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**Economic Policy Analysis Unit (EPAU)**

**Analysis of Economic Relations between Morocco and selected ECOWAS Member States:  
Trade and Investment**

**A call for proposal**

**January 2018**

## **Economic Relations between Morocco and selected ECOWAS member countries: Trade and Investment**

### **I. Background**

The ECOWAS is an organization recognized globally as a successful regional body, and is a model of integration and regional co-existence. The vision of ECOWAS is the creation of a borderless region where the population has access to its abundant resources and is able to exploit them through the creation of opportunities under a sustainable environment. In this bloc, the population enjoys free movement, have access to efficient education and health systems and engage in economic and commercial activities while living in dignity in an atmosphere of peace and security. The organization's successes encouraged several African countries and they expressed willingness to join. Among them are countries like Chad, Tunisia, Mauritania and Morocco just to cite a few. Although some of these countries have enjoyed the status of "Observer" (This is the case for Mauritania, Tunisia and Chad). Morocco took a step further to table before the Authority of Heads of States a formal request to be a member of ECOWAS.

The 51st Ordinary Summit of the Economic Community of West African States (ECOWAS) held in Monrovia, Liberia accepted in "principle" Morocco's request to join this regional grouping. The leaders "agreed in principle to accept Morocco's accession to ECOWAS, given the strong and multidimensional ties of cooperation" that link Morocco to the organization's member states. The summit instructed the ECOWAS Commission to examine the implications of such accession in accordance with the provisions of the revised ECOWAS Treaty. The 52nd Ordinary Summit held in Abuja, Nigeria in December, 2017 further set up a Committee of Heads of State and Government comprising the Togolese Republic, Republic of Cote d'Ivoire, Republic of Ghana, Republic of Guinea and the Federal Republic of Nigeria, to adopt the terms of reference and supervises a comprehensive study on the implications of the membership.(ECOWAS Commission, 2017)

There is the general belief that the Decision would allow Morocco to further expand its trade ties in ECOWAS region, leveraging its strong relations with the EU and a growing industrial base. Though, none of the ECOWAS member states share a border with Morocco, its accession would allow it to reap the benefits of free trade and movement of people with other ECOWAS member states. ECOWAS GDP of US\$630 billion, representing the world's 21st GDP and by integrating Morocco, the 15-member bloc would become the 16th largest world economy with an additional \$115 billion and a GDP approaching US\$745 billion, ahead of Turkey and right after Indonesia. With its strategic geographic and economic position, Morocco would be a vital platform for ECOWAS countries to secure European, American and Arab markets. Also, Morocco already has bilateral relations with almost all the 15 member states of the ECOWAS.

While Morocco looks to bolster ties in the ECOWAS region, its largest trading partner remains the EU, which accounted for 55.7% of total trade and 61.3% of exports in 2015. Trade in goods between the two markets has risen from €29.3bn in 2014 to €30.6bn in 2015 and €34.6bn in 2016. Of Morocco's €13.8bn worth of exports to the EU in 2016, machinery and transport equipment made up 40.4%, followed by agricultural products (23%), and textiles and clothing (20.3) adding developments in Morocco's automotive, aeronautics and electronics sector also

bode well for its trade prospects. Morocco's success in attracting the interest of international partners and major manufacturers saw credit ratings agency Moody's upgrade the Morocco's outlook from stable to positive in 2017, citing "dynamic export new industries" as a driving force behind an improved "external position reflected in the build-up of foreign exchange reserves" (AbiNader, 2017).

While Morocco might be a good trading partner as it is also one of the leading producers of phosphate in Africa, the Decision raises some questions about the exact reasons behind Morocco's application. In fact, Morocco is already a major investor in ECOWAS region and has inked scores of economic cooperation agreements with ECOWAS member states.

Despite Morocco's strong ties with ECOWAS member states, trade between them remains low. The trade volume is less than USD 1 billion a year, less than 4% of Morocco's exports and less than 2% of its global trade. Some observers believed Morocco might be seeking to take advantage of the West African economy. Others, however, opined that the North African country may see its admission into the West African body as an opportunity to reinvent itself on the continental stage (TRALAC, 2017). There is also the concern that the admission of Morocco into ECOWAS will alter ECOWAS member states vantage economic position in Africa. As Morocco leverages on ECOWAS' trade liberalization programme, the country will make significant inroads into key markets – with goods such as cars, insulated wire, and fertilizers (Oxford Business Group, 2017)

## **II. Call for Proposal**

In light of the above, the Economic Policy Analysis Unit (EPAU) of the ECOWAS Commission is inviting proposal from research teams, Think Tanks based in ECOWAS region that will undertake an in-depth country case study on the socio-economic implications of Morocco membership of ECOWAS. The proposal should be crafted to address issues related to Trade and Investment in the following countries: *Nigeria, Ghana, Cote d'Ivoire, Senegal, Mali and Togo*. Proposal should be submitted to the attention of the Director of EPAU, at the following email address:

[epau.ecowas@gmail.com](mailto:epau.ecowas@gmail.com). Submissions are welcome latest before or on March 2nd, 2018 by close of business. Acknowledgement of submissions will be made within 24 hour. All proposals will undergo a blind review process and only authors of selected proposal will be contacted for the next step.

## **III. Proposal Requirements.**

All submitted proposal should not be more than 15 Pages double-space using 12 Times New Roman font size. It should include the following:

**Abstract:** Each paper should contain an abstract of not more than 200 words.

**Introduction/Background:** Each paper should have an introduction/background providing vital information on the country's development profile, implementation efforts and possible challenges. It must also include a statement of the research problem and its relevance.

**Proposal Objective(s):** A brief statement of the specific objectives of the proposal

**Literature Review:** A review of the relevant literature on regional integration is required.

**Methodology:** A detail explanation on how the research objectives are to be achieved, ie hypothesis, methods of analysis, data availability, sources and data description, use of appropriate socio-economic indicators etc.

**References /Bibliography:** Each proposal should provide list of references or bibliography that shows the sources of information.

**Statement of Qualification and current CV.**

#### **IV. References**

1. AbiNader, R (2017) “ Oxford Busniess Group Makes the case for Morocco Membership in ECOWAS” [www.moroccoonthemove.com](http://www.moroccoonthemove.com)
2. ECOWAS Commission (2017) Fifty-Second Ordinary Session of the ECOWAS Authority Of Heads Of State And Government Final Communique. Abuja
3. Oxford Business Group (2017) : Morocco Economic and Foreign Investment Analysis” <http://oxfordbusinessgroup.com>
4. TRALAC(2017) “ECOWAS: Stepping stone for Morocco to Conquer Africa” [www.tralac.org](http://www.tralac.org)