La Lettre du



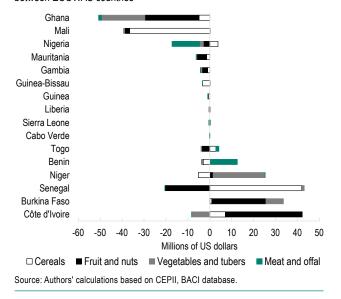
West Africa: Road Harassment Worsens Food Security

Antoine Bouët, Leysa Maty Sall & Fousseini Traoré*

Created mainly to promote intra-regional trade in goods, the Economic Community of West African States was also intended to reduce food insecurity in the region. However, the "security points", set up along the trade corridors by the administrative authorities who take bribes, have limited the success of this policy. This corruption is measured not only in bribes – at up to \$576 (US dollars) per 100 km in Togo in 2017 – but also time loss of more than three hours per 100 km. Putting an end to these practices, which equate to a tax on intra-regional trade, could lead to an increase in the production of food goods of 3% and in consumption by at least 4%. However, coercive policies will not be enough to put an end to these practices that aggravate food insecurity, due primarily to a fleet of trucks that do not comply with road safety and health standards, and to the low and irregular salaries of civil servants. Upstream measures, addressing the economic factors at the origin of corruption, such as the insufficient remuneration of civil servants and the dilapidation of road infrastructure and truck fleets, will be required.

Created in 1975, the Economic Community of West African States (ECOWAS), a customs union that adopted a common external tariff in 2015, was intended to intensify trade between countries of the region. The aim was to stimulate exports, particularly of agricultural products, from traditionally surplus to deficit countries (Figure 1). Another goal was to promote the movement of products imported from the rest of the world¹ (cereals, palm oil, sugar cane and sucrose) in a region with just a few ports from which goods are transported to three landlocked countries (Burkina Faso, Mali, Niger) and six countries with limited port infrastructure (Cabo Verde, Gambia, Guinea, Guinea-Bissau, Liberia, Sierra Leone). However, corruption along the trade corridors has derailed this ambition. Because it hinders the trade of agricultural products, contributes to the rise in consumer prices, lowers producer prices and aggravates the waste of perishable agricultural products during transport, corruption also contributes to food insecurity in the region.

Figure 1 – Unbalanced intra-regional agricultural trade
Average annual trade balance (2018–2021) of main agricultural products
between ECOWAS countries



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^{1.} Bouët, A. & Nimenya, N. (2023). Agricultural Trade and Trade Integration in the East African Community (EAC). The African Agriculture Trade Monitor 2023, forthcoming.

Costly and time-consuming checkpoints

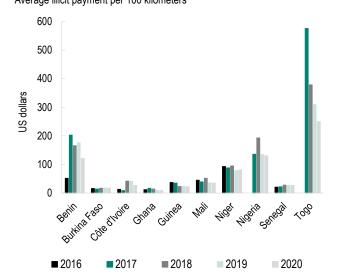
Insofar as ECOWAS is a customs union, there should be no obstacle to the movement of goods within the region. While various authorities may carry out checks on the transport of goods, ECOWAS regulations only authorize them at the places of embarkation and disembarkation and at border crossings, and only to verify the sanitary and phytosanitary certificates, vehicle compliance with road safety standards, and customs clearance for products imported from the rest of the world. However, the administrative authorities have set up "security points" along the trade corridors, in a number far greater than those provided for by the regulatory texts. These stops are often an opportunity to collect bribes, which, for example, averaged \$379 per 100 km in Togo between 2017 and 20202 (Figure 2). In this country, on the Abidjan Lagos coastal corridor alone, which crosses the country from west to east over a distance of 52 kilometers, between 7 and 13 checkpoints were organized between 2017 and 2020, with bribes ranging from \$132 to \$418. Beyond the financial dimension, this corruption also wastes a lot of time, resulting in the deterioration of perishable goods. In 2017, again in Togo, transporters of agricultural products lost on average more than three hours per 100 kilometers (Figure 3).

The intensity of this corruption is very uneven from one country to another, in both its financial and temporal dimensions. The lowest bribes represented, on average between 2016 and

2020, \$13 per 100 km in Ghana and \$25 in Côte d'Ivoire, a ratio of, respectively, 1 to 29 and 1 to 15 with those observed in Togo (\$379 per 100 km), the highest average illicit payment in the region (Figure 2). The differences between countries are lower in terms of duration of stops made along the trade corridors; it is still in Togo that, on average over the period, they last the longest, at 83 minutes against 7 minutes in Guinea and 8 minutes in Burkina Faso and Mali. This heterogeneity between countries also allows us to establish that there is indeed corruption behind these stops; as it is impossible to know if a stop is legal or illegal, the differences in times observed are an indicator of the level of corruption. Indeed, it is hard to find a legitimate reason that would explain the difference, in 2016, between the 5 minutes per 100 km lost in Guinea and the nearly 2 hours 15 minutes in Niger (Figure 3). These indicators overlap with international rankings on corruption: the indicator perception of corruption provided by the NGO Transparency International³ places Niger, Nigeria and Togo among the most corrupt countries in the region, and Burkina Faso, Ghana and Senegal among the least corrupt.

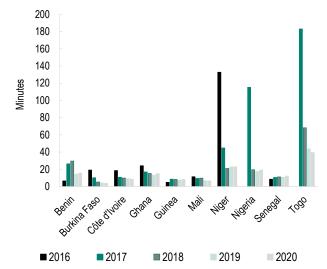
The intensity of these illicit practices varies from year to year. This is primarily due to a long-term trend toward the reduction of these practices at the regional level, as a result of more systematic denunciations by professional organizations, civil society and regional organizations. As far as bribes are concerned, this trend is evident in the case of Togo, Niger, Nigeria, and Benin since 2018 (Figure 2). In terms of time

Figure 2 – Bribes averaged \$576 per 100 km in Togo, 2017-2020 Average illicit payment per 100 kilometers



Note: Data are not available for Nigeria and Togo in 2016.
Source: Authors' calculations based on CII SS

Figure 3 – Stops lasting more than three hours in Togo Average time loss to stops per 100 kilometers



Note: Data are not available for Nigeria and Togo in 2016.

Source: Authors' calculations based on CILSS

^{2.} Between early 2016 and April 2020, the Permanent Interstate Committee for Drought Control in the Sahel (CILSS) collected data on "road harassment" and bribes by the police, the gendarmerie, customs officers and health inspectors. Investigators, regularly on board trucks transporting agricultural products and livestock, have measured the time lost at checkpoints and recorded the bribes paid. Five short-distance corridors were monitored at the rate of 720 trips per year; nine long-distance corridors at 756 trips per year.

^{3. 2021} Corruption Perceptions Index - Explore the... - Transparency.org

^{4.} For example, the road fluidity operation launched by the West African Association for Cross-Border Trade in Food, Agro-Sylvo-Pastoral and Fishery Products (AOCTAH) and CILSS.

lost, this downward trend can be observed in Togo, Niger, and Nigeria, but also, starting from lower levels, in Burkina Faso, Côte d'Ivoire and Ghana (Figure 3).

The state of a country's public finances may sometimes imply a temporary suspension of salary payments to civil servants. These episodes occurred regularly in the 1980s and 1990s (notably in Mali at the end of the 1980s), pushing the control agents to frequent corrupt practices. This is less the case in the 2000s and 2010s, but the salaries of civil servants are still low and sometimes delayed. In addition, periods of inflation, especially for basic commodities, are conducive to this type of extortion.

Finally, governments sometimes launch campaigns denouncing these practices, which can put pressure on civil servants, as successfully happened in Benin in 2016, during Patrice Talon's election campaign. However, the effects of this denunciation were short-lived, as evidenced by the sharp rise in corruption in 2017.

These illicit practices exacerbate food insecurity

What is the impact of these illicit practices on trade, consumption and production of agricultural products in the region? Since the corruption increases prices for consumers, lowers them for producers and leads to increased deterioration of foodstuffs, it leads to a drop in production, consumption and trade.

As far as prices are concerned, these practices were equivalent in 2019 to an average regional tax of 9.9% on intracommunity onions and 12.7% on maize,5 two products that are essential products for food consumption in West Africa. Values are much higher for millet (43%), sorghum and cattle (43% and 32% respectively) between Mali and Senegal.⁶ Stopping these illicit practices would lead to substantial gains.⁷ For maize, ECOWAS countries would gain \$19 million a year, with \$5.6 million for consumers and \$13.4 million in profit for producers. For onions, the gain would be \$48.4 million per year, including \$15 million for consumers and \$33.4 million for producers. In the ECOWAS region, maize production would be expected to increase by 21,281 tons (+0.1%) and onions by 23,275 tons (+2.9%).8 Consumption volumes would be expected to rise by 0.1% for maize and 2.2% for onions. The disappearance of these exchange costs would not be a win-win. First, customs, police and gendarmerie officials would lose revenue: \$10.1 million for corn, \$42.1 million for onions. Secondly, the gains for producers and consumers presented above are global gains. Some producers could lose out; a cereal producer in Burkina Faso could find it profitable to export more to Ghana, once corruption has disappeared, and increase supply to this market to the detriment of local producers. As with any reform affecting international trade, this "trade facilitation" would redistribute the cards within each country.

These estimates of expected gains concern just two products. Assuming that (i) the equivalent in terms of the taxes to which these illicit practices give rise is the same for all food products as for onions and maize, (ii) the price effects of these taxes are distributed equitably between production and consumption, and (iii) the price elasticity of production is 0.549 and that of consumption is -0.6,10 we have an idea of what this could represent for all food product goods: an increase of around 3% in production and between 3% and 4% in consumption.

The gains in consumption could be even greater, since time spent at border crossings is responsible for the loss of a large part of food production. In Africa and other developing regions, 40% of food produced is lost "between farm and fork", 11 mainly due to the degradation of perishable agricultural goods.

■ Reducing corruption through upstream measures

The probability that an agent asks for a bribe at a checkpoint obviously depends negatively on the probability of being sanctioned, and on the scale of the sanction. However, in ECOWAS countries, neither carriers nor civil society are familiar with the regulations in force – in particular the number and location of controls, and the types of civil servants empowered to carry them out. Border information and assistance offices, whose role is precisely to make traders and carriers aware of the law and to advise them on how to deal with corruption, could be extended to the whole region, but this information alone would not suffice as sanctions in the rare cases of denunciation are currently weak or even non-existent.

Recent work by the World Bank, 12 based on the example of Rwanda, shows that reform of the entire administration can bear fruit, with the application of strict sanctions (including

^{5.} Bouët, A., Cissé, B., Sy, A. & Traoré, F. (2021). Red tape and corruption along ECOWAS trade corridors. FARM-TRAC, Discussion Paper.

^{6.} Gourichon, H. & Demanet, C. (2017). Fight against road harassment to guarantee food security in Mali: summary of results and recommendations. FAO

^{7.} See Bouët, A., Cissé, B., Sy, A. & Traoré, F. op. cit., on the partial equilibrium methodology used for these assessments.

^{8.} The methodology used underestimates these effects because it poorly takes into account the effects of road harassment on internal trade in each country.

^{9.} See Bouët, A., Cissé, B., Sy, A. & Traoré, F. (2021) op. cit., but also Binswanger, H. (1989). The Policy Response of Agriculture. The World Bank Economic Review, vol. 3(1), 231-258; and Rao, J.M. (1989). Agricultural Supply Response: A survey. Agricultural Economics, vol. 3(1), 1-22.

^{10.} Comin, D., Lashkari, D. & Mestieri, M. (2021). Structural Change with Long-run Income and Price Effects. Econometrica, vol. 89(1), 311-374.

^{11.} World Economic Forum (2014). Enabling Trade: From Farm to Fork. Geneva, World Economic Forum.

^{12.} Fjeldstad, O.-H., Filho, E.C. & Raballand, G. (2020). Customs Administration. Enhancing Government Effectiveness and Transparency, The World Bank, Washington DC.

prison sentences, even for the payment or collection of small bribes) and the development of a reinforced monitoring system. The new government following the genocide in 1994 facilitated this reform. It cut ties with the corrupt networks of the previous ruling team, at the cost of massive lay-offs. However, it should be noted that the reform was accompanied by restrictions on freedoms and political space. In countries where corruption networks are well entrenched, the effectiveness of simple measures is not guaranteed. A case in point is Tanzania, where corrupt public officials who had been dismissed found themselves redeployed as "tax experts" in the private sector. It is therefore generally necessary to undertake in-depth reform of the control system, which implies a high political cost.

More effective measures could be envisaged upstream of corruption, by focusing on economic factors. The corruption results from the pressure that a civil servant can exert on a carrier when the latter fails to comply with road and health safety regulations: overloading of trucks, condition of vehicles, failure to hold mandatory documents (permits, identification of the vehicle and what it is carrying, health and/ or veterinary certificates, etc). Bringing the truck fleet up to standard would require heavy investment, made more difficult by poor access to credit in ECOWAS countries. Developing the banking system would therefore be a way of reducing corruption by enabling these investments to be financed.

As far as civil servants are concerned, corruption is primarily due to low and uncertain levels of remuneration. Guaranteeing them an adequate and regular salary would dry up the source of corruption by making the additional remuneration it provides relatively less important.

Finally, road infrastructures need to be improved, especially at border crossings and around the region's major markets, to reduce journey times, facilitate checks and make traffic flow more smoothly. The time lost by transporters encourages them to resort to corruption to benefit from "tax breaks", even more so when the goods are perishable. The ECOWAS Joint Border Posts program, which aims to generalize joint double border posts between neighboring ECOWAS member states, such as those set up between Togo and Ghana, Benin and Niger, and Benin and Nigeria, could enable customs officers to carry out simultaneous checks, thereby reducing transit times.

Combating corruption at borders within ECOWAS, with the aim of improving access to agricultural goods, will require a substantial political and economic effort. Only the implementation by all countries of coercive measures, improved access to credit, and increased public spending (on civil servants' salaries and investment in road infrastructure) will significantly reduce corruption in the region and, with it, improve food security. Putting an end to these illicit practices would not solve the problem of food insecurity in this region, which has many other causes (growing violence in northern Mali and Burkina Faso, north-western and central Nigeria and Lake Chad, drought, uncooperative policies around the world that weigh on world prices 15), but it would help to reduce it.

14. Fjeldstad, O.-H. (2002). Fighting Fiscal Corruption: The Case of the Tanzania Revenue Authority. CMI Working Paper.

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^{13.} Hausman, D. (2011). Rebuilding the Civil Service After War: Rwanda After the Genocide, 1998-2009. Innovations for Successful Societies, Princeton University.

^{15.} Bouët, A., Chimits, F. & Gouel. C. (2023). Pourquoi la Chine, plus que la guerre en Ukraine, menace la sécurité alimentaire mondiale. The CEPII Blog.