



ASSOCIATION OF AFRICAN CENTRAL BANKS (AACB)
38th ORDINARY MEETING OF THE ASSEMBLY OF GOVERNORS

(Malabo, Equatorial Guinea, August 14th, 2015)

LIST OF DECISIONS

The Assembly of Governors of the Association of African Central Banks (AACB) held its 38th Ordinary Meeting, on August 14, 2015, in Malabo, Equatorial Guinea at Sipopo Conference Center. The meeting was attended by thirty-one (31) Central Banks as well as the African Union Commission (AUC).

As usual, the meeting of the Assembly of Governors was preceded by a Symposium which was held on 13th August, 2015 on the theme: "*Independence of Central Banks: Myth or Reality*". The Symposium was officially opened by Mr. Miguel ENGONGA OBIANG EYANG, Minister of Finance and Budget of the Republic of Equatorial Guinea.

With the absence of Mr. Rameswurlall BASANT ROI, Governor of Bank of Mauritius and Chairman of the AACB, Mr. Lucas ABAGA NCHAMA, Governor of BEAC and Vice-Chairman presided over the meeting. Before considering its agenda, the Assembly of Governors followed two presentations on the "African Institute for Remittances (AIR)" and on "Afreximbank's Central Bank Deposit Programme (CENDEP)". The Assembly of Governors took note of the request by the African Union Commission (AUC) for central banks' support and collaboration with the African Institute for Remittances as well as the offer by the AIR for AACB to be a permanent member of the Governing Board and Consultative Forum of AIR. Furthermore, it was agreed that central banks interested in CENDEP could have follow up discussions with Afreximbank.

Then, the Assembly of Governors considered the items of the meeting agenda. After deliberations, Governors:

1. Adopted the report of the AACB Symposium, held on 22th August, 2013 in Balaclava, Mauritius;
2. Adopted the report of the 37th Ordinary Meeting of the AACB Assembly of Governors, held on 23th August, 2013 in Balaclava, Mauritius;
3. Adopted the Study Report and the Joint AUC-AACB Strategy for the creation of the African Central Bank (ACB) and took note of the reservations of Southern Africa sub-region on the implementation of the Strategy. They exhorted the AUC to engage in political dialogue with all stakeholders to facilitate the implementation of the recommendations of the Joint Strategy document. Furthermore, Governors reiterated that sub-regions should be the building blocs of the continental monetary integration and the process of monetary integration should be speeded and reinforced at the sub-region levels;

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4. Took note of the status progress report on the implementation of the African Monetary Cooperation Programme (AMCP) in 2014 and noted the difficulties of member countries in general to fulfil the AMCP's primary criteria because of the negative impact of the international situation and the escalation of capital expenditures to address infrastructure gaps. Moreover, despite the two years extension of stage III of the AMCP which ended in 2014, decided by the Assembly of Governors during its 37th Ordinary Meeting in Balaclava, Mauritius, most countries continue to miss the AMCP targets for stage III, and stage IV sets higher targets. Thus, Governors requested the setting up of an Expert Group drawn from central banks of the AACB Bureau for the purpose of refining the macroeconomic convergence criteria in terms of definition, measurement and its harmonization at the sub-regional and continental levels within a period of one year. Furthermore, Governors decided the extension of stage III of the AMCP for an additional two years ;
5. Took note of the conclusions and recommendations of the Continental Seminar organized from 5 to 7 May 2014 in Algiers, Algeria on the theme "The imperatives for Improvement and Integration of Payment Systems in Africa", and commended Banque d'Algérie for hosting this forum. However, they considered that there is no need at this stage to set up a Continental body to coordinate efforts in this regard. Each sub-region shall pursue the efforts aimed at a better integration of payment systems at the sub-regional level.
6. Adopted the programme and budget of the Community of African Banking Supervisors (CABS) for the years 2014-2016 as well as its internal rules. Governors commended Banque d'Algérie, South African Reserve Bank and Central Bank of Nigeria for the hosting of the seminars planned in 2015 and 2016, on "*Macro-prudential Surveillance*", "*Cross-Border Banking*" and "*Crisis Management and Banking Resolution*". Further, Governors endorsed the initiative aimed at enhancing information exchange and collaboration on cross-border banking for which a draft project should be submitted to the Financial Sector Reform and Strengthening Initiative (FIRST) and took note of the handing over of CABS chairmanship to BEAC.
7. Took note of the recommendations of the Executive Secretary concerning the outstanding contributions arrears of the Central Bank of Somalia (CBS). In view of the exceptional circumstances facing CBS, Governors decided to cancel the outstanding arrears of the CBS relevant to the period 2003 – 2008, which amounts to \$ US 20,921.
8. Supported the recommendations of the Bureau on Africa's representation in IMF governance and invited the AACB Chairperson to advocate this position at the forthcoming African Caucus Meeting scheduled for August 27 – 28, 2015 in Angola, and other fora such as the Annual Meetings of the IMF/World Bank, the Africa/US Forum, etc.
9. Noted and commended the Chairman's efforts for Bank of Eritrea and Bank of South Sudan to become members of AACB. Governors invited AACB Chairperson to enhance the efforts notably by outlining the benefits of being an AACB member in the invitation letters and exploring new avenues such as the use of channels available at the African Union and the East Africa Sub-region. They also invited the Chairperson to engage the central banks of Djibouti, Seychelles, Comores, Somalia and Ethiopia on the need to participate in continental and sub-regional activities beyond paying their yearly contributions.

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10. Adopted the amended statutes of the AACB.
11. Took note of the status of the contributions to the 2015 budget and encouraged the Central Banks that did not contribute yet to meet their obligations.
12. Took note of the report of the Continental Seminar for year 2015 organized on 13-15 May 2015 in Nairobi, Kenya on the theme "Monetary Policy Frameworks in a Changing Financial Landscape" and commended Central Bank of Kenya for hosting the event. They requested the AACB Secretariat to undertake a survey of member central banks' monetary policy frameworks and present a report at the next AACB Assembly meeting.
13. Decided that the theme for the 2016 Symposium is "*Unwinding of unconventional monetary policies: Implications for Monetary Policy in Africa*". The Assembly also selected for the Continental Seminar for the year 2016 the topic "*Financial stability: new challenges for African Central Banks*" and accepted the offer by Central Bank of Egypt to host the seminar.
14. Adopted the work programme and budget of the AACB for the year 2016 and commended BCEAO's unwavering support to the AACB. The contribution due by each Central Bank for 2016 amounts to \$ US 5,503.
15. Decided to engage the firm Grant Thornton to audit the AACB accounts for the fiscal years 2015-2017.
16. Adopted the document on the functions and organization of the AACB Secretariat.
17. Approved the external auditor's report on the accounts of the AACB for the fiscal years that ended on 31 December 2013 and 2014.
18. Elected Mr. Lucas ABAGA NCHAMA, Governor of the Banque des Etats de l'Afrique Centrale (BEAC), and Mr. Godwin EMEFIELE, Governor of the Central Bank of Nigeria (CBN) as Chairman and Vice-Chairman of AACB for fiscal year 2015-2016. Thus, the AACB Bureau for this fiscal year is as follows:
 - Governor of the BEAC, Chairperson of AACB;
 - Governor of the Central Bank of Nigeria, Vice-Chairperson of AACB;
 - Governor of the Bank of Ghana, Chairperson of the West Africa sub-region;
 - Governor of the Central Bank of Egypt, Chairperson of the North Africa sub-region;
 - Governor of the Banque Centrale du Congo, Chairperson of the Central Africa sub-region;
 - Governor of the Central Bank of Kenya, Chairperson of the East Africa sub-region;
 - Governor of the Bank of Namibia, Chairperson of the Southern Africa sub-region.
19. Decided that in compliance with the principle of rotation of AACB's Annual Meetings, the 39th Ordinary Meeting of the Assembly of Governors and the Symposium scheduled for August 2016 shall be hosted by the Central Bank of Nigeria in Abuja at dates to be agreed later.



20. Noted the designation by the BCEAO of Mr. Papa Lamine DIOP as the Executive Secretary of the AACB as at 1st September 2014.

On behalf of all the Governors and delegates, Mr. Mohammed LAKSACI, Governor of the Banque d'Algérie warmly thanked the President of the Republic, Head of the State, Head of the Government, the Government and the people of the Republic of Equatorial Guinea, for the warm hospitality and excellent facilities placed at their disposal which contributed to the success of the meetings. #

Done in Malabo on 14th August, 2015



Mr. Lucas ABAGA NCHAMA

Governor of Banque des
Etats de l'Afrique Centrale
Chairman of AACB