

Prospects for Freight and Logistics Companies in Operationalization of the ECOWAS Protocol on Free Movement of Goods and Persons

James Adu Peprah

Corresponding Author

School of Business, Takoradi Polytechnic, P. O. Box 256, Takoradi, Ghana

Email: Jamespeprah2000@yahoo.com

Noah Boakye Akosah

School of Business, Takoradi Polytechnic

Email: aboaktenoah@yahoo.com

Marshall Wellington Blay

School of Business, Takoradi Polytechnic

Email: marshallblay@yahoo.com

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Abstract

Free movement of goods and people has been at the heart of ECOWAS regional integration process and past and current efforts at regional integration have often focused on removing barriers to free trade in the region to increase the free movement of goods, people among others across the ECOWAS sub-region. The object of the inquiry of this study was then to a large extent to examine the prospects for freight and logistics companies in operationalisation of the ECOWAS protocol on free movement of goods and persons. The methodology used is qualitative and the interview adopted was non-standardised. From the interviews the findings presented suggest that the introduction of the ECOWAS protocol on free movement has promoted trade within the West African sub-region and it has the potential to stimulate growth and profitability in the freight and logistics industry. The study also among others identified certain indicators showcasing prospects for freight and logistics companies included; higher trade volumes as local economies diversify and expand, growing population within the sub-region, domestic consumer demand increasingly wants finished products from abroad, fast-growing global demand for natural resources from West Africa escalates, infrastructure improves, boosts intra-West African Sub-regional trade. The study recommends that an incorporated transportation network, which is essential for the ECOWAS region must be built and maintained, to smooth the progress of the protocol and the

distribution of goods and services. The infrastructure shortfall in many member states must be addressed and road, rail, air and sea networks improved and maintained. And member state should be encouraged to shun continually erecting further tariffs and non-tariffs barriers, custom check posts and rigid procedures, etc., which are working against achieving the vision of ECOWAS protocol on free movement.

Keywords: Prospects, ECOWAS Protocol, Freight and Logistics, free movement, regional integration

Introduction

Economic Community of West African States—ECOWAS--1975 after four years of putting into effect the treaty adopted the protocol in 1979 relating to the free movement of persons, residence and organization. It stated among other things the right of community citizens to enter, reside and establish economic activities in the territory of the member countries. Free movement of goods and people has been at the heart of ECOWAS regional integration process and past efforts at regional integration have often focused on removing barriers to free trade in the region to increase the free movement of people, labour, goods and capital across international borders (Frempong, 2009). This buttresses the vision of ECOWAS to encourage, foster and accelerate the economic and social growth of member nations in order to better the living standards of their multitudes. This is in line with Lavergne (1997) studies that in general the purpose of every organization of regional integration is central to guarantee stability and sustainable economic growth and growth within the mixing area. Frempong (2009) as well mentioned that regional integration generally involves somewhat complex web of cooperation between countries within a given geographical area and therefore demands harmonization of policies for instance, in trade investment, infrastructure development as well as fiscal and monetary policies of member states.

Recognizing the potential benefits of increased trade liberalization, Guerrero, Lucenti and Galarza (2010) stated that international trade has been widely recognized as one of the most important drivers of economic development, as seen from the experiences of the newly industrialized countries of Asia, in increasing economic output achieved in large part through export-led growth strategies. Likewise, countries searching to expand their markets through increased bilateral trade agreements have also begun to look within their regions and ECOWAS is not different. More than one third of world trade occurs within the 32 regional trading blocs currently ratified by the WTO and most countries are members of at least one of these blocs (World Bank 2009). In many cases, deeper regional integration has not only increased the bargaining power of developing countries at the global level, but has also created opportunities to exploit intraregional trade and the positive links between trade and economic growth (Guerrero, Lucenti & Galarza, 2010). According to EADS (2015), the value of exports from ECOWAS countries has grown by 260 percent since 2000, from \$34.5 billion in 2000 to nearly \$124 billion in 2014. Of this total, the share of ECOWAS exports going to other ECOWAS partners has stayed relatively steady at around 7 to 11 percent of total exports. Nigeria alone imported \$5.89 billion worth of goods and services from ECOWAS partners in 2014, though relatively low levels of intra-regional trade amongst ECOWAS countries. The truth is that formal trade within ECOWAS remains relatively small, despite efforts to reduce barriers to trade amongst West African neighbours. In 2014, less than 10 percent of exports from ECOWAS economies went to ECOWAS partners. However, there is wide variation in the share of individual country exports that went to ECOWAS partners. Nigeria, for instance, exported the highest volume of goods and services to ECOWAS economies, at more than \$5

billion. Yet, Nigerian ECOWAS exports comprised less than 6 percent of the country's total exports and this pinpoint to the fact that there is a vast prospect in ECOWAS intra-regional trade if things are done well. In the same year, exports from Senegal, Togo, and Niger made up only 3 percent of total ECOWAS exports, but each country relied on ECOWAS partners for at least 40 percent of their exports. Therefore, while intra-ECOWAS trade does not right away show to be integral to the region's economic well being as a whole there are a lot of prospects for businesses when most of the challenges are dealt with and as well there are some countries too that rely on ECOWAS partners for a large portion of their trade. Moreover, it's important to note that informal cross border trade (ICBT) is invasive in West Africa leading to understated official trade statistics, largely for intra-regional trade. According to the African Development Bank cited in EADS (2015) ICBT in the region ranges from 20 percent of GDP in Nigeria to 75 percent of GDP in Benin. Governance issues aggravate the issue of informal trade, where corrupt law enforcement and trade gangs pose an impediment to formal trade. Therefore, while official counts of intra-regional trade appears to be minimal, a significant amount of trade between ECOWAS countries remains unaccounted for (Ibid). Promoting formal intra-ECOWAS trade could have numerous benefits mentioned EADS such as helping to isolate the region from global economic shocks.

Besides, from World Bank's Doing Business Report 2015, all ECOWAS countries made positive progress in recent years in the distance to frontier for their overall scores (EADS (2015)). According to the World Bank, the "frontier" represents the best performance on each indicator across all economies in the Doing Business sample since 2005, and the distance measures the gap between a particular country's performance and the best performance at any point in time. Similarly, all economies with the exception of Niger made progress on the Trading Across Borders indicator, which is compiled using information on the time and costs associated with importing from and exporting to a given country. The Getting Credit indicator, an identified priority of the West Africa Trade Hub, showed the most dramatic shifts for all economies. Between 2009 and 2014, six countries shifted 60 percent closer to the frontier on this indicator. However, Liberia and Sierra Leone both moved away from the frontier, suggesting that expanding access to credit is a key area for improvement for both countries. ECOWAS as a whole is making remarkable progress across the Doing Business indicators. According to the report, when compared to averages for lower-middle income (LMI) and low income countries (LIC), as classified by the World Bank, and the East African Community (EAC) and Sub-Saharan Africa (SSA) as a whole, ECOWAS countries have made the greatest improvement in their distance to the overall Doing Business frontier from 2009-2014, with countries, averaging 20 percent closer to the frontier. Despite negative progress in Liberia and Sierra Leone, the ECOWAS countries moved closer to the frontier than their peer groups on Getting Credit as well. While ECOWAS countries also made positive progress towards the frontier on Trading Across Borders in the past five years, all of its peer groups except LMI countries made greater progress. These are indicative of prospects for business in ECOWAS regional integration as posited by Akinkugbe (2012) on investing and doing business in West Africa: key drivers and perspectives revealed that Sub-Saharan Africa continues to grow strongly – both oil importers and oil exporters and the growth remains strong in real terms – compared to North America for example.

With the potential significance of regional integration (Guerrero, Lucenti & Galarza, 2010) ECOWAS instituted a number of protocols as stated above that span a wide spectrum of areas

of cooperation, including economic, trade and industrial policy, free movement, the right of residence and establishment, etc., among member states in an attempt to achieve this significance (Benneh, 2005). However, it seems very few businesses are aware of such prospects of the ECOWAS Protocol of free movement and they are not taking advantage of the protocols. Supporting this view, West African Monetary Institute (WAMI) (2012) revealed that the level of awareness of the ETLS among the business community in some of the member states is low. Besides, Asante and Sewor (2011) study established that ECOWAS and its programmes are not universally known within the member states. The interest, therefore, of this study among the ECOWAS Protocol is free movement of persons, residence and establishment to promote ECOWAS regional integration agenda. The study then looks at the prospects for freight and logistics companies in the operationalisation of ECOWAS protocol on free movement. ECOWAS has been on board on a transformational process to reduce member states trade barriers, increase bilateral trade agreements and deepen the integration process. Logistics Companies as the focus of this study come from the fact that logistics is pivotal for trade facilitation (Feidieker, 2011) and it can be seen as an important area of policy action when striving to smooth the progress of trade. The current globalization of the supply chain and intra-industry trade is fuelled by improved trading of intermediate and final goods, which accounted for 27 percent of all trade in 2006 (Guerrero, Lucenti & Galarza, 2010) attained record levels, with rising opportunities for developing countries to take on ever more active roles in the global economy (Brühlhart 2008). At the same time, scale economies in transport, advances in infrastructure and transport services, containerization, further streamlined processes, and the production of manufactured goods have all led to economic agglomeration and changed the landscape of the world economy. Trade patterns have shifted with increasing flows between neighbouring countries and trading blocs with similar factor endowments (Guerrero, Lucenti & Galarza, 2010). West Africa has a burgeoning market that far outranks most markets in other economic blocs despite the fact that there are challenges businesses like freight and logistics need to be operated and it's for this desire that the researchers examine the prospects for freight and logistics companies have within the ECOWAS protocol on free movement.

2. Literature Review

2.1 Theoretical Review

Theories are devised to describe, predict and appreciate a phenomenon and sometimes to challenge and widen the existing knowledge. The theoretical review introduces and describes the theories that explain why the research problem under study exists. The following theories are the underpinned for this study.

2.1.1 Functionalism

Sergio (2009) commented that the academic approach to regional integration has come, largely, from liberalism and its concern with cooperation and its connection with economic explanations. The earlier integration theory was the functionalism and is credited to Mitrany (1975) who says that authority should be linked to a specific activity so that the traditional link between the authority and a definite territory can be broken. Mitrany even before the Second World War, maintained that the material needs of living provided by technical experts of international agencies (low politics) could facilitate cooperation among statesmen to solve security and power conflicts (high politics). His liberal point of view meant that the increase of technological progress would make the state's capacity to control all the security tasks

inefficient and, therefore, the international cooperation was becoming essential. In his scheme, regional organizations are likely to result in inter-regional conflict and are antithetical to his vision of a non-territorial global organization. The prominence is more on worldwide human welfare than any disjointed kind. Mitrany's content has been used by regional integration theorists either in the pure form or as variants, for its believed that his ideas reside a technical solution to the obstinate nature of international relations. National sovereignty was an aversion to the concept and from the point of its technical and non-political nature, and in view of its inherent conviction that economics and welfare have a dominance which will and should guide policy on a global basis, its rootedness in a liberal economic logic cannot be deprived of. According to Harrison (1974) the economic way of thinking was firmly well-established in the post war period in Europe when an economic concept of social change not only looked attractive as an idea but was also reflective of real thinking and real need during that period. The main principle of functionalism is that people can be stopped from being loyal to the nation-state by the occurrence of fruitful international cooperation. So international organs arranged according to the requirements of the task could increase welfare rewards to individuals beyond the level that can be obtained within the state. The rewards will be greater if the organization worked across national frontiers. The experience and the learning that results from this success in cooperation will undermine the bases of the nation-state. Slow beginnings will lead to the enmeshing of governments in multitudinal networks of cooperative-ventures, thereby gradually weakening the loyalty to states (Groom & Taylor, 1975). Functionalism takes a view of conflict as originating from the social and economic circumstances of the people and once the people are materially provided with what they want, there will be peace and in this sense, functionalism has all praise for the political role the specialized agencies would be playing in containing violence (Groom & Taylor, 1975). The liberal rootedness of functionalism is clear from the admission of Mitrany himself. He said that functionalism "rests indeed squarely upon the most characteristic idea of the liberal-democratic philosophy, which leaves the individual free to enter into a variety of relationships-religious, political and professional, social and cultural -each of which may take him into different directions and dimensions, some of them of international range. Each of us is in effect a bundle of varied functional loyalties; so that to build a world community upon such a conception is merely to extend and consolidate it also between national groups and societies (Groom & Taylor, 1975).

2.1.2 Neo-Functionalism

Neo-functionalism arose as a deployment of the original problematic of functionalism by adapting it to the study of regional integration with particular reference to Europe. It has since become the most popular mode of explanation of regional integration schemes also because it took on board the agenda of the behaviouralists. An important peculiarity of neo-functionalism is the complete break with the realist static picture that is, Haas (1964) underlines the sense of movement generated by increasing interdependence in several areas. As Haas comments, loyalties start to change and the idea of a region with more powerful institutions –or even supranational ones then become reality. The process implies that the positive outcomes obtained by the spillover effect will drive a change in the evaluation and motivation of statesmen to also integrate issues in other areas. Neo-functionalists attached major importance to the integration process that initially included specific functional tasks and which have the potential to extend into other areas. States initially integrate in limited economic areas and thereafter, the partially integrated states experience increasing

momentum for further rounds of integration in related areas. The main underlying assumption of the neo-functionalist approach led by Haas is that no state is capable of single-handedly sustaining its economic development and existing economic structures and be capable of satisfying the economic needs of its people, if it does not cooperate with other countries. Distinct from functionalism is that the approach limited only to regional integration where Harrison (1974) summed up by saying when certain sectors of the life of sovereign states are integrated by being brought under joint control. That is, the joint activity will be larger than the sum of the original independent activities if possible. It should involve some sacrifice and some disruption of the existing activities. Strains and distortions may well be felt in other sectors. These effects will give rise to a need and consequently, a demand, for remedies. The remedies could well be measures of further integration, which extend the scope of central decision making". According to Claude (1971) neo-functionalism stresses the utility of enterprises as elements in a program of political engineering, as contributions to the realization of political designs. Hodges (1978) as well posited that the neo-functionalists differ from the functionalists in that the former reject the latter's assumption that the performance of welfare tasks is essentially non-controversial and can be insulated from political conflict. Unlike functionalism, neo-functionalist theory recognizes that central supranational institutions with policy making powers have a central role to play in the promotion of integration. In doing so, the neo-functionalists have reckoned governmental and quasi governmental efforts and leadership towards integration may be necessary. The neo-functionalists, as Harrison (1974) said, believe that the candidates for integration are usually complex pluralist societies in which the government is the focus of group conflict, providing the procedures for its resolution, and thereby, maintaining the existing consensus on the value of those procedures.

2.1.3 Interdependency Theory

The interdependency theory of Keohane and Nye (1987) takes Haas' contributions related to institutions and, at the same time, searches to defy the realist theory predominant in the 70's. Nevertheless, the theory does not assert to be an outright denunciation of realism, but rather, the need to amalgamate both realism which stresses structure with liberalism which stresses process. Interdependence generates classic problems of political strategy since it implies that the actions of states and significant non-state actors will impose costs on other members of the system. Accordingly, interdependence sees the international system as an element of interlocking interconnected entities which use bargaining, rather than force to push home their interests. The understanding of the theory elucidates a situation whereby states are entwined so much so that what affects one state habitually affects another state or group of states. Therefore, states will progressively become more concerned with the well-being of citizens of other states. Interdependence as well assumes that only where there are mutual (asymmetric or symmetric) costly effects of transactions that is where and when we can talk of interdependence. The significance of understanding the nature of interdependence is that the extent of interdependence differs inversely with the effectiveness of the force. Besides interdependence points of division of labour, exchange, mutual benefits, depending on other parties and very importantly that force is usually not the solution. The key issue of interdependence theory is that mutual dependence is a necessary reality of life. Rappard (1930) highlighted this where he refers to the First World War in which the costs of breaking off trade were so high that two states on opposite sides carried on some trade with each other. It is also important to know that interdependence is usually done with

some sacrifice to a state's sovereignty in order to enjoy the benefits that come with it. Using the analogy of a marriage situation, Cooper (1972) opined that "as with marriage, the benefits of the close international economic relation can be enjoyed only at the expense of giving up a certain amount of national independence".

In sum and in agreement with John (2010) the design of integration is seen in terms of the creation of free trade areas, customs unions, etc. which involve tariff agreements, the facilitation of factor movements and varying degrees of coordination in economic policy with its highest form being economic union. It should be noted that traditional integration theory is mainly concerned with the effects of economic integration (Haack, 1984). Again, integration is anticipation to lead to the accomplishment of the macro-economic goals as set out by governments in terms of employment, balance of payments position, inflation etc. National economic priorities may conflict with any macro coordination of the economic policies at the supranational level, especially on matters related to fiscal and monetary policy as most integration theories breach of national sovereignty and it is key to understand that regional integration is not a linear process rather a dialectical process in which there is a relentless battle between the forces of integration and disintegration. The aforementioned theories support this study and focuses on creating the awareness of the prospects that come along with ECOWAS integration, particularly to the freight and logistics companies.

2.2 Historical Background to the ECOWAS Protocol

Hartzenberg (2011) on regional integration in Africa posited that there is much support from African governments for regional integration since independence and have embraced regional integration as an important component of their development strategies. Regional integration is seen as a rational response to the difficulties faced by a continent with many small national markets and landlocked countries (Ibid). Africa continues to engage at the fringe of the global economy as is apparent from the continent's declining share in global production and trade. The majority of sub-Saharan Africa's (SSA) countries are small and least developed, according to UNCTAD's definition (UNCTAD, 2007 cited in Hartzenberg (2011)). The aspiration of African leaders to integrate Africa and to develop the continent by means of import substitution industrialisation was a key mark of the recent post-colonial period, and provided the rationale for the Lagos Plan of Action (LPA). The LPA was an initiative of the AU the then Organisation of African Unity (OAU), adopted by Heads of State in April 1980, and intensely supported by the United Nations Economic Commission for Africa (ECA). A decade later in 1991 the Abuja Treaty provided strong support for the African integration agenda. This Treaty emphasized African solidarity, self-reliance and an endogenous development strategy, through industrialisation. The proposed framework for African integration and continental industrialization was the division of the continent into regional integration areas which one of such was the Economic Community of West African States (ECOWAS) for West Africa, which was established in 1975 and this is the focus of this study.

Prior to the division of West Africa into splinter countries, the region was thought of by its inhabitants' migrants as one economic unit where people and goods moved from one place to the other without restrictions (Addo, 1975). A classic instance is the migration of large swathes of people from Nigeria, Toga and Mali to the present-day Ghana without any restrictions. It was on this note that Adepoju (2005) argued that it was difficult to distinguish between internal and external migration, intra and inter border commerce in the pre-colonial period. Nevertheless, this changed during the scramble for Africa by the colonialist where the

continent was divided among colonial powers without regard for tribal realities or loosely demarcations of the indigenes. This, needless delineation of the region led to several tribes distributed among different countries in West Africa. Common examples of these include the Ewe who are divided between Ghana and Togo, the Hausa who span Niger, Nigeria and Mali, the Nzema and Bono, who occupy both Ghana and Cote D'Ivoire, the Mende who live in both Liberia and Sierra Leone, the Yuroba who find themselves in both Nigeria and Benin among several others. These make a classification of internal and external emigration difficult in the case of West Africa because tribes who are so divided continue to keep their kinship ties despite the artificial boundaries (Adepoju, 1998; Twum-Baah, 1995).

It was therefore obvious that the border lines did little to restrict the movement of people, goods and services in the post-colonial era. Not for long Twum-Baah, Nabilaand Aryee (1985) noted that this was soon to change as restrictions on the movement of people and goods across borders become decisive policy objectives pursued by various countries to protect their economic and political interests. In Ghana, for example, the Aliens Compliance Order (Act160) was enacted in 1969 to prohibit Ghanaians from engaging foreigners to work except if they are granted a licence signed by the sector Minister. It is this and other legislations that represent initial attempts to draw a clear distinction between internal and international migration (Agyei & Clottey, 2008). These legislations that attempt to clearly demarcate West African countries borders have been pursued to some extent by various countries. At the worst, the legislations led to the expulsion or the deportations of non-nationals who were blamed by the host politicians as the cause of the countries' economic problems. On the point of deportation, Adepoju (2005) listed nine ECOWAS members who have undertaken mass deportations of non-nationals. These include Sierra Leone (1968), Cote d' Ivoire (1958, 1964, 1999), Ghana (1969), Equatorial Guinea (1974), Senegal (1967, 1990), Guinea (1968), Nigeria (1983, 1985) Liberia (1983) and Benin (1998).

When ECOWAS was formed in 1975, its cardinal objective was to encourage and accelerate the social and economic development of member States towards the general improvement of the sub-region's living standards (ECOWAS Treaty, 1975). Towards achieving the economic integration aspect of the objectives of the organization, the Protocol was signed in 1979 to ensure the free movement of persons, goods and services as well as the right of residence. Phase one of the Protocol, which guaranteed the free entry of member states' citizens without a visa for a period of ninety days, was ratified in 1980 by all member states. Phase two, which guaranteed the right of residence of citizens of member states become effective six years after, i.e., July 1986 when all member states ratified it (Agyei & Clottey, 2008).

2.3 ECOWAS Protocol on Free Movement of Goods and Persons

As earlier established, the ECOWAS protocol was mainly established to ensure the free movement of people, goods and services within the West African Sub-Region. With its coming into operations, visa and other entry requirements for citizens of member states were abolished. Citizens were merely required to have minimum requirements, including an international health certificate and valid travel documents to travel from one country to the other for three months.

The protocol has a key objective of ensuring economic integration, as evidenced by Article 27 which encourages member countries to gradually remove trade barriers to ensure the free flow of persons, goods, services and capital (Paragraph 1 of Article27). Agyei and Clottey (2008) surmised that the coming into force of the ECOWAS protocol enjoined member states to "stop demanding visa and residence permits, and allow West Africans to work and

undertake commercial and industrial activities within their territories, hence re-creates a borderless West Africa which is in consonance with the African Charter on Human and People's Rights and the UN's Charter on Human and People's Rights (p 11). Agyei and Clottey (2008) cited some of the key provisions in the protocol as follows:

- i. The Community citizens have the right to enter, reside and establish in the territory of Member States.
- ii. The right of entry, residence and establishment is to be progressively established in the course of a maximum transitional period of fifteen (15) years from the definitive entry into force of this Protocol by abolishing all other obstacles to free movement of persons and the right of residence and establishment.
- iii. The right of entry, residence and establishment which shall be established in the course of a transitional period shall be accomplished in three phases.

This was further operationalised by removing restrictions on commercial and private vehicle entry into members, subject to the possession of a valid ownership card (or log book or matriculation certificate, a valid driving licence, an insurance policy and an international customs document. Increased movement of people was furthered through the issuance of the ECOWAS 'brown card' (Abdoulahi, 2005). Besides the formation of ECOWAS thus to a certain extent re-created the kind of pseudo-homogeneous society that had once existed in the sub-region. Hence, the Free Movement of Persons Protocol – the first to be ratified and operationalised – ushered in an era in which the free movement of ECOWAS citizens within member countries was once again possible (Adepoju, 2007).

Agyei and Clottey (2008) as well commented that members of ECOWAS were of the opinion that the integration of the Member States into a viable regional Community may demand the partial and gradual pooling of national sovereignties to the Community within the context of a collective political will. It was understood that the existing bilateral and multilateral forms of economic co-operation within the region open up perspectives for more extensive cooperation. It was also based on the view that the sub-region needed to face together the political, economic and social-cultural challenges of sustainable improvement in the welfare of their populations; and pooling together of their resources, particularly people will ensure the most rapid and optimum expansion of the sub-region's productive capacity. These constitute the main rationale for re-creating free movement of persons in the sub-region (Agyei & Clottey, 2008)

According to Alipui (2011) in order to facilitate the movement of persons transported in private or commercial vehicles the following shall apply:

A private vehicle registered in a member state may enter another member state and remain there for 90 days upon presentation of the following documents to the competent authority of that Member State:

- Valid driving license
- Matriculation Certificate (Ownership Card) or Log Book.
- Insurance Policy recognised by the Member States
- International customs documents recognised within the Community.

A commercial vehicle registered in a member state and carrying passengers may enter another member state and remain there for 15 days upon presentation of the following documents to the competent authority of that Member State:

- Valid driving license
- Matriculation Certificate (Ownership Card) or Log Book.
- Insurance Policy recognized by the Member States
- International customs documents recognized within the Community

2.4 Prospects of ECOWAS Protocol on Free Movement

The free movements of persons without a visa, progress made in the area of monetary policy, communication, trade within the West African sub-region are some of the achievements of the community and including is the regional infrastructure being rehabilitated and expanded to foster economic integration (Adepoju, 2005). The abolition of the mandatory residency permit and the granting by immigration officials of the maximum 90-day period of stay to ECOWAS citizens at entry points has taken effect. Border posts and all checkpoints on international highways are to be policed by customs and immigration officials only. These posts, which hitherto constituted a menace to free movement of persons and goods, were to be scrapped. Customs policies and shipping laws are to be harmonized and updated to promote liberalisation of maritime services. In the process a zero percent rate of duty would be applied to approve industrial products, goods and traditional handicrafts as measures to facilitate effective establishment of a free trade zone. The sub-regional private airline was launched in Abuja to coincide with the 25th anniversary of the organization to facilitate intra-regional travel. Firm proposals were made to boost transport, and telecommunication links among member states, and especially the establishment of trans-coastal, trans-Sahelian and trans-coastal/Sahelian rail links (Adepoju, 2007).

From inference above with phrases such as 'to be' 'are to be' 'would applied' etc, showcase serious challenges in fully operationalisation of the ECOWAS protocols, however, with the little aspects of the implementation of the protocol on free movement many companies are taking advantage of the policy (Peprah, et al. 2016). And there are hope and opportunities for companies to enjoy the policy as it continues to unfold. The prospects for free movement of good and persons per the protocol could be seen from the point where the sub-region would take advantage of building a strong internal market from which ECOWAS members and businesses will benefit. Internal market makes it easy to buy and sell products in all the ECOWAS member states. The key objective of the protocol is ensuring economic integration, as evidenced by Article 27 which encourages member countries to gradually remove trade barriers to ensure the free flow of persons, goods, services and capital (Paragraph 1 of Article 27), it is in this line that businesses like logistics and freight will have the opportunities to build a strong platform in an open, diverse and in a very competitive environment. The integration will result in internal strength that will foster growth in such companies. Logistics and freight companies with their recognition of the benefits also will facilitate trade in the form transportation, distribution among member states. The single market as a result of the integration will provide greater choice for clients and promote greater competitions which in turn will ends up in better prices for consumers.

The sub-regional integration per the protocol when fully implemented, will create appreciable economic benefits for everyone, particularly those within the sub-region including the logistics and freight companies. ECOWAS outlook (2015) cited ECOWAS population of over 335 million consumers and it represents approximately one-third of sub-Saharan Africa's total population. The population of the region and its economic growth is closely interlinked with the realization of economic development. An increase in the size of the population can pave the way for expanding the size of the internal market. With the increase in size of the

population internal market will expand, businesses including logistics and freight companies will become more secure and with a sense of optimism. An increase in the size of the population can also enlarge the production base of the sub-region's economy and extend the scope of division of labour which in turn will result in large scale production, reduces cost of production and prices and expands market which in the end will affect the logistics and freight companies all things being equal. The free movement will impact on transport policies in liberalising ECOWAS's road transport market where full cabotage liberalisation would permit trucks to load and unload any place in the sub-region and augment the efficiency of ECOWAS supply chains at cheap costs.

There is an inherent advantage to small logistics and freight companies with the operationalisation of the free movement protocol, where there will be no physical or customs barriers when trading within the sub-region. The protocol will allow companies including logistics and freight companies to do business in the 15 member countries with well over 335 million consumers. Costs of trade in most cases are linked to transport and procedures at the border, as well as inside the country. Limo and Venables (2001) have calculated a tariff equivalent for transport costs affecting exports. They concluded that in Tanzania and Uganda this tariff equivalent is in the order of 40% compared to 15 % in ACP countries as a whole. In addition, the doubling of the average value of transport costs, reduces the volume of trade by 45%, which translates into a negative relationship between transport costs and the volume of trade. In Sub-Saharan Africa, the costs are more than 50 percent higher and trade volumes 60 percent lower than those of coastal countries. In addition, the high cost of transport constitutes an important obstacle, not just to development, but also to FDI flows to Africa (N'da, 2012). Operationalisation of the free movement of goods and persons has a key influence in reducing transport cost, thereby, affect the cost of production and products positively.

Other prospect of the protocol on free movement of goods and persons besides tariff-free access will include the creation of a level-playing field between member states. A common set of laws amid member states reduce the compliance costs for their members, when compared with the costs of having to deal with a number of different national regimes in terms of rules and regulations with particular reference to freight and logistics companies. The common set of laws, will remove many of the non-tariff barriers to trade, will enable exporters to reap the benefits of economies of scale, and is cheaper to administer than having to demonstrate compliance with multiple regulatory frameworks. It will also enable transport companies to benefit from reduced costs, shorter delivery times and less risk of interruption to goods and person's movements at the border. When logistics and transport companies are free and unimpeded movement of goods enabled by the single market will assist to reduce journey times for goods moving either domestically or internationally, benefitting the wider supply chain and improving the predictability of delivery schedules.

In sum, it should be noted that the role of regional blocs in contemporary international politics calls for the need to review economic integration efforts to make Ecowas stronger at the world stage. At the outset, there is a growing conviction among West African States that the future of each national economy lies with regional integration. Evidence of this conviction is the creation of ministry of regional integration and other institutions at the national levels. For instance, Ghana has a Ministry of Foreign Affairs and Regional Integration. The high degree of political will is needed and also reflected in the creation and adoption of common passports among some states in West Africa, enabling the free movement of citizens across national borders. Moreover, West Africa possesses a rich resource base, especially oil and

mineral resources, which can be exploited to enhance regional integration and growth. Infrastructure development, such as the West African Gas Pipeline and cross border investments involving the private sector, such as Globacom, Data Bank and Ecobank are good signs of a better future. The existing ECOWAS institution can work to foster not only cooperation and integration, but the maintenance of peace and security through economic empowerment and the promotion of good governance with that business will thrive.

3. Methodology

The research methodology used in this study is qualitative. The typical features of qualitative research are its comprehensive approach to the studied subject and that the data used are collected in natural, real situations. This choice was premised on the fact that the study sought respondents' views, opinions or perspectives on the issues under study. The study population comprised all the staff of Western Freight and Logistics Company Limited which has total staff strength of 25. The study used all the 25 staff as the respondents. Though a bigger sample would have been appreciated in this study, this was not possible considering the number of workers in the company and the indisposed nature of the other companies the researchers talked to. However, Ahiadeke (2008) is convinced that though an increase in the size of a sample increases precision of results, this is not always a guarantee that large sample sizes lead to accurate results of the sample. Neuman (2003) as well observed that the results of a well-designed sample will yield results that are equally accurate as trying to reach every single unit in the population and here we are referring to freight and logistics companies. Accordingly, as earlier argued, though the sample size is small, it is considered adequate in meeting the objective of the study. The survey of the study was based on non standard interview with the staff. The object of the inquiry was to a large extent the prospects for freight and logistics companies in operationalisation of the ECOWAS protocol on free movement of goods and persons.

4. Findings and Discussion

This section presents in entirety the main findings and analysis of data gathered from the field. The interview as stated already was non-standardised. The specific issue covered on prospects for freight and logistics companies in operationalisation of the ECOWAS protocol on free movement of goods and persons. All interviews were recorded and transcribed. Transcriptions were analysed by summarising and comparing the views of the respondents.

With respect to respondents' gender, it became obvious that the majority were males from the discussions with the staff. This goes to confirm Hall (2013) perception that logistics for some, meant that the workforce is more male dominated. It was also explained that Western Freight and Logistics Company, as the case for the study has a very young workforce, which also means the company has massive potentials that can be relied to promote the growth of the company. The company's employee retention is very high and incidental, the majority of the workers has worked with the company since its inception in 2010.

The study revealed that the introduction of the ECOWAS protocol has promoted trade within the West African sub-region. This is supported by earlier studies by Peprah, et al. (2016) where the case agreed on doing business across the borders and is taking advantage of the protocol. Besides, Oxford Business Group (2016) commented that because of the expanding middle class a lot of opportunities are being created across the board. However, this observation runs contrary to those of Agyei and Clotey (2008) and Adepoju (2007) who noted that relative to

trade with other economic blocs, intra-regional trade in the West African bloc is abysmal and it's estimated at a low fraction of 11% of the total or cumulative trade volumes of countries in the sub-region. Adepoju (2012) also noted that the prospects of the protocol are not seen because most of the trade in the sub-region is informal as a result of the need to avoid delays associated with customs clearance and the pervasive roadblocks across frontiers in the sub-region. Though Agyei and Clottey; Adepoju findings were to the contrary, to current study finding, it must be told that the business this study is referring to is logistics and freight forwarding and the location for the company justified their response of an ECOWAS protocol in promoting of trade because before the implementation of the protocol, logistics and freight companies were doing business across the borders either formal or informal and the protocol of free movement of persons and goods while challenged has come to speed up its working for such companies.

In the discussions of the protocol as a potential to stimulate growth and profitability in the freight and logistics industry, the majority of the respondents indicated that the implementation of the ECOWAS protocol has the potential to stimulate growth and profitability in the freight and logistics industry. On the specific discussions with the company on organizational growth as the result of the protocol, the majority responded in affirmative confirming the earlier question. This finding authenticates Khan (2012) that the fast growth of GDP in the regions and the relatively low intra-trade taking place within African countries will increase the demand for cargo services across most industry sectors. West Africa achieved relatively high growth of 6% in 2014 (African Economic Outlook, 2015). The advantage here is that transport and logistics companies are progressively taking centre stage, as it is being recognised as the key to stimulating trade, helping business efficiency and supporting economic growth (Gorin, 2016).

The study further established that there is an increasing focus on logistics and transport infrastructure in the West African Sub-region of which the company is benefiting from this development. This finding validates Regional Departments – West (ORWA/ORWB) Regional Integration and Trade Department (ONRI) (2011) strategy for the region that support investments in regional transport infrastructure (missing links in the Trans-Coastal and Trans-Sahelian highways; rehabilitation of priority road corridors; river navigation); transport and trade facilitation measures and the step up strategic dialogue on resource mobilization for the railway transport. This is strategy for supporting regional integration in West Africa and rests on two props, namely (i) linking regional markets and, (ii) building capacity for effective implementation of the regional integration agenda which is also aligned with the ECOWAS Vision 2020.

For questions about West Africa road infrastructure, port transport, rail and air transport in facilitating their activities were responded in affirmative as compared to some years back, such facilities have seen great improvement. This is a verification of Burmeister (2012) studies that road infrastructure, Africa has done well to connect the missing links between states. This is also supported by World Bank Group (2013) on Sub-Saharan Africa Transport regional initiatives in the facilitation of trade and transport procedures. But there is a contradiction to this finding from Viljoen (2016) who commented that sub-Saharan Africa is plagued by poor, underdeveloped and inefficient transportation infrastructure and these limit accessibility to consumers, hamper intra-regional trade and increase the costs of imports and exports. Nevertheless, there have been initiatives, according to World Bank Group (2013) from the Africa Transport Unit (AFTTR) working to develop reliable, cost-effective and safe transport, infrastructure and services in Sub-Saharan Africa (SSA) that are environmentally and socially

responsive. This includes supporting reforms that improve regional competitiveness and trade within the global economy. There are also policy initiatives to improve transport infrastructure in West Africa, according to UNCTAD, (2007).

On the discussions about the indicators of hope and survival in the industry per the protocol, it was revealed that the company was established not for long, but they are enjoying the policy and there are many indicators that the protocol implementation will make smooth the progress of the company's growth. Indicators identified through discussions summarised include; higher trade volumes as local economies diversify and expand, gradual removing of physical and customers barriers, high growing population within the sub-region, domestic consumer demand increasingly wants finished products from abroad, fast-growing global demand for natural resources from West Africa escalates, infrastructure improves, boosts intra-West African Sub-regional trade, gradual creation of level-playing of rules and regulations between member states among others. The respondents were of the conviction that fully implementation of the protocol on free movement has enormous benefits for logistics companies within and without West Africa. This disclosure upheld Khan (2012) comments that Africa's underdeveloped manufacturing sector has traditionally meant that almost all consumer commodities have had to be imported, making the region a lucrative market for logistics providers. This corroborated the discussions on whether there are prospects for freight and logistics companies in the operationalisation of ECOWAS protocol on free movement of persons and goods of which all the respondents agreed that there are several benefits to be accrued to the industry in fast tracking the integration process.

5. Conclusion

This study looks at the prospects for freight and logistics companies in the operationalisation of the ECOWAS protocol on free movement of goods and persons, the first comprehensive study on such topic from Ghana. From the interviews the findings presented suggest that the introduction of the ECOWAS protocol has promoted trade within the West African sub-region and it has the potential to stimulate growth and profitability in the freight and logistics industry. However, this finding runs contrary to those of Agyei and Clotey (2008) and Adepoju (2007) who noted that relative to trade with other economic blocs, intra-regional trade in the West African bloc is abysmal and it's estimated at a low fraction of 11% of the total or cumulative trade volumes of countries in the sub-region. The study also revealed that there has been organizational growth as a result of the protocol. This supports Khan (2012) and that of African Economic Outlook (2015) where West Africa achieved relatively high growth of 6% in 2014. The study further established that there is an increasing focus on logistics and transport infrastructure in the West African Sub-region of which the company is benefiting from that development. It was as well established that there has been some improvement of transport infrastructure. The study in addition found out that are many indicators if the protocol is fully implemented, will make smooth the progress of their growth. Indicators identified through discussions summarised include; higher trade volumes as local economies diversify and expand, growing population within the sub-region, domestic consumer demand increasingly wants finished products from abroad, fast-growing global demand for natural resources from West Africa escalates, infrastructure improves, boosts intra-West African Sub-regional trade among others. The researchers can conclude that the examination of the prospects for freight and logistics companies per the ECOWAS protocol on free movement are as enormous and the study should guide policymakers/management to address the challenges associated with the implementation process across the sub - region and more

comprehensive, targeted approach and design of accurate counter measures to achieve the purposes of the ECOWAS integration and to reduce the side effect of further disintegration of the region. This has to deal with much education to the key stakeholders in key positions involving West Africa regional integration. The theoretical essence of this study of the prospects for freight and logistics companies per the ECOWAS protocol on free movement is to create the awareness in research from the functionalism, neo-functionalism and interdependency theory perspective.

Whereas the findings of the study could be applied in most cases, there were some noteworthy exceptions, mainly only one company was involved, and as such, the findings may not be generalised to other broader communities; it is thought nevertheless that the recommendations can be targeted to improve on the fulfilment of the ECOWAS vision on regional integration looking at the benefits member states can enjoy or accrue.

6. Recommendations

Member states are looking more inwardly and are not coming forth with the urgent need for the implementation of the protocol. Undeniably, the success of the ECOWAS vision, particularly, trade and economic development programmes are relying on the full implementation of the free movement protocol. The inference therefore under this study are that member states become aware of the prospects of ECOWAS protocol on free movement of goods and persons which will ensue to citizens and the need to make it work. The focus needs to be placed on the following:

An incorporated transportation network is essential for ECOWAS region, and must be built and maintained, to smooth the progress of movement of persons and the distribution of goods and services. The infrastructure shortfall in many member states must be addressed and road, rail, air and sea networks improved and maintained. ECOWAS needs to harmonise and implement the entwined policies of trade, transport and movement of persons in an integrated approach.

There is the need for motivation from ECOWAS member states to give confidence in the implementation of the ECOWAS protocol on free movement in order to augment the realization of regional integration in the sub-region. This will encourage member states to shun continually erecting further tariffs and non-tariffs barriers, custom check posts and rigid procedures, etc., which are working against achieving the vision of ECOWAS protocol on free movement.

Member states and businesses should be provided with adequate information on the full provisions of the protocol on free movement of goods and persons and the rules and regulations guiding transportation especially regarding the need for valid travel documents on cargo and passenger freight. The various institutions in charge of disseminating information on the protocol on free movement and its impact should intensify their regional education activities to sensitising the general public to the ECOWAS protocol on free movement – counting its principles and action plans. Individual member states should set-up information centres in helping spread the information on ECOWAS protocol on free movement and what member states intend to enjoy.

On the other side of education is the need to build capacity of training officials: custom, police, immigration and other security personals to be informed about national laws and treaties, in addition to ECOWAS Protocols, to ensure that they deal efficiently and reasonably regarding the free movement of persons and goods, and to continually update themselves on the rights

and obligations of citizens and corporate entities in doing business within the sub-region. Training officials in the facilitation of the ECOWAS sub-regional integration and the maintenance of it should be institutionalised.

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