



ORDINARY MEETING OF THE BUREAU OF THE ASSOCIATION OF AFRICAN CENTRAL BANKS (AACB)

(Dakar, Senegal, 23 February 2018)

LIST OF DECISIONS

The Bureau of the Association of African Central Banks (AACB) held its first ordinary meeting of the year on 23 February 2018 in Dakar, Senegal, at the Headquarters of the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO).

The meeting, attended by ten (10) central bank members of the Bureau and the African Union Commission (AUC), was chaired by Mr. Lesetja Kganyago, Governor of the South African Reserve Bank (SARB), Chairman of the AACB.

The opening ceremony was addressed by Dr. René N'Guettia Kouassi, Director of Economic Affairs and representative of the Commissioner for Economic Affairs of the AUC, and the AACB Chairman delivered the opening speech.

Mr. Tarek Amer, Vice Chairman of the AACB and Governor of the Central Bank of Egypt (CBE), who could not attend the meeting, delivered a video message expressing the appreciation of the CBE and Egypt at large for the opportunity to host the upcoming AACB annual meetings. He offered congratulations to Mr. Kganyago on his appointment as Chairman of the International Monetary and Financial Committee (IMFC) and wished the Governors well in their deliberations in the meeting. The Bureau meeting reviewed, inter alia, the implementation of the decisions made by the Assembly of Governors at its 40th ordinary meeting, held on 16 August 2017 in Pretoria, South Africa. In this respect, the Bureau:

1. Approved the report of the AACB Symposium, held on 15 August 2017 in Pretoria, South Africa and requested that the report be presented for adoption at the Assembly of Governors meeting in August 2018 in Egypt;
2. Approved the report of the 40th ordinary meeting of the Assembly of Governors of the AACB, held on 16th August 2017 in Pretoria, South Africa, as a fair reflection of the session's deliberations and requested that the report be presented for adoption at the Assembly of Governors meeting in August 2018 in Egypt;
3. Took note of the information provided by the AUC on the implementation of the AUC-AACB Joint Strategy on the establishment of the African Central Bank (BCA), in particular the development of a draft host country agreement for the creation of the African Monetary Institute (AMI) which will be discussed with the Central Bank of Nigeria, as well as the Government of Nigeria, the host country.

4. Agreed that the AACB be represented at the meetings of the African Union (AU) Specialized Technical Committee (STC) on Finance, Monetary Affairs, Economic Planning and Integration in April 2018, at both expert and ministerial levels, in order to present the report on the refinement of the convergence criteria of the African Monetary Cooperation Programme (AMCP), within the framework of the AUC-AACB Joint Committee;
5. Noted that the African Union (AU) has approved the Statutes of the African Institute for Remittances (AIR), which accords representation of the AACB on the governing board and consultative forum of the AIR, and agreed on the participation of the representatives of the AACB in the meetings of the governing board and the consultative forum which will be convened during 2018;
6. Took note of the report on the implementation of the African Monetary Cooperation Program in 2017 and approved that a revised version including updated information be tabled at the Assembly of Governors meeting in August 2018 in Egypt for adoption;
7. Considered the report of the Experts Group on the monitoring framework and a peer review mechanism for macroeconomic convergence and approved the submission of the report to AACB central banks for comments. The comments, if any, will be incorporated into a revised report which will be tabled at the Assembly of Governors meeting in August 2018 in Egypt for adoption;
8. Selected for the 2018 Continental Seminar on the theme: 'Financial Technology Innovations, Cybercrime: Challenges for Central Banks', the following sub-themes:
 - a) Financial Technologies: Opportunities and Challenges for African Central Banks;
 - b) Cybersecurity: Implications for Supervisory Practices and Monetary Policy Practices in Africa;
 - c) Mobile Money, Payment Instruments and Channels: Socio-Economic Gains or Cyber-pain?
9. Selected for the 2018 Symposium on the theme 'Declining Correspondent Banking Relationships and Illicit Capital Flows: Risks and Policy Challenges for Africa', the following sub-themes:
 - a) Declining Correspondent Banking Relationships and Possible Rise of Underground Financial Sectors in Developing Countries;
 - b) Illicit capital flows in Africa: Challenges and Policy Implications for African Countries;
 - c) Impact of Declining Correspondent Banking Relations on Financial Sector Development and Economic Growth in Africa.
10. Approved an increase in the per diem for the Executive Secretary of the AACB by USD 50 and the other AACB staff by USD 25, and agreed that the Assembly of Governors will be informed of this decision at its meeting in August 2018 in Egypt;

11. Took note of the activities of the Community of African Banking Supervisors (CABS) and the approval by the Financial Sector Reform and Strengthening (FIRST) Initiative of the grant funding for the cross-border banking supervision project. Furthermore, the Bureau requested the CABS Working Groups to submit written reports on their activities to the AACB Secretariat for tabling at the Bureau and the Assembly of Governors meetings, failing which participation of the AACB Secretariat in the Working Groups meetings will be sought in order to develop the necessary reports;
12. Considered a proposal by the Chairman of the Payments Systems sub-Committee of Southern African Development Community (SADC) on the integration of payment systems in Africa. The Bureau agreed that given the developments on the continent it is appropriate to give attention to initiatives that will integrate the payment systems on the African continent. In this regard, the Bureau requested that the project proposal be further developed and submitted to member central banks for comments. The comments, if any, will be incorporated in the final version to be presented at the Assembly of Governors meeting in August 2018 in Egypt for adoption;
13. Took note of the status of the contributions to the AACB 2018 budget and requested that reminders be sent by the AACB Secretariat to the Central Banks which have not paid their contributions, and that the chairs of the sub-regions be copied in the messages;
14. Took note of the measures undertaken by the Central Bank of Sudan to effect the direct payment of their current subscriptions and the opening of a dollar account in their books as suggested by the AACB to effect future payments if needed;
15. Noted the request by Bank Al-Maghrib for membership of the AACB as well as the signed instrument of acceptance of the Statutes and congratulated Bank Al-Maghrib for their accession to the Association, pursuant to Article 4, Paragraph 1 of the AACB Statutes;
16. Took note of the exchange of letters between the European Central Bank (ECB) and the AACB, and noted that the ECB will be invited to participate in AACB events. Furthermore, the Bureau approved that the Executive Secretary of the AACB visit the International Cooperation Office (ICO) to strengthen cooperation with the ECB;
17. Noted the proposal of the Federal Reserve Bank of New York (FRBNY) outlining potential areas of collaboration over the next couple of years and requested the FRBNY to develop a detailed proposal specifying the scope and timeline of the initiatives for circulation to all AACB members for comments. A revised version of the proposal incorporating the comments from AACB members will be tabled at the Assembly of Governors meeting in August 2018 for approval;
18. Considered a request for AACB membership by the Banque de la République d'Haïti (BRH) and noted that the AACB statutes do not permit membership to non-AU members. The Bureau hence granted the BRH an observer status at the AACB which would allow the Banque de la République d'Haïti to attend AACB events, in particular, the Annual Meetings;
19. Approved that the AACB become a non-funding member of Making Finance Work for Africa (MFW4A) and be represented by the AACB Executive Secretary at the Partnership for MFW4A;
20. Suggested that the Executive Secretary of the United Nations Economic Commission for Africa (UNECA) table the initiatives for setting up an African Credit Rating Agency and platforms for knowledge sharing and exchanges of experiences among African Central Banks to improve the implementation of monetary and fiscal policies, at an appropriate

AU forum which includes finance Ministers to ensure that the desired outcomes are efficiently achieved;

21. Took note that the Continental Seminar will be hosted by BEAC in May in N'Djamena, Chad, and urged the BEAC to firm up the date for the seminar;
22. Noted that the Annual meetings will be hosted by the Central Bank of Egypt, in Sharm El-Sheikh, Egypt, from 5 to 9 August 2018.

At the end of the meeting, the Governors expressed their gratitude to the Head of State and Government of the Republic of Senegal and to the Governor Tiemoko Meyliet KONE and staff of the BCEAO, for the warm hospitality and facilities provided for the meeting.

Done in Dakar, on 23rd February 2018



Mr. Lesetja Kganyago

Chairman of the Association of African Central Bank, and
Governor of the South African Reserve Bank