Investment Code and Policy, and Customs Code, among other. Work on-going on policy for liberalising trade in services, including a Services Policy Review.

Implementation on the ground of the free trade agreements has been limited, however, especially as concerns the ETLS. Like other regional economic communities, ECOWAS has limited authority over member governments which is where implementation is to take place. The trade taking place under the ETLS remains limited, with most SMEs reportedly not aware of it, and the major share of trade conducted outside the procedures by the informal sector. Implementation of the CET has been better, with 10 out of 15 ECOWAS countries reportedly implementing it. Many significant private sector actors tend to ignore or resist regional policies like the ETLS and CET schemes when they do not meet their interests and needs.

Non-tariff barriers also hamper the efforts to expand and diversify trade within West Africa. The key NBS include inadequate transport infrastructure and services, inconsistent technical requirements, and inefficient customs processes where different authorities involved in clearing customs at border points have not streamlined their systems and do not communicate and share information well enough – all resulting in high transport costs. The NTBs are challenging to address, since they require coordination between for instance customs authorities across borders, streamlining of regulation and procedures, and institutional capacity of a variety of stakeholders on the ground. Also, the rise in conflicts affecting the region hamper trade²⁹. The potential benefits from removing NTBs in Africa are estimated to more than outweigh those of eliminating tariffs³⁰.

Fundamentally the structure of the productive base towards commodities and agriculture does not stimulate trade across borders.

The huge diversity in needs and interests of the West African countries influences the trade and market integration. Nigeria makes up almost half the region's GDP at USD 190 billion and sits next to economies like Gambia, Guinea-Bissau, and Cabo Verde with GDPs each around USD 2-2.5 billion³¹. Nigeria and Cotes d'Ivoire are major drivers of the trade agendas in the region over the several countries with small markets with limited competition. Significant levels of informal trade take place, such as via networks across Nigeria and Ghana, which formalisation under ECOWAS instruments will challenge. Socio-economic conditions are diverse, with the region having both low-income and lower-middle income countries. It is marked by conflict, political instability, and extremism. The ECOWAS community embraces the francophone West African Economic and Monetary Union (WAEMU) where the different coexisting trade systems and alliances can challenge a uniform West African system. These features contribute to the translation of reduced tariffs into increased trade being relatively limited and geographically unbalanced (Donaldson et al., 2017).

The departure of Burkina Faso, Mali, and Niger in January 2025 from ECOWAS Commission has implications both politically and for security, trade and movement of

²⁹ For analysis of trade barriers and corridors in WA: Corridors without Borders in West Africa, World Bank. Link: [Corridors-without-Borders-in-West-Africa.pdf](#)

³⁰ Economic Development in Africa Report 2024.

³¹ <https://countryeconomy.com/countries/groups/economic-community-west-african-states>

people. Any reduced cooperation on security and political stability may also hamper cooperation and flows of trade between the countries. Further, trade will be affected to the extent that either the ECOWAS Commission or countries withdrawing from the Commission neglect already agreed trade protocols.

AfCFTA has widened the scope and ambitions for trade integration by ECOWAS by creating the largest free trade area in the world, and covering 54 of the 55 African Union members, USD 3.4 trillion, and 1.4 billion people. AfCFTA has been estimated to increase export volume by 29% in Africa by 2035 compared to business as usual, if fully implemented, especially in manufactured goods like processed food, textile/clothing, light and heavy manufacturing. AfCFTA is projected to generate a 7% real

income gain and lift 68 million out of moderate poverty and 30 million out of extreme poverty. The gains would come from the envisaged tariff reduction, but especially from removing the significant non-tariff barriers that restrict trade across African borders linked to burdensome regulatory procedures, poor infrastructure, logistics, and transport facilities.

Box 1: Facts and status on AfCFTA

AfCFTA has eight protocols of which three are adopted, including trade in goods, services, and dispute settlement. The trade in goods is liberalised by progressively eliminating tariffs, quantitative restrictions, and non-tariff barriers through a process where countries submit tariff offers for negotiation. The rules of origin are item of the negotiations.

Presently work in completing the framework agreement and protocols and institutional structure is progressing, but five protocols remain to be adopted, with negotiations on tariffs on goods and services concessions taking longer than expected. Instead, the Guided Trade Initiative among 8 nations started in October 2022, which in East Africa includes Kenya, Rwanda, and Tanzania.

Annex 2: Presentation and Assessment – ECOWAS

The assessment of Economic Commission of West African States (ECOWAS) as a partner for Danish support to a furthering of trade facilitation in the West African region has been based on a number of criteria, including:

- ECOWAS Commission’s mandate and relevance in relation to the implementation of AfCFTA and for furthering interregional work for widening and deepening co-operation among West African countries and other regional economic communities for removal/minimizing of trade barriers.
- How the Commission’s mandate, vision, and strategies relate to Denmark’s Development Cooperation Strategy and Africa Strategy, and to Danish priorities in furthering African interregional trade and trade with EU.
- The Commission’s capacity and possible funding requirements.
- Lessons from previous support.

The assessment has drawn on various documents, including Treaty establishing ECOWAS Commission, ECOWAS Vision 2050, ECOWAS Regional Strategy for Implementing the African Continental Free Trade Area 2023, Financial Regulations 2021, the Mock-audit for ECOWAS’ EU Pillar Assessment 2021, ECOWAS Audited Financial Statements 2022 and 2023, Minutes from Council of Ministers meetings, and the report from the Embassy in Addis’ financial monitoring visit 2022/2023 and again in 2025 by MFA. Further, the AMG-template for assessment of the financial management capacity has been used as a reference frame.

Presentation of partners

The ECOWAS was established by Treaty in 1975 by 16 West African States³². It was first established as a ‘Community’ with a Secretariat, but has later, by amendments to the Treaty (effective from January 2007), been transformed into a Commission. The Headquarter is located in Abuja in Nigeria. Since its establishment, four of its Member States have withdrawn from the Commission – Mauritania withdrew in 2000 (apparently due to disputes around matters related to Vest Sahara) but has later in 2017 rejoined as an associate member. Burkina Faso, Mali, and Niger withdrew in January 2025 after having been suspended on political grounds.

Aiming at creating a more dynamic and policy-driven institution for better implementation of the regional integration programs and enforcement of the Community Acts, the administrative structure of the Community was re-organised in 2007, and the organisation’s Executive Secretariat was transformed into a nine-member Commission (a President, Vice President and Seven Commissioners), which was further reduced to 7³³ and which constitutes the management team.

The Treaty establishing ECOWAS sets the purpose of the organization as to promote economic integration among the Member States with the ultimate purpose of raising the

³² Benin, Burkina Faso, Cabo Verde, Côte d’Ivoire, the Gambia, Ghana, Guinea, Guinea Bissau, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, and Togo.

³³ 3rd Extraordinary Session of the ECOWAS Council of Ministers on Institutional Reforms, Oct. 2021

standard of living of the people and increasing and maintaining economic stability, specifying:

- elimination as between the Member States of customs duties and other charges of equivalent effect in respect of the importation and exportation of goods.
- abolition of quantitative and administrative restrictions on trade among the Member States.
- the establishment of a common customs tariff and a common commercial policy towards third countries.

A revision of the Treaty in 1993 emphasised the development agenda, widening the scope of the integration process and of regional cooperation³⁴.

ECOWAS' main organs include:

<p>Authority of Heads of State and Government (Supreme governing body responsible for the general orientations and oversight)</p>
<p>Council of Ministers (Second highest governing body, and it supports the Authority in its work. The Council is a functional body that reviews all matters brought before the Authority. It is also responsible for ensuring the proper functioning and development of the Community)</p>
<p>ECOWAS Commission (The executive arm of the Community, responsible for coordinating the work of all institutions and for executing the decisions of the Authority and the directives of the Council – the "engine room" for all ECOWAS activities, coordinating and monitoring the regional integration process; core activities include development of regulations, policies, strategies, and projects)</p>

The Commission is headed by a President, assisted by a Vice President and five Commissioners, each heading a department. In addition to the President and the Vice-President there are commissioners for Infrastructure, Energy & Digitalisation, Economic Affairs & Agriculture, Internal Services, Human Development & Social Affairs, and Political Affairs, Peace & Security. Each Department is organized into directorates each headed by a director. For the present Danish grant, the Department of Economic Affairs & Agriculture will be the natural focal point for the grant. This department has eight directorates³⁵. While the Directorate of Trade seems the natural focal point for the Danish support, it should be noted that the actions needed to improve and align ECOWAS policies and protocols to the AfCFTA and to further the economic integration in the ECOWAS region span over multiple departments and Agencies, for example addressing the NTB issues will likely involve the Gender Development Centre (EGDC) and the Youth & Sports Development Centre (EYSDC).

ECOWAS has a well-functioning governance structure with the Authority of the Heads of State at the top, and the Council of Ministers as the second layer. The Council of Ministers, acting on the power delegated to it by the Authority is the governing body on the daily affairs. It meets at least twice annually in ordinary sessions and in extraordinary sessions as and when needed. Further, the governance structure includes Office of the Auditor General

³⁴ ECOWAS Vision 2050.

³⁵ Private Sector & Industry, Trade, Customs Union & Taxation, Free Movement of Persons, Migration & Tourism, Research & Statistics, Multilateral Surveillance, Agriculture & Rural Development, and Environment.

of ECOWAS Institutions (OAG), which is an independent assurance office established to assist the ECOWAS Governance Bodies, in particular, the Council of Ministers and Audit Committee to carry out their oversight function and promote good corporate governance, accountability and value for money. The Council issue directives on matters concerning co-ordination and harmonisation of economic integration policies; recommends to the Authority on the appointment of the External Auditors; prepare and adopt rules of procedure including Staff Regulations, the organisational structure. It also approves the work programmes and budget of the institution as well as discussing the audit reports and give directives regarding follow-up on issues raised by the auditor³⁶.

ECOWAS Vision 2050, which replaced ECOWAS Vision 2020 in 2021, sets the broad goals and targets for accelerating the ECOWAS region forward in economic development and improved social wellbeing of people. The Vision 2050 is aligned with the African Union (AU) Agenda 2063, the United Nations Sustainable Development Goals (SDGs) 2030, and further considers the Paris Climate Agreement 2015 and the Global Compact for Safe, Orderly and Regular Migration (GCM) 2020 as major priority-areas. The Vision operates with five main pillars:

- Pillar 1: Peace, Security and Stability
- Pillar 2: Governance and Rule of Law
- Pillar 3: Economic Integration and Interconnectivity
- Pillar 4: Transformation, Inclusive and Sustainable Development
- Pillar 5: Social Inclusion

Out of these, pillar 3's Strategic Orientation 1: Consolidate the free movement of people and goods and accelerate market integration with its focus on economic integration and enhancement of trade and market integration holds potential for being the anchor point for the activities financed under the proposed project. The importance of ECOWAS, as a Regional Economic Commission (REC), in the African Architecture for the implementation of AfCFTA is recognised both in its Vision 2050 as well as by ECOWAS Implementation Strategy for the African Continental Free Trade Area (AfCFTA).

The Community Strategy Framework 2023 – 2027 (CSF) outlines the 16 strategic objectives, which ECOWAS's programmes and projects will focus on for the 5-year period:

1. Strengthening regional peace and security
2. Strengthening human security
3. Prevent, manage, and resolve conflicts
4. Strengthening democratic governance in the ECOWAS region
5. Strengthening the Rule of Law and Judicial Systems in the ECOWAS Area
6. Strengthen respect for citizens' fundamental rights in the ECOWAS region
7. Consolidating the free movement of people and goods and accelerating market integration
8. Accelerating monetary union and economic and financial integration
9. Intensify infrastructure development and interconnectivity
10. Ensuring human and social development
11. Leveraging human capital and skills development
12. Strengthening environmental sustainability and climate change
13. Promoting sustainable economic growth and development
14. Promoting the cultural diversity promoted

³⁶ See e.g. report from the 92nd Ordinary Session of ECOWAS Council of Ministers (June 2024).

15. Strengthening Community Citizenship and Solidarity
16. Promoting inclusion and strengthening social cohesion

The CSF is further operationalised in the 4x4 Strategic Objective 2022 – 2022, where objective 2: Deeper Regional Integration seems relevant and of interest for Danish intervention.



Of these, priority 2 (implementation of the customs union (CU), and further development of the common market (CM)) are relevant and of interest for the Danish interventions.

ECOWAS Commission is primarily financed by the 0.5% levy imposed on goods from non-ECOWAS countries. The community levy is collected by the Member States to be onwards transferred to ECOWAS Commission. Financial inflow from external donors contributes only about 20 % of the annual budget. However, while small in size, these donor funds are a vital source of income because some Member States delays their transfers and/or remains in long-term areas. The accumulated average recovery rate has been as low as 30 – 40 % for several years, however, it is worth noting that of 30 May 2024, many countries have met their obligation to a level above 90% of their dues. Nigeria is the largest economy in the region it by default is also the largest contributor to ECOWAS; consequently, when Nigeria is in arrears is has a severe consequence for the Commissions income. Nigeria's payment rate as of 30 May 2024 was only 54 % whereas the two other bigger economies Cote D'Ivoire and Ghana has a payment rate of 94 % and 100 % respectively; and has accumulated and combined contributed community levy to a level above Nigeria³⁷.

The Community budget for 2024 was approx. UA 397 million (corresponding to about USD 547 M) with UA 263 M planned to be financed by the Community Levy (fresh inflow + payment of arrears) and 68 M from external donor sources. The reality by 15 June 2024, was that only UA 63 M has been received in Community Levy and UA 7 M from external funding. Consequently, the Commission adjusted its planned activities for costs to meet the inflow of funds, with the consequence that a 'stop-go-stop-go' approach to the annual work programme becomes a reality. With a budget insufficient to cover the cost of an effective

³⁷ Ref. Report from 92nd Ordinary Session of ECOWAS Council of Ministers (June 2024).

and efficient ECOWAS, and the unpredictability in the financial inflow, the contributions from donors represents an important source.

On top of the significant financial constraint, ECOWAS also faces human resource constraints caused by the financial constraints and a recruitment ban set by the Council of Ministers and further aggravated by slow and cumbersome recruitment processes after the recruitment ban was lifted. Significant human resource constraints include gaps in several positions, including management, high number of vacant positions, lack of skilled staff in key areas, and slow recruitment process. Various initiatives to address the human resource challenge has been initiated, including policies and guidelines to ensure the staff rules are uniform interpreted, strengthening on-board training, and a performance management system with target settings.

The organisation has in recent years gone through various reform processes and restructuring, including reducing the Commission to a 5-member management team and including updating and strengthening its operating procedures aiming at improving effectiveness and efficiency of the organisations operations with an appropriate and viable organisational structure, improvement of administrative processes and a functional system underpinning results-based program design and evaluation, and establishment of an electronic records management system, improvements, which according to ECOWAS CSF has resulted in cost savings. While significant results have already been achieved, there is still work to be done, most prominently in the area of internal control, the weakest area – at the time when EU did a mock-pillar assessment.

ECOWAS' financial management and Audit: For preparation of the consolidated financial statements ECOWAS follows International Public Sector Accounting Standards (IPSAS) and the requirements of the Financial Regulation of the ECOWAS Community. The Commission uses an SAP-system for financial record keeping with electronic document archive. Financial audits are conducted by an external audit firm (currently Ernst & Young) in accordance with the International Audit Standards (IAS). It is noted that ECOWAS does not make its budget publicly available - as permitted by IPSAS 24³⁸, and therefore no statement of comparison of budget and actual are presented in the Audited Annual Financial Statements. However, the reports from the Council of Ministers' Ordinary meeting reveals that the Commission presents financial reports to the Council which includes information on the execution of the budget; hence, oversight of the budget execution is anchored at the governing level.

An EU pillar assessment has not yet been carried out. However, ECOWAS Commission implements an institutional strengthening programme, with the support of GIZ, aiming at making the Commission ready for a pillar assessment – expected to be conducted in 2027. A stocktaking exercise was undertaken in 2021 to guide the reform programme – the so-called MOCK-assessment. The overall conclusion from this audit work was that *'the entity satisfied the criteria set by the European Commission and leading practice in the following pillars; Accounting System, Independent External Audit, Grants, and Procurement'* while significant improvements were required in areas such as *'Internal Control System, Publication of Information of recipients, Exclusion from access to funding and Protection of Personal*

³⁸ Ref Audit comment in Audited Financial Statement for 2023.

Data'. The formulation team was informed that a policy on internal control has been adopted with an action plan for implementation underway. Further, conversations with external partners revealed that the institutional reform programme of the Commission has improved the organisations management and control³⁹.

The formulation team has not made a detailed capacity assessment of ECOWAS' administration and financial management but based its work on the external financial audit reports, follow-up reporting from the EU mock pillar assessment, and MFA's monitoring visits (latest in 2025). Denmark has provided earmarked support to ECOWAS in the area of peace and security, and while issues has been raised the general impression is that ECOWAS have adequate and satisfactory systems for financial management. It is, however, noted that there are arguments for providing the financial support as earmarked support, inter alias due to the inherent uncertainties related to budget execution caused by insufficient financial inflows from community levy. Further the formulation team finds that there are also arguments for setting certain limitations on the travel cost and non-acceptance of sitting allowance.

It is assessed that ECOWAS has adequate and satisfactory systems for financial management to comply with AMG guidelines and Denmark's requirements regarding management of funds. Based on the previous and ongoing engagement with ECOWAS in the area of peace and security, it is assessed that the risk of corruption is low, while the risk associated with mismanagement due to weak expenditure control system is existing, however, not to a level preventing engaging with ECOWAS. It is noted that there is a need for specific reporting on the Danish earmarked funds, as ECOWAS' annual report and financial statement report is on a level higher than desired for earmarked support.

Summary of key partner features

Name of Partner	Core business	Importance	Influence	Contribution	Capacity	Exit strategy
	<i>What is the main business, interest, and goal of the partner?</i>	<i>How important is the project/programme for the partner's activity-level (Low, medium high)?</i>	<i>How much influence does the partner have over the project/programme (low, medium, high)?</i>	<i>What will be the partner's main contribution?</i>	<i>What are the main issues emerging from the assessment of the partner's capacity?</i>	<i>What is the strategy for exiting the partnership?</i>
ECOWAS Commission	<i>Spearheading the ECOWAS' economic, social, and political integration agenda</i> <i>Wants to implement a fully-fledged Customs Union and alignment of ECOWAS treaties and</i>	<i>Low.</i> <i>ECOWAS has an annual budget of USD 543 M approx. (Member states and donors combined). However, is financed only to a level of execution of about 50% of its annual budget.</i>	<i>Low.</i> <i>The outputs to be delivered by ECOWAS will be specified in the agreement.</i>	<i>Convening meeting and preparing document and conducting training and monitoring related to furthering the trade integration and improving boarder processes.</i>	<i>Strength:</i> <i>High political commitment from Head of States, and key actors, and Commissions high, and Commissions having convening power.</i> <i>Weaknesses:</i> <i>Resource constrained (both</i>	<i>No special requirements after end of contract</i>

³⁹ The ECOWAS Commission and other ECOWAS institutions and agencies have improved their internal structures and processes in personnel and financial management. In addition to implementing projects and programmes in a results-based and gender-specific manner, their cooperation within the organisation has improved (GIZ, 2024).

	<i>policies to AfCFTA.</i>	<i>The DK grant is less than 10% of the total turnover.</i>			<i>financially and staff)</i> <i>Opportunities: Enhanced monitoring and follow up can move the Member States to reduce/eliminate NTBs.</i> <i>Threats: Uncertain whether the Council of Ministers will allow sanctions policy to be implemented in areas of non-compliance.</i>	
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Annex 3: Results Framework

Programme		Support to ECOWAS trade and economic integration	
Programme Objective		Strengthened effectiveness of the ECOWAS Commission in delivering essential tasks for achieving the community’s objective and strategies for promoting the free movement of people and goods and accelerating market integration in West Africa	
Impact Indicator		Real expansion in intra-Africa trade in USD	
Outcome 1		Increased intra-regional trade in Goods and Services (<i>trade facilitation</i>)	
Outcome indicator		Value of intraregional trade in Goods (as % of Total Trade)	
Baseline	Year	2025	
Target	Year	2028	
Output 1.1.		Enhanced capacity of DEAA to support interconnectivity between customs administrations to facilitate transit of goods	
Output indicator		Number of Customs Administrations interconnected to facilitate transit of goods	
Baseline	Year	2025	?? (2023-baseline = 5)
Target	Year	2028	15
Output 1.2		Enhanced capacity of DEAA to support the process of simplifying procedures and documentation for small-scale traders.	
Output indicator			
Baseline	Year	2025	
Target	Year	2026	
Target	Year	2027	
Target	Year	2028	
Outcome 2		Reduced barriers to the free movement of persons, goods and services	
Outcome indicator		Number of reported barriers to goods and services resolved ⁴⁰	
Baseline	Year	2025	
Target	Year	2028	
Output 2.1.		Enhanced capacity of DEAA to support implementation of the ECOWAS Trade Obstacles’ Alert Mechanism (TOAM)	
Output indicator		Number of reported barriers to goods and services resolved (accumulated)	
Baseline	Year	2025	???
Target	Year	2027	8
Target	Year	2028	10
Output 2.2		Training programme on elimination of NTBs for Border Officials and Ministries key staff	
Output indicator		Number of officials trained	
Baseline	Year	2025	?
Target	Year	2026	
Target	Year	2027	
Target	Year	2028	
Output 2.3		Stock-taking on NTBs – geographical spread and significance	
Output indicator		Report produced	
Baseline	Year	2025	0
Target	Year	2027	1

⁴⁰ Means of verification: ECOWAS Trade Obstacle Alert Mechanisms

Outcome 3		Competitive markets and regional competitiveness significantly strengthened	
Outcome indicator		Goods Market Efficiency (GCI- Pillar 6) ⁴¹	
Baseline	Year	2025	
Target	Year	2028	
Output 3.1.		DEAA to push forward the process of a Common Trade Policy	
Output indicator		Number of DEAA activities in support of formulation of Common Trade Policy	
Baseline	Year	2025	?
Target	Year	2026	X of [what type of activities are foreseen?]
Target	Year	2027	Y of [what type of activities are foreseen?]
Target	Year	2028	Y of [what type of activities are foreseen?]
Output 3.2		Support implementation of ECOWAS Trade and Gender Action Plan	
Output indicator			
Baseline	Year	2025	
Target	Year	2028	
Outcome 4		<i>Intra-departmental capacity to coordinate, monitor, and report on activities</i>	
Outcome indicator		A functioning PIU	
Baseline	Year	2025	0
Target	Year	2028	1
Output 4.1.		Regular DEAA coordination improved	
Output indicator		Number of quarterly coordination meetings	
Baseline	Year	2025	0
Target	Year	2026	At least 4 quarterly meetings
Target	Year	2027	At least 4 quarterly meetings
Target	Year	2028	At least 4 quarterly meetings
Output 4.2		Monitoring and Reporting on external financed development programme	
Output indicator			
Baseline	Year	2025	
Target	Year	2026	
Target	Year	2027	
Target	Year	2028	
Output 4.3		Communication and visibility	
Output indicator		Number of DEAA communications about ????	
Baseline	Year	2025	
Target	Year	2026	
Target	Year	2027	
Target	Year	2028	

⁴¹ World Bank GovData3 60 ([https://g ovdata360. world bank .org/indica tors/ha03 bec65?cou ntry=BRA &indicator =41472&v iz=line_ch art&years =2017,201 9\)](https://g ovdata360. world bank .org/indica tors/ha03 bec65?cou ntry=BRA &indicator =41472&v iz=line_ch art&years =2017,201 9)))

Annex 4: Budget

	Mil DKK	2026	2027	2028	Total
Outcome 1	<i>Increased intra-regional trade in Goods and Services</i>	3.0	4.0	3.75	10.75
Output 1.1.	Enhanced capacity of DEAA to support interconnectivity between customs administrations to facilitate transit of goods	1.5	2.0	2.0	5.5
Output 1.2	Enhanced capacity of DEAA to support the process of simplifying procedures and documentation for small-scale traders.	1.5	2.0	1.75	5.25
Outcome 2	<i>Reduced barriers to the free movement of persons, goods and services</i>	3.0	4.5	3.5	11.0
Output 2.1	Enhanced capacity of DEAA to support implementation of the ECOWAS Trade Obstacles' Alert Mechanism (TOAM)	2.0	1.5	1.5	5.0
Output 2.2	Training programme on elimination of NTBs for Border Officials and Ministries key staff	0.5	2.5	2.0	5.0
Output 2.3	Stock-taking/study on NTBs – geographical spread and significance	0.5	0.5	0	1.0
Outcome 3	<i>Competitive markets and regional competitiveness significantly strengthened</i>	3.5	5.0	4.0	12.5
Output 3.1	DEAA to push forward the process of a Common Trade Policy	2.0	2.5	2.0	6.5
Output 3.2	Support implementation of ECOWAS Trade and Gender Action Plan.	1.5	2.5	2.0	6.0
Outcome 4	<i>Intra-departmental capacity to coordinate, monitor, and report on activities</i>	1.25	1.35	1.4	4.00
Output 4.1	Regular DEAA coordination improved	0.5	0.5	0.5	1.5
Output 4.2	Monitoring and Reporting on external financed development programme and project audit	0.5	0.60	0.65	1.75
Output 4.3	Communication and visibility	0.25	0.25	0.25	0.75
Sub-total disbursed to EAC					39.0
Review, TA and thematic studies **)		0.3	0.3	0.4	1.0
Total grant					40.0

*) ECOWAS budget in Unit of Account. The total project budget corresponds to approx. to UA 4.8 million.

**) Managed by the embassy in Abuja.

***) Exchange rate: 1 UA = 1.38 USD / 1 USD = 6.33 DKK

Annex 5: Risk matrix

Contextual risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Weak or lack of political commitment to and / or shifting political priorities of ECOWAS and Member States	Medium	High	ECOWAS Commission proactively engages with the Member States within the confines of its mandate to address uncertainties at a technical level and generally ensures solid preparation and stakeholder processes when developing regulation, laws, and procedures and systems for political adoption. Awareness creation and possible sanctions are also considered.	Medium	ECOWAS Member States' commitment and political decisions are the foundation for moving forward on the needed reforms and ambitions on trade and regional integration, but commitment across several areas has been limited.
Political instability and conflict (including terrorist attack) in the region and beyond	Medium	High	Advocating for adherence to the principles of good governance; democracy; rule of law; and respect for human rights • Advocating for regional conflict prevention and resolution mechanisms • Monitoring electoral process		
Limited buy-in and participation from private sector stakeholders	High	High	Focus on coordinating efforts between ECOWAS Commission's Directorates on Trade/market integration and Private Sector	Medium	ECOWAS private sector actors have largely chosen to trade outside ECOWA protocols and/or are not aware of these. Also, increased regional

			Development, including roundtables with PS		trade depends not only on removing barriers to trade but also that private sector perceives a business case exists for cross-border investments and trade opportunities and the wider enabling environment for private sector development, where especially the majority MSME sector faces constraints.
Geopolitical issues including global trade barriers disrupting ECOWAS exports, domestic markets, economies, and basic political coherence of the ECOWAS.	High	Medium	Focus on continued strengthening of the ECOWAS's intraregional trade and economic integration and diversification of regional value chains to strengthen economic resilience and ensure alternatives to global supply chains.	Medium	The global trade barriers are perceived to impact on West Africa's economies and trade, while how it will exactly play is not yet apparent. It is assessed to affect some countries' exports to the US in a significant way and others less so. It can also lead to trade dumping and separating the political and trade orientation within ECOWAS between the US and China.
Reduced momentum of AfCFTA implementation	Medium	High	ECOWAS Secretariat continue to play its role in working towards the AfCFTA on behalf of the community while maintain focus on continued working towards the	Low	The AfCFTA results remain uncertain, as key political challenges related to the negotiations themselves are unresolved and actual

			ECOWAS Customs Union and Common Market in ways aligned with the AfCFTA.		development benefits from the AfCFTA are yet to materialise.
The withdrawal of the three Member states from ECOWAS disrupts trade and market integration	High	Medium	The Commission to analyse and prepare for consequences to the community and capacity/resources of the Commission to undertake its work	Medium	The three member states leaving ECOWAS hampers the community's overall integration efforts and could reduce the Commission's resources to a limited extent

Programmatic risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Continued slow political decision on key legislation and mechanisms including trade and economic integration	High	Medium	The Commission applies a stop-go process where it works to ensure solid preparation within its capabilities of the regulation for approval when the Member States are ready	Medium	The ECOWAS community has taken significant steps the past years with the CETLs and CET, but Member States are diverse in interests and priorities and political agreement and decision making remain slow.
ECOWAS Commission weak organisational capacity and under-resourced	Medium	Medium	The Danish support will alleviate part of the financial constraint of the Secretariat and enable it to preserve and/or replace key knowledge resources and staff	Medium	The ECOWAS Commission faces significant human resource constraints in form of lack of staff and skills as well as severe financial constraints due to lacking payments by some Member States

Dependence on the PIU limits institutional anchorage and sustainability	Medium	Minor	Ensure staff contracted based as much as possible on the Commission's procedures and roster; ensure the PIU focuses on activities that are part of the Commission's core work programme, not outside.	Minor	Having an externally funded entity and staff might signify that initiatives it undertakes are treated as parallel work not integrated in the Commission's core work and reduce the sustainability and anchorage.
Lack of donor coordination and lack of traceability of funding streams/additionality.	Minor	Medium	The Danish Embassy will engage actively in donor coordination along with the coordination already taking place between EU and Germany.	Minor	The donors work on separately funded projects, with risks of uncoordinated efforts.

Institutional risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Corruption, mismanagement, or fraud within ECOWAS Commission including with Danish fund-	Low	Medium	Tight earmarking and monitoring the support by the Embassy. Annual external audits as supplement to ECOWAS's standard audits.	Medium	Corruption is prevalent through-out West Africa and could affect ECOWAS Commission as well. While the Danish funds are earmarked, the distinction between to non-Danish funding can seem theoretical if corruption occurs within ECOWAS's overall funding. The earmarking will however reduce the risk by limiting it to certain areas. There have been no cases of mismanagement

					which has led to loss of Danish funds the past two decades.
ECOWAS Commission is seen to not deliver on its responsibility in implementing the support spilling over into criticism of Danish support to trade and East Africa	Low	Medium	The Embassy to maintain dialogue with ECOWAS and monitor progress. Ensure a focus on results along the way to be able to justify and explain the investment	Low	A slow implementation process could be interpreted by stakeholders and the public broadly as implying lack of commitment to the support, which could lead to criticism of Danish support to ECOWAS, also considering previous experiences. The assessment is the risk is low with the present management and that it can be managed through upfront engagement and focus on results.

Annex 6: ECOWAS Directorate of Trade Work Programme 2026 – 2028

Directorate of Trade MTEF 2026-2028 (DRAFT)

PROGRAMMES	SUB PROGRAMME/ PROJECT	ACTIVITY
Trade Policy and Promotion	Trade Policy	Formulation and Implementation of Common Trade Policy
		Coordination of Trade Policy Reviews in Member States
	Trade Promotion	Management of Trade Information system
		Support to ECOWAS Trade Promotion Organization Regional/National Trade Fairs, etc
Trade Negotiations and Implementation of Agreements	Multilateral Trade Negotiations	Engagement in International Trade Fora / Meetings (WTO, OACPS, AU)
	Africa Continental Free Trade Area (AfCFTA)	Regional AfCFTA Coordination
		Regional Coordination of Trade Negotiations
	Regional Trade Negotiations	Implementation of Regional AfCFTA Strategy Formulation and implementation of ECOWAS Trade in Services Action Plan Coordination of FTAs/PTAs
Informal Trade	Data Collection on Informal Cross-Border Trade	Integration of ICBT data into national and regional statistics databases
	Policy and Regulatory Reform	Development of simplified procedures and documentation for small scale traders
	Capacity Building and Stakeholder Engagement	Training for Border Officials, National Statistical Institutes and Ministries of Trade
	Awareness and Advocacy	Public campaigns for Traders
Trade Facilitation	Trade Facilitation Committees	Coordination of Regional Trade Facilitation Committee (RTFC)
		Establishment and operationalization of Border Information Posts
	WTO Trade Facilitation Agreement	Implementation of WTO Trade Facilitation Agreement (TFA)
		Technical Assistance to Member States in implementation of WTO TFA provisions
Trade & Development Cooperation	Non-Tariff Barriers	Implementation of the ECOWAS Trade Obstacles' Alert Mechanism (TOAM)
	E-Commerce	Implementation of ECOWAS Regional E-Commerce Strategy
	Development Cooperation	Support to implementation of Development Programmes
		Trade Negotiation Capacity Building (TNCB)
	Trade & Gender	Implementation of Trade & Gender Action Plan
		Women Economic Empowerment

Annex 7: Process Action Plan

Action/product	Deadlines	Responsible/involved units	Comment/status
The project/programme budget is inserted into the proposal for the Finance Act	The project budget is inserted into the proposal for the adjustments of the Finance Act budget (rammejustering)	AFRPOL	Done
Formulation, quality assurance, and approval			
Recruitment process for formulation consultants initiated.		LEARNING	Done
Development of project/programme document initiated.	Min. 6 months prior to the Minister's approval	Consultant contracted and in dialogue with potential partner(s).	Ongoing
Formulation proper	Start June	LEARNING & consultant	Ongoing
Field visit to ECOWAS	4. – 6. August 2025	Embassy, LEARNING & consultant	Done
Draft TOR for appraisal developed	26. September	AFRPOL	
Contracting of appraisal consultants, including one month mobilisation period	6. October	AFRPOL	
Further work on the project document & consultations with ECOWAS	September * Consultation with ECOWAS 17. Sep.25 * Draft doc for Emb. Comments week 38	Consultants	
Submission of documents to Danida Programme Committee	24 September 2025	Embassy/ LEARNING	No public consultation
Meeting in Danida Programme Committee	7 October 2025	Embassy/ LEARNING responsible unit	
Written comments from the Programme Committee	9 October 2025		
Finalisation of the draft project/programme document	15 October 2025	LEARNING/consultants	Summary conclusions from the Programme Committee considered.
Appraisal	Medio Oct. – medio Nov 2025	Consultant/AFRPOL	

Updated project document considering the appraisal recommendations	15 November 2025	AFRPOL/Consultants	
Project presented to Under-Secretary for recommendation to the Minister	15 November 2025	AFRPOL	
Final version of project document sent for approval by Minister for Foreign Affairs.	21 November 2025	AFRPOL	
Initial actions following the Minister's approval			
LEARNING facilitates that grant proposals are published on Danida Transparency after the Minister's approval	After Minister's approval	AFRPOL	
Signing of Commitment with ECOWAS	30 November 2025	Embassy	
Register commitment(s) in MFA's financial systems.	1 December 2025	Embassy	
ECOWAS to send request for first disbursement	4 December 2025	ECOWAS	
Disbursement of 1 st tranche	15 December 2025	Embassy	