



ASSOCIATION OF AFRICAN CENTRAL BANKS (AACB)
39th ORDINARY MEETING OF THE ASSEMBLY OF GOVERNORS
(Abuja, Nigeria, August 19, 2016)

LIST OF DECISIONS

The Assembly of Governors of the Association of African Central Banks (AACB) held its 39th Ordinary Meeting, on August 19, 2016, in Abuja, Nigeria, at the Central Bank of Nigeria (CBN). The meeting was attended by twenty-seven central banks and the African Union Commission (AUC).

As usual, the meeting of the Assembly of Governors was preceded by a Symposium which was held on 18th August, 2016 on the theme: "*Unwinding Unconventional Monetary Policies: Implications for Monetary Policy and Financial Stability in Africa*". The Symposium was officially opened by His Excellency, the President and Commander in Chief of the Armed Forces of the Federal Republic of Nigeria, President Muhammadu Buhari.

Mr. Lucas Abaga Nchama, Governor of the Banque des Etats de l'Afrique Centrale (BEAC) and Chairman of the Association presided over the meeting.

After considering the items on the agenda, the Assembly of Governors:

1. Adopted the report of the AACB Symposium, held on 13th August, 2015 in Malabo, Equatorial Guinea;
2. Adopted the report of the 38th Ordinary Meeting of the AACB Assembly of Governors, held on 14th August, 2015 in Malabo, Equatorial Guinea;
3. Took note of the information provided by the African Union Commission on the submission to the African Union (AU) decision making bodies of the Study Report and the Joint AUC-AACB Strategy for the creation of the African Central Bank (ACB) adopted during the 38th Ordinary Meeting in Malabo, and taking into account concerns raised by the Southern African Sub-region. The concerns, which pertain notably to the need to achieve previously deeper integration of the economies, harmonisation of fiscal and monetary policies and greater macro-economic convergence, as well as effective free movement of goods, services, labor and capital, lead the Sub-region to the view that the objective of establishing the ACB by 2034 would not be feasible;
4. Requested the submission of the Statutes of the African Institute for Remittances (AIR) to AACB member central banks for comments by 31 December 2016, and gave a mandate to the Bureau for an approval of the possible participation of representatives of the Association at the Institute's Governing Board and Consultative Forum during its meeting to be held in Dakar

in February 2017;

5. Took note of the status progress report on the implementation of the African Monetary Cooperation Programme (AMCP) in 2015 and noted the difficulties of member countries in general to fulfill 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 additional two years extension of stage III, decided by the Assembly of Governors during its 38th Ordinary Meeting in Malabo, Equatorial Guinea, most countries continue to miss the AMCP targets for stage III. Thus, Governors encouraged the sub-regions to intensify their efforts in implementing structural reforms aimed at diversifying their economies, improving business environment, and promoting intra-regional trade in order to enhance the resilience of African countries to external shocks;
6. Commanded the Experts Group on the refinement of the AMCP convergence criteria for the report developed. However, Governors considered that the report went beyond the tasks assigned by including a review of the stages of the establishment of the African Central Bank. They requested that the parts of the report relevant to the establishment of ACB be removed and the amended report be sent to AACB member central banks for comments by 31 December 2016, through the central banks chairing the sub-regions. Governors also requested that the Experts Group review the parts withdrawn from the report. Furthermore, the Assembly of Governors gave a mandate to the Bureau to approve the amended report including possible comments by central banks, at its meeting in February 2017;
7. Took note of the report presented by the AACB Secretariat on the survey of AACB member central banks monetary policy frameworks and requested that the survey be institutionalized and conducted periodically. Governors invited member central banks to participate fully in the future, in the process of data collection. Furthermore, Governors requested that a Board of Directors responsible for monetary policy be put in place for the purpose of designing a harmonized monetary policy framework for African central banks;
8. Noted the conclusions and recommendations of the Continental Seminar organized from 9 to 11 May 2016 in Cairo, Egypt on the theme "*Financial Stability: New Challenges for Central Banks*". Governors commended Central Bank of Egypt for hosting the forum and urged central banks to participate in numbers in the Continental Seminars;
9. Took note of the activities of the Community of African Banking Supervisors (CABS) and commended Banque d'Algérie and South African Reserve Bank for hosting respectively the seminars on "*Macro-prudential Surveillance: Multiple Views, One Objective*" in September 2015 and on "*Cross-Border Banking Supervision*" in January 2016 as well as Central Bank of Nigeria for accepting to host the seminar on "*Crisis Management and Banking Resolutions*" during the fourth quarter of 2016. The Assembly of Governors also expressed gratitude to AACB partners (Making Finance Work For Africa, GIZ, Toronto Center) for the support provided in the implementation of the CABS Work Plan 2014-2016. They urged the AACB Secretariat to take the necessary steps, for the development of CABS 2017-2019 Work Plan, by taking account notably of the findings of the survey on training needs assessment of AACB central banks on banking supervision and regulation. Governors also took note of the handing over of CABS chairmanship to the Central Bank of Nigeria;

10. Followed a presentation of the project proposal on Cross Border Banking Supervision in Africa. The project aims at enhancing information exchange and collaboration in cross border banking activities surveillance in Africa. After the presentation, Governors requested that the project proposal be submitted to the AACB member central banks for comments by 31 October 2016;
11. Noted the steps taken by the Chairman for the allocation of a third seat to Africa at the Board of the International Monetary Fund (IMF). Furthermore, Governors expressed the view that the issue should be included in the road map of AACB Chairpersons and advocated continuously during bilateral and multilateral meetings;
12. Commended the Chairman's efforts for Bank of Eritrea and Bank of South Sudan to become members of AACB. Governors invited AACB Chairman to continue to invite the two central banks to join the Association. The Chairman's efforts should also be continued toward the member central banks that contribute to the AACB budget but do not participate in the activities of the Association at the sub-regional and continental levels;
13. Took note of the number of central banks that signed the amended AACB Statutes and invited the central banks that did not sign them yet to do so;
14. Took note of the status of the contributions to the 2016 budget and urged the central banks that have not yet met their obligations to do so as soon as possible;
15. Decided that the theme for the 2017 Symposium is "*Monetary Integration Prospects in Africa: Lessons from the Experience of the European Monetary and Financial Integration*". The Assembly also selected for the Continental Seminar for the year 2017 the topic "*Credible Communication Strategies of Central Banks in the Framework of Monetary Policy and Financial Stability*", and invited the West African Sub-region to give the name of the Sub-region's central bank that will host the event;
16. Adopted the work programme and budget of the AACB Secretariat for the year 2017 and commended BCEAO's unwavering support to the AACB. The contribution due by each Central Bank for 2017 amounts to US\$ 5,408.0;
17. Recognized the importance of the opportunity offered to AACB to co-organize, in partnership with the United Nations Economic Commission for Africa (ECA) and AUC, the Caucus of African Governors on the sideline of the Annual meetings of the Ministers of Finance, Planning and Economic Development. However, Governors underscored the need to base the partnership on a strategic framework and requested, before giving their consent, that ECA provides specific terms of reference of the partnership clarifying the role of each stakeholder;
18. Approved the external auditor's report on the accounts of the AACB for the fiscal year that ended on 31 December 2015, and urged the AACB Secretariat to explore jointly with the audit firm practical arrangements in order to take into account its comments;
19. Elected Mr. Godwin I. Emefiele, Governor of the Central Bank of Nigeria (CBN), as Chairman of AACB for fiscal year 2016-2017. The Southern African Sub-

region will designate and communicate later a Governor of the Sub-region, in the capacity of Vice-Chairperson of the Association. Thus, besides the Vice-Chairperson, the AACB Bureau for this fiscal year comprises:

- Governor of the Central Bank of Nigeria, Chairperson of AACB;
 - Governor of the Bank of Ghana, Chairperson of the West African Sub-region;
 - Governor of the Banque Centrale de Mauritanie, Chairperson of the North African Sub-region;
 - Governor of the Banque des Etats de l'Afrique Centrale, Chairperson of the Central African Sub-region;
 - Governor of the Banque de la République du Burundi, Chairperson of the East African Sub-region;
 - Governor of the Central Bank of Swaziland, Chairperson of the Southern African Sub-region.
20. Decided that in compliance with the principle of rotation of AACB's Annual Meetings, the 40th Ordinary Meeting of the Assembly of Governors and the Symposium scheduled for August 2017 shall be hosted by a central bank of the Southern African Sub-region at dates to be agreed later.

On behalf of all the Governors and delegates, Mr. Nianga Komata Goumou, Deputy Governor of the Banque Centrale de la République de Guinée, expressed gratitude to the President and Commander in Chief of the Armed Forces of the Federal Republic of Nigeria, the Government and the people of the Federal Republic of Nigeria, for the warm welcome and hospitality shown as well as the excellent measures taken to ensure the success of the meetings.

Done in Abuja on 19th August, 2016



Mr. Godwin I. Emefiele
Chairman of AACB
Governor
Central Bank of Nigeria