



TRADE POLICY REVIEW

REPORT BY

THE GAMBIA

Pursuant to the Agreement Establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), the policy statement by The Gambia is attached.

Note: This report is subject to restricted circulation and press embargo until the end of the first session of the meeting of the Trade Policy Review Body on The Gambia.

Contents

ABBREVIATIONS.....	3
1 ECONOMIC ENVIRONMENT AND PERFORMANCE.....	4
1.1 The Country Profile.....	4
1.2 Economic Overview.....	4
1.3 Macroeconomic Environment.....	5
1.3.1 Fiscal policy	5
1.3.2 Monetary policy	5
1.3.3 Debt sustainability	5
2 SECTORIAL PERFORMANCE	6
2.1 Agriculture.....	6
2.2 Tourism.....	7
2.3 Transport	8
2.4 Manufacturing	9
2.5 Fishery	9
2.6 Forestry	9
2.7 Energy	10
2.8 Information and Communication Technology.....	10
3 TRADE POLICY ENVIRONMENT	11
3.1 Trade-Related Policies	11
3.2 Trade Facilitation	12
3.3 Market Opportunities	12
3.4 Mainstreaming Gender in Trade.....	13
4 REGIONAL INTEGRATION.....	13
4.1 ECOWAS	13
4.1.1 Protocol on Free Movement of People and Goods	13
4.1.2 ECOWAS Trade Liberalization Scheme (ETLS).....	14
4.1.3 ECOWAS Inter-State Road Transit (ISRT) Scheme	14
4.1.4 ECOWAS Regional Competition Authority (ERCA).....	14
5 CONCLUSION.....	14

ABBREVIATIONS

AFDB	African Development Bank
ANR	Agriculture and Natural Resource Policy
BADEA	Arab Bank for Economic Development in Africa
CBG	Central Bank of The Gambia
CET	Common External Tariff
ECOWAS	Economic Community of West African States
EIF	Enhanced Integrated Framework
FASDEP	Food and Agriculture Sector Development Project
FAO	Food and Agriculture Organization
GBOS	Gambia Bureau of Statistics
GDP	Gross Domestic Product
GNAIP	Gambia National Agriculture Investment Programme
MOFEA	Ministry of Finance and Economic Affairs
MOICI	Ministry of Information and Communication Infrastructure
MOTIE	Ministry of Trade, Industry, Regional Integration and Employment
NAWEC	National Water and Electricity Company
NEMA	Land and Water Management Project
SOEs	State-Owned Enterprises
UNCTAD	United Nations Conference on Trade and Development

1 ECONOMIC ENVIRONMENT AND PERFORMANCE

1.1 The Country Profile

1.1. The Gambia, a West African country bordered by Senegal on three sides and the Atlantic Ocean on the West, is one of the smallest countries in mainland Africa with a population over 1.85 million (GBOS 2013). The Gambia however remains one of the least developed and low income countries in the world. The country has a total land area of 11,000 square kilometres, which extends about 500 km inland and its width varies from 24 to 28 km. Subsistence, rural and rain fed agriculture is one of the major drivers of The Gambia's economy and also serves as the main source of livelihood of the majority of the rural population. The GDP per capita income of The Gambia was estimated around US\$440 in 2014 by World Bank. Domestic cereal production accounts for around 60% of annual consumption requirements and the country relies heavily on food imports. Foreign exchange earnings are based primarily on groundnut exports, tourism, and remittances. The relatively undiversified economy makes the Gambian economy highly vulnerable to external shocks.

1.2 Economic Overview

1.2. The Gambian economy has been generally stable with robust economic growth over the last five years until recently when economic growth contracted from 4.3% in 2015 to 2.2% in 2016. Following the 2011 drought-induced contraction of The Gambia's gross domestic product (GDP), the country's economy recovered moderately in 2012 and 2013. However, the GDP growth rate saw a sharp drop from 4.8% in 2013 to 0.9% in 2014 compared to earlier estimated GDP growth of 2% to 5%. The principal factors behind the poor growth outturn are the decline in tourism earnings and reduced agricultural outputs due to delayed rains in 2014.

1.3. The global recovery of the Western Economies from the global economic crises is slow but is increasing with little momentum. However, despite the unfavorable West Africa Ebola crisis along with the country's political climate leading towards the 2016 elections. The real GDP growth for 2016 declined to 2.2% from 4.3 the year earlier. The outlook of The Gambian economy is positive with the anticipated real GDP growth rate of 3.0%.

1.4. The service sector is however on a decline, with a growth of only 3.7% in 2015 compared to 6.0% the previous year. The underperformance of the sector was attributed to the low turnout of tourist as a result of the 2014 Ebola crisis. This contributed to the minimal growth of wholesale and retail trade accounting for only 2.88% and a decline of 13.6% for hotels and restaurants. Nevertheless, hotels and restaurants grew by 6.0% in 2016 and the service sector grew by 5.1% indicating a recovery from the epidemic. Similarly, there is an expected growth in agriculture as well as tourism through the increase of investment and policy coordination amongst key stakeholders in 2017. The Agricultural sector has improved from erratic rainfalls in 2011 and 2014. In 2015, the agricultural sector saw a modest growth of 3.8%, projected to account for 21% of The Gambia's GDP in 2016, compared to 20% in 2015. Since 2010, liabilities of the insurance and finance sectors dropped by 7% and 7.7%, respectively.

1.5. The development of the private sector remains essential for The Gambia Government. However, private investments from domestic sources declined due to high domestic borrowing by the Government. Investment as a percentage of GDP accounted for 11% in 2016 as compared to 13% in 2014 and 2015. Domestic credit to the private sector as a percentage of GDP accounted for up to 10% in 2016 compared to 13% in 2015 and 16% in 2014. This was caused by high cost of borrowing, which was pegged at 22%.

1.6. Prices of goods and services were relatively unstable in 2015. Food imports reflected a decline of 22.5% mainly due to the depreciation of the Dalasi against the U.S. dollar and other major trading currencies. Consumer food inflation was the main driver of overall inflation in The Gambia. Food inflation recorded 8.8% in 2016 compared to 7.6% during the same period of 2015. Given these trends, inflation on a year-on-year basis for 2016 in terms of the Consumer Price Index was 7.1% compared to 7.2% recorded in December 2015. The 12-month average inflation rate has to a large extent remained stable at 7.9% for both periods. However, this rate is still above the Central Bank's target of 5%.

1.3 Macroeconomic Environment

1.3.1 Fiscal policy

1.7. Fiscal measures focused on more effective revenue mobilization, reduction in the fiscal deficit and the creation of a competitive business environment. This will enhance private sector development as well as attract investments. In that regard, the Government continues to adopt fiscal measures that will help achieve these objectives.

1.8. Following the adoption of a Common External Tariff (CET) by the ECOWAS Commission, The Gambia in 2006, started aligning its tariff rates with those of the ECOWAS Common External Tariff (CET). Since January 2017, The Gambia has started implementing the CET. Even though the adoption of the CET has to some extent reduced the competitive tariff advantage of The Gambia, the overall advantage of an effective economic integration in West Africa is greater for The Gambia in the long term. The Government also reduced the corporate tax from 33% to 30% from 2010 to 2016 using 0.5% yearly deduction rate.

1.9. The Gambia has been implementing the new Customs and Excise Act 2010. This has helped in reducing the duty exemption for inputs for producers in line with the provisions of the ECOWAS CET.

1.10. The Government will continue to pursue tax reforms over the medium term to enhance further revenues and strengthen the business environment. This will involve further simplification of the tax system, gradual reduction of corporate and income tax rates, and eliminating discretionary exemptions and investment incentives. Reforms to tax administration are ongoing with continued capacity building of the personnel of The Gambia Revenue Authority and Ministry of Finance and Economic Affairs.

1.3.2 Monetary policy

1.11. The focus of monetary policy since 2010 is geared towards maintaining price stability aligned with the government's macroeconomic objectives of sustainable growth and poverty reduction. Monetary policy will continue to hold inflation to no more than 5% to prevent further price increases. Reserve money at end December 2016 recorded D8,295 million from D6,626 million the same period the previous year. This represents a 25% increase of reserved money in 2016. The increased growth of broad money was mainly due to the corresponding increments in the net domestic assets (NDA) of the banking sector particularly that of the claims on Government net.

1.12. In the financial sector, the Government along with the Monetary Policy Committee (MPC) is committed to tightening up the monetary policy and the continued strengthening of the supervision of the banking system to ensure compliance with the banking rules and operations. There are currently 12 banks operating in The Gambia. As of September 2016, all the banks are above the minimum capital requirement of D200 million. The total assets (loans and investments) from the banking industry increased from D28.3 billion in 2015 to D31.3 billion in 2016. In addition, with the advances in technology, the fourth component of Gamswitch was spearheaded by the Ministry of Finance and Economic Affairs (MOFEA) with the Central Bank of The Gambia (CBG) to push for a greater and more efficient means of financial transaction processing in The Gambia.

1.3.3 Debt sustainability

1.13. The total public debt of the Gambia in 2016 exceeded 100% of GDP, with 71.9% and 54.2% of GDP for external and domestic debt, respectively. Total domestic debt raised to US\$589.4 million in 2016, in other words, an increase of 22.65% from the previous year. This was essentially due to the inability of state-owned enterprises to service external obligations forcing the Government to bail them out. However, measures will be put in place to end the recurring trend of bailing out state-owned enterprises (SOEs) to prevent any further debt distress and ensure lasting sustainability.

1.14. In 2014, MOFEA developed a Medium Debt Management Strategy in order to tackle the debt challenges faced in the country. This is to ensure restructuring and reorganizing SOEs for debt sustainability in The Gambia.

2 SECTORIAL PERFORMANCE

2.1. The Gambia Government gives high priority to the development of the tourism, fisheries and the agriculture sector because of their pro-poor and women empowerment effects. These sectors combined contribute nearly half of the country's GDP and employs more than 75% of the workforce.

2.1 Agriculture

2.2. 16. The agriculture sector continues to be rain-fed reliant, which has been erratic over the years. The Gambia has experienced droughts since the last Trade Policy Review in 2010. The Gambia Government, however, continues to pursue the medium term goals of the sector which are aimed at achieving food security through the promotion of sustainable diversified food production programs, with emphasis on cereal production. It is envisaged that it will create employment and generate income for the rural population who are highly dependent on primary production. Approximately 46% of the population¹ works in agriculture Aged 7 years and above (Integrated Household Survey 2015/16). The agricultural sector accounted for 21% of GDP in 2016 compared to 20% in 2015. The sector also generates substantial export earnings and continues to be a major contributor to household income. Notwithstanding, domestic food production caters for half the national consumption requirements with the gaps filled by imports, particularly in rice.

2.3. The performance of the sector from 2010 to 2015 has been declining. Total agricultural output from 2010-2015 dropped from 308,141 tonnes to 268,543 tonnes. Similarly, total cereal production also dropped from 209,662 to 181,897 tonnes for the same period. In addition, rice production also decreased from 62,926 tonnes in 2010 to 53,309 tonnes in 2015. For the 2016 cropping season, the 2016 pre-harvest survey records that total production is estimated to decline by 3%. Total cereal production is also expected to decline by 3% as a result of the delay in planting due to late rains and early cessation. Moreover, the sector has also performed reasonably well during the 2010-15 cropping periods in terms of an overall increase in area cultivated for cereals. Nonetheless, due to the decrease in cultivated area for cash crops, total area for all crops also plummeted by 9%. The total cultivated area in the 2016 cropping season is estimated at 317,959 hectares, an increase of 3% over 2015. This increase is attributed to the intervention of projects through the provision of seeds, fertilizer, and other inputs to farmers. Furthermore cereal cultivation recorded an increase of 2%.

Table 2.1 Cultivated area field crops, 2010-15

(Ha)

Crop	2010	2011	2012	2013	2014	2015
Early Millet	93,456	89,499	95,127	82,566	78,469.05	69,440.3
Late Millet	18,123	20,986	21,693	23,226	22,360.54	21,709.1
Sorghum	25,325	29,576	31,091	28,720	27,235.18	25,146.0
Maize	38,390	25,256	28,288	33,170	36,703.80	36,803.5
Rice	40,671	62,026	63,592	66,380	66,286.49	67,651.6
Findi ^a	429	507	521	491	510.05	1,239.1
Cereals	216,394	227,850	240,312	234,553	231,565	221,989
Groundnuts	122,699	111,924	116,507	100,305	81,026.53	82,161
Sesame	3,303	7,778	7,988	1,582	2,074.58	3,180.4
Cowpea	N/A	N/A	N/A	N/A	475.46	2,662.3
Cash crops	126,002	119,702	124,495	101,887	83,577	88,003.7
Total	342,396	347,552	369,954	336,440	315,141.68	309,993

a Hungry rice.

Source: Planning Services Unit, Department of Agriculture.

¹ Aged 7 years and above (Integrated Household Survey 2015-16).

Table 2.2 Agricultural output, 2010–15

(Tonnes)

Crop	2010	2011	2012	2013	2014	2015
Early Millet	77,505	72,941	96,467	71,527	59,116.33	55,968.88
Late Millet	18,872	14,293	19,622	22,272	17,700.72	18,300.77
Sorghum	14,440	20,556	23,146	30,390	20,289	21,625.56
Maize	35,761	23,613	28,934	33,060	30,289.39	32,019.05
Findi	157	319	367	416	396.33	672.83
Rice	62,926	51,136	54,219	69,704	46,674	53,309.46
Total cereal	209,662	182,858	222,755	227,369	174,466	181,897
Groundnuts	97,516	83,858	119,614	93,862	80,653	82,653.97
Sesame	963	2,659	2,928	509	177.41	2,232.64
Cowpea	N/A	-	-	-	-	1,759.78
Total cash crop	98,479	86,517	122,542	94,371	82,432	86,646
National total	308,141	269,375	345,297	321,740	256,898	268,543

Source: Planning Services Unit, Department of Agriculture.

2.4. Reducing the sector's reliance on rain fed agriculture through a well-developed irrigation system and the gradual and sustainable transformation of agriculture from subsistence to a more commercially-oriented farming continues to be the main challenge of the Government in its quest to modernize the sector and improve its performance.

2.5. The Government of The Gambia continues to prioritize the agriculture sector in its development agenda and reinforces relationships with development partners to promote agricultural production and food productivity for food security and enhanced rural livelihoods.

2.6. Government efforts in addressing the challenges in the agricultural sector include the introduction of the Land and Water Management project (NEMA). This project is expected to construct additional 12,400 hectares of lowland and 2,000 hectares of tidal irrigation for rice production. Moreover, The Ministry of Agriculture, through the Food and Agriculture Sector Development Project (FASDEP) will construct additional 200 km feeder roads to enhance access to markets for agricultural produce. In addition, the Ministry in collaboration with the African Development Bank (AfDB) carried out various studies under the conceived Agricultural Transformation Programme. The Gambia National Agriculture Investment Programme (GNAIP) has been reviewed and the Ministry is currently working on the second generation of GNAIP.

2.7. The current policy on the development of the agriculture sector, the Agriculture and Natural Resource (ANR) Policy (2009-2015), which is currently under review, takes into consideration the importance of agricultural productivity through improvements in smallholder farming. The policy also emphasizes the comparative advantage of resources and the commitment of government to improve the agricultural environment to attract commercial investment in the sector.

2.8. The Government continues to promote private commercial investment in agriculture. In order to enhance private participation across the value chain, a number of initiatives have already commenced through the matching grants in three projects. This will be further expanded to include access to agricultural land and agro-industry processing equipment through a multi-stakeholder consultative process. In addition, Government will continue to pursue projects that will provide cold-storage facilities that will address post-harvest losses in agricultural production.

2.2 Tourism

2.9. 23. Growth in the tourism sector in The Gambia since the last Trade Policy Review has been fluctuating. Tourist arrivals for 2016 was 161,127 as compared to 134,560 in 2015, this represents an increase of 19.7%, showing signs of a recovery from the Ebola crisis in 2014. Even though there has been an increase in 2015-16, the projected figures of 200,000 were not achieved. The 2016-17 season air arrivals are projected to reach 250,000. The sector has benefited from a number of significant investments in hotels by the private sector as well as improvement in roads and other tourist related infrastructure by the Government. To spearhead the development of the industry, the Ministry continues to implement the strategies outlined in the 2015-2020 Tourism and Culture and Hospitality Strategy Plan. The plan aims at intensifying the e-marketing program and increasing PR marketing by the Gambia Tourism Board. The strategic importance of the sector implies that Government will continue to support the Tourism Board with innovations such as

increased use of e-marketing, strong promotional campaign and diversification of tourism products.

2.10. Tourism development is a priority within our development plan, given the sector's contribution to GDP and employment. The Government continues to intensify efforts in e-marketing and PR programmes to attract arrivals from non-traditional markets such as Eastern Europe and the ECOWAS region.

2.11. As part of this diversification process, The Gambia will aim to continue to position itself as a preferred destination for Conference Tourism. The Government will also continue to promote the development of good quality hotel infrastructure to compliment the development of roads and the upgrading of various craft markets in the Tourism Development Area. Similarly, the National Center for Arts and Culture continues to make significant progress with the action plans outlined in the 2015-2020 Strategy Plan and the implementation of its broad mandate in preserving, promoting, and developing arts and culture.

2.12. The Government will continue to collaborate with Private Sector and Civil society to promote the linkages between the accommodation sector and agricultural suppliers through the implementation of the proposed Inclusive Tourism project and the revitalization of "The Gambia is Good Programme". These programmes are aimed at ensuring quality fresh fruits and vegetables, which meet the requirements for the hotels and restaurants as local supply.

2.3 Transport

2.13. Developing good road networks to facilitate the movement of people and goods is one of the main policy objectives of the Government in the transport sector. The overall objective is to develop an efficient transport network that will support production in the economy as well as continue to position The Gambia as a transit hub in the region. To this end, the Government continues to make significant progress in the improvement of The Gambia's primary road network. In 2015, the missing link of the South Bank primary road network, the Brikama-Darsilami-Dimbaya Road, was completed and the implementation of the first phase of the construction of the Trans-Gambia Bridge commenced.

2.14. Moreover, heavy investment has been made in road construction on both the South and North Bank trunks. Regarding the south bank, Government has approached funding partners to finance the construction of the only remaining stretch, Basse-Fatoto-Koina road, including the Wulli Bridge. On the North Bank stretch, the construction of the remaining section, Laminkoto-Passamas, has already been contracted in November 2016 and work has commenced. Additionally, following the upgrading of the Sankandi-Karantaba road to gravel, funding partners have been approached to raise the standard of the road to bitumen. As a result, an agreement has been reached with Management of the Arab Bank for Economic Development in Africa (BADEA).

2.15. With the objective of maintaining The Gambia as a transit hub, the maritime transport strategy of the Government of The Gambia focuses on strengthening the position of the Port of Banjul as a gateway to The Gambia and the ECOWAS region in line with the Freeport initiative. However, the Port of Banjul is faced with intense competition from other regional ports in the hinterland countries of the port, namely, Senegal, Guinea Bissau, and Guinea Conakry. Therefore, there is an immense need for the Banjul Port to continually improve its efficiency as well as improve on the port's logistics for better services. Consequently, the authorities are forging Public-Private Partnerships in addressing these challenges.

2.16. The management of the Port of Banjul still operates under a Public Service Model while most ports have shifted from this traditional model to Landlord Ports as a means of enhancing their productivity and efficiency and creating room for private sector intervention. In light of this, the Ministry of Transportation, Works and Infrastructure encourages institutional and procedural reforms in order for the Port of Banjul to enhance its competitiveness and to transform The Gambia into a trade hub in the sub-region.

2.4 Manufacturing

2.17. The Government of The Gambia is committed to a comprehensive development effort aimed at transforming the Gambian economy from low levels of output and income and dependence on agriculture and tourism to a diversified and export-led economy. The Government's strategy is to build on the small domestic base to encourage companies to supply the Gambian and regional markets as well as innovate and improve supply to the US and EU markets. The Government's commitment to transform the sector is supported by the Industrial Policy, which is currently being reviewed with the support of UNCTAD.

2.18. Some of the key prerequisites as a way forward to improve and attract investment in the manufacturing sector are reliable and affordable energy, better transportation and quality infrastructures, which The Gambia is working to accomplish in the new National Development Plan. With better quality infrastructure in The Gambia, manufacturing companies can apply techniques such as Lean Manufacturing to reduce waste and Six Sigma to improve quality as well as acquire certifications for entry into markets in Europe and America.

2.19. According to the Gambia Bureau of Statistics, the revised sectorial growth rate, industry contracted by 3.1% in 2016 compared to 8.2% in 2015. This was as a result of a decline in mining and quarrying and construction of the sub-sectors. The mining and quarrying sub-sector contracted by 10.3% in 2015 compared to a decline of 6.5% the previous year. In addition, construction also recorded a negative growth of 5.9% in 2016 compared to 24.1% in 2015. As a result, the sector's share of contribution to GDP declined from 15% in 2015 to 11% in 2016.

2.5 Fishery

2.20. The fisheries sector also continues to be a priority sector for the Government because of its great potential for food security and the overall economic development of the country. For this reason, the Fisheries Act, 2007 and the Fisheries Regulations, 2008 are under review. The overall goal of the sector policy is to encourage responsible fishing and fish utilization practices as well as sustainable development of fishing for food security and poverty alleviation in The Gambia. In addition, the policy also aims at enhancing the development of the aquaculture sector as one of the priority areas in the development of the fisheries sector.

2.21. In line with the Draft Fisheries Bill (2007) and Fisheries Regulations (2008), the Department of Fisheries intends to increase their monitoring and regulation of the fishing sector, both industrial and artisanal. In addition, the Government of The Gambia is currently engaged in a two year Technical Cooperation Programme with the Food and Agriculture Organization (FAO) aimed at improving the development of the artisanal fisheries sector in The Gambia. The programme will help to enhance youth and women participation in the fisheries value chain to alleviate poverty, create employment opportunities, and raise awareness in fish handling and greater involvement of Gambians in fisheries matters.

2.22. The sector has made significant strides in addressing challenges that constrain its development. For instance, with the support of various donor agencies, a considerable number of developmental progress have been achieved in the artisanal fisheries sub-sector by various interventions such as the improvement of fish landing sites, the provision of ice plants and cold stores, improved fish smoking and drying facilities, stores for cured fish products, machinery and equipment in several fishing communities. Additionally, access to credit facilities for operators in the artisanal fisheries subsectors has been improved through the establishment of micro-finance credit schemes for the procurement of needed implements.

2.23. In 2013, The Gambia Government commissioned the Banjul Fisheries Jetty to facilitate the landing of fish for processing and export.

2.6 Forestry

2.24. The forest legislation of 1998 mandates the Forestry Department for managing state forests and forest parks. It empowers the Forestry Department (FD) to regulate the exploitation of any type of forest product for domestic and commercial purpose including the determination of fees for such products.

2.25. The Forest Policy (2010–19) was formulated with the objective of establishing an institutional framework for the Department of Forestry (DoF) and non-governmental stakeholders to manage and implement natural resources programmes within the country's forests, woodlands and savannas. An important component of The Gambia's existing Forest policies is the promotion of decentralized natural resource management (including *inter alia* community forests, forest reserves and conservation areas) to community-based committees. The Gambia has recognized the importance of the potential contributions that could be made by community-based management committees towards the country's objectives of sustainable management of the environment and natural resources. The principle of community-based management as a cost-effective approach to support sustainable management of natural resources is widely recognized in The Gambia.

2.26. In the area of protection, development and sustainable use of forest resources, the Government has consolidated its achievement in community forestry programme by handing over 78 community forests to local management committees, covering a total area of 5,335 hectares in 2015. This brought the total area of forest under community ownership and management to 37,000 hectares. This figure is expected to increase as there are over 450 communities nationwide participating in community forest that are yet to be handed over to the communities. Additionally, under the Green Climate Fund, the Department of Parks and Wildlife Management together with the Department of Forestry is currently implementing programs aimed at improving the Protected Area Network and enhanced community livelihood through sustainable land management.

2.7 Energy

2.27. Energy is one of the major drivers of any meaningful development, from supply of basic household energy needs to the demand of manufacturing industry. The Ministry of Energy and Petroleum in collaboration with their development partners, continues to implement strategic policies geared towards expansion of electricity generation, transmission and distribution in the country. Steps into renewable energies, reliable medium voltage networks, electrification of rural areas, interconnection initiatives with neighboring countries and adequate expansion of the water services are in progress. In 2016, NAWEC increased its electricity production by about 34% over 2015 and continues to push for meeting current and future demands.

2.28. The Gambia relies almost entirely on biomass (wood fuels) and imported petroleum products to meet its energy requirements. However, in the face of rapid depletion of forest reserves due to rapid urbanization, bush fires, farming, etc. the energy options based on biomass are very limited. Furthermore, due to high cost of imported petroleum products, the National Water and Electricity Company (NAWEC) is finding it extremely difficult to service the growing oil import bills particularly for electricity generation. In addition, NAWEC needs to meet the demand of up to 350,000 customers, but due to the limitations highlighted, the company only serves 120,000 electricity customers.

2.29. Government has made attempts to engage partners and donors to secure support and financing towards rehabilitating and expansion of NAWEC facilities and the energy infrastructure. For instance, the West African Power Pool (WAPP) has since been operational and currently serves as an important intervention programme in the integration and development of the regional power network. As part of the initiative, WAPP has stepped in to partner with the OMVG (Gambia River Basin Development Organization Energy Project), which involves the following four countries, Senegal, The Gambia, Guinea-Bissau, and Guinea, and implement part of the 225 KV interconnection.

2.8 Information and Communication Technology

2.30. Guided by the National Information and Communication Infrastructure (NICI) II Policy, the Government of The Gambia, through the Ministry of Information and Communication Infrastructure (MOICI), is determined to pursue ICT services delivery and mainstreaming to breed a service-based and knowledge-driven sustainable economy. For this reason, strengthening of cyber security, enabling open access market and further liberalization of the telecoms sector is being pursued at the highest level. In particular, the broadcasting sector and data gateway have

already been liberalized during the period under review while necessary arrangements are at an advanced stage for liberalization of the Voice Gateway.

2.31. For the first time in The Gambia a Digital Broadcasting Policy has been adopted, which among other things provides for full liberalization of the sector to promote private sector participation and foreign direct investment; however, the policy has limited foreign ownership in the sector to 60%. The Gambia Government is committed for full Digital Switch Over by December 2017.

2.32. The Public Utility Regulatory Authority (PURA) remains the regulator for the sector guided by the Information and Communication Act 2009 which promotes interconnection, access and co-location among operators. From 2010 to date several significant developments in the telecommunication infrastructure have taken place. Most importantly, in 2012, for the first time, ACE Submarine Cable landed at the shores of The Gambia bringing over 10 GB (now increased to over 100 GB) capacity at the landing Station. In 2015 the National Fibre Optic Backbone (NFOB) was replaced with an IP based state-of-the-art Next Generation Network. This covers 947 km of the country including both sides of the river, thus significantly increasing the internet penetration rate.

Table 2.3 Internet penetration rate 2011, 2014 and 2016

Year	Penetration Rate	% Increment
2011	10.87	Base (pre-ACE)
2014	15.56	43 (pre-NFOB)
2016	18.50	19

Source: MOICI.

2.33. Similarly, the mobile telecommunication industry has also witness significant growth during the 2010–2016 periods. It is widely reported that 94% of the country was covered with at least two mobile operators in 2015, up from 57% in 2010. Additionally, annual mobile penetration rate has grown high at a percentage increment of 57.4 from annual penetration rates of 22.39 to 35.25 for 2010 and 2016 respectively. The voice subscribers have increased from 1, 478, 349 in 2010 to 2, 838, 127 in 2016, a percentage increment of 92.0.

Table 2.4 Mobile penetration and voice subscription, 2010 and 2016

	2010	2016	Increment	% increment
Annual mobile penetration rate	22.39	35.25	12.86	57.4
Number of voice subscribers	1, 478, 349	2, 838, 127	1, 359, 778	92.0

Source: MOICI.

2.34. In its effort to provide broadband services to the underserved, the Government of The Gambia has signed a contract to expand the National Broadband Network throughout the country reaching those communities that are away from the main ring. This will provide these underserved communities wired broadband services as well as offer all mobile operators to connect their cell sites using fibre instead of micro wave.

3 TRADE POLICY ENVIRONMENT

3.1 Trade-Related Policies

3.1. The Government of The Gambia, through the Ministry of Trade, Industry, Regional Integration, and Employment (MOTIE) continues to commit itself to policies aimed at improving the competitiveness of Gambian trade. The Government currently has several policies in place to attain its goals of boosting exports, economic development, job creation, and increasing the country's market share in an increasingly globalized world.

3.2. In line with this, a National Trade Policy (NTP) was formulated and adopted in 2011. The broad objective of the policy is to maintain an open and liberal trading environment and to better integrate The Gambia into the global economy. It also aims at providing direction for mainstreaming trade in the productive sectors to make its contribution to the attainment of national goals of growth, development, and poverty reduction. The NTP also highlights the current

Trade Policy instruments, which includes customs duties and other taxes such as VAT, ECOWAS levy, etc. The policy also provides clear guidelines for the implementation of the government's domestic and international trade agendas as well as trade facilitation, market access, quality and regional integration issues. To overcome quality-related challenges that impact on the competitiveness of Gambian trade, the Government has put in place the Quality Policy for The Gambia 2014. The implementation of the Quality Policy will ensure that the requisite compliance support infrastructure and services are available to enable exporters to prove compliance with international standards and technical regulations.

3.3. In addition, the following are the trade policy strategies and achievements concerning trade policy making in The Gambia:

- ✓ Medium-Term Plan formulated 2016–2020;
- ✓ National Export Strategy 2013–2017;
- ✓ DTIS updated 2013.

3.2 Trade Facilitation

3.4. Government will continue to invest sustainably and adopt rules and regulations to improve the trade facilitation systems in The Gambia. Now that the Trade Facilitation Agreement has been adopted by the WTO Members by concession in December 2013 in Bali, The Gambia has ratified the protocol amending the Marrakesh Agreement in March 2017. With this development, the Government will continue to put focus on improving trade facilitation procedures, publication of trade information, and trade facilitation infrastructure such as roads, customs clearance of goods, and delivery of ports services. The overall policy objective is to expedite the movement, release, and clearance of goods.

3.5. To monitor trade facilitation reforms and foster dialogue on trade facilitation issues, the Government has created a Trade Facilitation Committee housed at MOTIE and chaired by the Gambia Revenue Authority.

3.6. The Cargo Complex at the Banjul International Airport serves as one of the most important trade facilitation infrastructures recently, supported by the Government of The Gambia. The complex is funded by the EIF project under its trade facilitation component. This will address the storage shortcoming for agriculture, horticulture, and fishing products for exports.

3.7. The Single Window business registration which is fully operational since 2013 has reduced the number of days it takes to register a business from 27 days to 24 hours with a cost of just D 500. This has been an added advantage to the ease of doing business by cutting the red-tapes and cumbersome procedures to register a business in The Gambia. In addition, the clearance of goods in The Gambia takes less than 24 hours as a result of improvements in the customs clearance and ports services.

3.3 Market Opportunities

3.8. The Gambia as a member of the World Trade Organization benefits from non-reciprocal duty-free preferential treatment from many industrialized countries under the Generalized System of Preferences (GSP). The Gambia also benefits from the European Union's Everything But Arms (EBA) Initiative.

3.9. The Gambia as an LDC also benefits from Duty-free and Quota-free (DFQF) accorded to LDCs by India, Republic of Korea and Morocco. Following the revival of diplomatic ties and bilateral cooperation with the People's Republic of China, goods originating from The Gambia have been accorded DFQF preferences.

Table 3.1 Direction of imports and exports by region 2015-16

Region	Direction of imports		Direction of exports	
	2015	2016	2015	2016
ECOWAS	5,718,811	3,517,518	2,962,907	3,226,858
EU	4,041,838	5,282,042	218,181	76,394
Asia	4,223,348	4,372,269	435,625	639,548
Americas	2,536,760	2,513,436	103,260	5,276
Others	644,136	669,737	58,541	11,361
Total	17,164,892	16,355,001	3,778,514	3,959,437

Source: MOTIE Trade Information Center.

3.4 Mainstreaming Gender in Trade

3.10. The positive impact trade has on gender empowerment is widely seen. For the Government of The Gambia, this is evident in the prioritization and promotion of sectors which are focused on creating economic opportunities for women for enhanced livelihoods and quality of life. The Government also continues to engage stakeholders in order to strengthen the mainstreaming of gender in trade. Women constitute majority of the traders in The Gambia especially in the fisheries sector, where an estimated 80% of fish processors and 50% of small scale fish traders are women. In the horticulture sub-sector, which is one of the key priority areas of women inclusion and empowerment, has an estimated 88% participation of women in individual and communal gardens.

3.11. The Gambian economy is characterized by players in the informal sector. Women play a pivotal role. 63% of MSME's are micro enterprises and 90% of the micro enterprises are informal with 80% comprising of women involved in distributive trade, gardening and other handicrafts and artisanal trade. Our women entrepreneurs are predominantly active in rural areas, often in lower paid sectors, and responsible for unpaid care work, they often face barriers to access information, finance and labor - saving devices/technologies in order to increase their incomes through productivity.

3.12. Women's economic empowerment is very high on the government's development agenda especially in the work of the Ministry of Trade. The Government will continue to make efforts to promote gender equality through the establishment of the National Gender Policy 2010-2020. The most recent Private Sector Development Strategy 2015-2019 also identifies numerous gender issues that still need to be addressed such as lack of adequate sex-disaggregated data, low skills and limited access to market opportunities for women entrepreneurs, and male dominant attitudes of existing policies and laws. In delivering tangible results, the Government of The Gambia is focusing on providing access to both local and global value chains to producers with special focus on meeting the required quality and sanitary and phytosanitary standards.

4 REGIONAL INTEGRATION

4.1 ECOWAS

4.1. The Gambia as a member of the Economic Community of West African States (ECOWAS) is benefiting from several trade and economic development programs. As a regional bloc, ECOWAS has put in place protocols and programs that guide its regional integration and economic development agendas for the benefit of its member States. Key among them that are relevant for trade includes the Protocol on Free Movement of People and Goods, the ECOWAS Inter-State Road Transit Scheme (ISRT), and the ECOWAS Trade Liberalization Scheme (ETLS).

4.1.1 Protocol on Free Movement of People and Goods

4.2. The Gambia has ratified the Free Movement Protocol and all its supplementary protocols. As a result, The Gambia is implementing the components of the Free Movement Protocols by issuing the ECOWAS passport and adopting the travel certificates as an alternative. Under this protocol all ECOWAS citizens enjoy a free period of 90 days stay before regularizing their stay in The Gambia.

4.1.2 ECOWAS Trade Liberalization Scheme (ETLS)

4.3. ECOWAS is currently implementing an ECOWAS Trade Liberalization Scheme (ETLS), as part of the regional programmes to promote intra-ECOWAS trade particularly for industrial goods. Companies and goods that meet the set criteria are certified by ECOWAS to operate under the Scheme. Such certified companies can export to all the ECOWAS member states markets, duty free and quota free, which has a population of over 300 million.

4.4. The Gambia is currently implementing the ETLS and there are 22 registered and qualified companies under the scheme. There are strategies and structures which work with companies towards qualification under the scheme. The scheme is open to any company, industry, and product registered in The Gambia.

4.1.3 ECOWAS Inter-State Road Transit (ISRT) Scheme

4.5. In July 2013, The Gambia also started the implementation of the Inter-State Road Transit (ISRT) Scheme and designated The Gambia Chamber of Commerce and Industry (GCCCI) as the National Guarantor for the scheme. The objective of the scheme is to facilitate the smooth movement of transit goods from The Gambia to their final destinations in the region. Since then, all transit goods through the Port of Banjul are transported to the sub-region under the ISRT Scheme and all escort fees have been eliminated. The number of containers for transit goods transported from Banjul increased by 3.7% from 5,599 Twenty-foot Equivalent Units (TEUs) in 2014 to 5,808 TEUs in 2015. This led to an increase in the value of transit goods by 36.8 % from D414.1 million in 2014 to D566.3 million in 2015.

4.1.4 ECOWAS Regional Competition Authority (ERCA)

4.6. The Gambia was awarded in May 2015 to host the Headquarters of the ECOWAS Regional Competition Authority (ERCA). The objective of the Authority is to regulate anti-competitive practices within the ECOWAS regional market. The Gambia signed the Headquarters Agreement in 2016, paving the way to take all necessary steps for the effective start of the Authority. In this regard, The Gambian Government has started work to put in place the necessary structures and logistics towards the full establishment of the ERCA in 2017.

5 CONCLUSION

5.1. The Government of The Gambia will continue to adopt prudent macroeconomic policies to sustain the stability of the economy and will pursue liberal trade policies as well as adopt measures that will ensure a competitive trading environment. The Government will also continue to strengthen its productive sectors to continue diversify the economy and will therefore seek the support of development partners under the Aid-for-Trade Initiative to achieve these objectives.

5.2. The Government will continue to be committed to the multilateral trading system and call on members of the WTO to continue to support the effort of small economies like The Gambia in the implementation of the WTO commitments and to enhance their integration into the global economy.
