



ASSOCIATION OF AFRICAN CENTRAL BANKS (AACB)
36th ORDINARY MEETING OF THE ASSEMBLY OF GOVERNORS
(Algiers, Algeria, August 30th, 2012)

LIST OF DECISIONS

The 36th Ordinary Meeting of the Assembly of Governors of the Association of African Central Banks (AACB) was held at Hilton Hotel, Algiers, Algeria on 30th August, 2012. The meeting was attended by thirty-one Central Banks, the African Union Commission (AUC) and regional and international institutions.

As usual, the meeting of the Assembly of Governors was preceded by a Symposium which was held on 29th August, 2012 on the theme: "*Challenges of Commodity Prices and Capital Flow Volatility to African Central Banks*". The Symposium was officially opened by Mr. Karim Djoudi, Honourable Minister of Finance of the People's Democratic Republic of Algeria.

In his remarks, the honourable Minister underscored the relevance of the theme of the Symposium in the wake of increased uncertainty in the global economic environment. He insisted that regional integration could potentially support regional economic growth and development. He said he was confident in the capacity of Central Bank Governors to adopt appropriate policy measures to address the huge challenges linked to the volatility of commodity prices and capital flows.

During its meeting, the Assembly of Governors considered the items on the meeting agenda. After deliberations, Governors:

1. Adopted the report on the AACB Symposium, held on 11th August, 2011 in Lilongwe, Malawi ;
2. Adopted the report on the 35th Ordinary Meeting of the AACB Assembly of Governors, held on 12th August, 2011 in Lilongwe, Malawi;
3. Was informed of the conclusions and decisions of the meeting of the Joint Committee (JC) held on 28th August, 2012. The highlights of this meeting were the progress report on the study on the strategy of the creation of the African Central Bank and budgetary constraints that might negatively impact the pursuit of the study during the last quarter of 2012. Governors endorsed the following decisions taken by the JC:

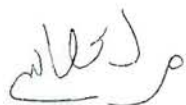
- Transmission to the AACB of the French version of the study by 10th September, 2012;
 - The need to circulate the study to all the Sub-regional Committees of the AACB for comments to be communicated to the Study Group and the Executive Secretariat by the end of November 2012;
 - Transmission by the Study Group of a new version of the study, based on Sub-regions' comments to the AACB by the end of December 2012;
 - Consideration by the AACB's Bureau of the new version of the study at its February 2013 meeting. If necessary, the Chairman can convene a meeting of the Bureau before the Ordinary Meeting of the Assembly of Governors;
 - The need to ensure that the Study Group keeps on working. In this regard, AUC will downsize the number of members of the Study Group from the current 6 to 2 in order to contain the budget 2012 by its last term;
 - Consideration of the final document by the Assembly of Governors at its 2013 Ordinary Meeting;
4. Took note of the progress status of the publication of the report on the implementation of the African Monetary Cooperation Programme (AMCP) in 2010, and of the draft report on the implementation of the AMCP in 2011. In this regard, the Assembly urged North Africa Sub-region to transmit by mid October 2012 the missing information needed for the completion of the report for the year 2010. It also expressed concerns about the impact of external shocks on countries' performance under the convergence criteria in 2011. It observed that it was not necessary to modify the criteria and encouraged member countries to continue efforts to reinforce macroeconomic convergence;
 5. Took note of the report on the Continental Seminar for the year 2012 and encouraged all the member Central Banks to participate in this Seminar. The Assembly also commended Banque des Etats de l'Afrique Centrale (BEAC) for hosting this forum;
 6. Took note of the revised terms of reference of the Community of African Banking Supervisors (CABS) and invited the Executive Secretariat and the Secretariat of Making Finance Work For Africa (MFW4A) to organize the inaugural meeting of CABS as soon as possible;
 7. Took note of the status of the contributions to the 2012 budget and encouraged the concerned member Central Banks to meet their obligations;
 8. Appreciated payment by Banque Centrale de Tunisie of its arrears. Further, the Governors recognized that the arrears of Central Bank of Somalia (CBS) were amenable to the situation of this Institution. Therefore, and also to avoid setting

- a precedent that might be detrimental to the financial position of AACB, they decided that the payment of the arrears of CBS be spread over a period of six (6) years;
9. Commended the Chairman's efforts for Bank of Eritrea and Central Bank of South Sudan to become members of the AACB and asked him to continue these efforts;
 10. Welcomed the strengthening of the relations between the AACB and the Africa Union and asked the Chairman to send a gratitude letter to the AUC Conference of the African Ministers of Finance for the participation of AACB in their meeting as a regular member;
 11. Took note of the report on the training seminar for the local Administrators for the AACB's website and decided that such a seminar be held whenever necessary. The Assembly also thanked Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO) for hosting the seminar;
 12. Adopted the amended Statutes of the AACB, subject to the insertion of the following changes into this document:
 - Article 5, Paragraph 8 "Membership in a Sub-region, as well as the transfer of membership status from a Sub-region to another, shall be based on the sovereign choice of each country";
 - Article 7, Paragraph 6 "The accounts of the Association shall be audited by external Auditors who shall submit their report to the Bureau and the Assembly of Governors. They shall be appointed by the Association for a period of one (1) year, and may be re-appointed for a further term not exceeding three (3) years";
 - Article 12, Paragraph 1 "These Statutes shall enter into force as at the date of the signing by at least fifty per cent of members";
 13. Adopted the report of the external auditors on the financial accounts of AACB for fiscal year ended at 31st December 2011;
 14. Decided to engage the firm Mazars to audit the association accounts for the fiscal years 2012-2014. The assembly also agreed that for future calls for tenders, the Secretariat open the bids in the presence of BCEAO in order to establish a shortlist to be submitted to the Bureau;
 15. Decided that the theme for the Governors 2013 Symposium is "Financial Inclusion in Africa: the Challenges of Financial Innovations for Monetary Policy and the Stability of Financial System". The Assembly also selected for the Continental Seminar for the Year 2013 the topic "The Role of Central Banks in the Promotion of Sustainable Economic Growth in Africa";
 16. Adopted the work programme and Budget of the AACB for the year 2013. The contribution due by each Central Bank for 2013 amounts to US\$ 5,561. Further, the Assembly noted the necessity for the executive secretariat to present,

whenever it is considered to participate to a new meeting in the African region, to present to the bureau a note explaining motivations. In this regard, he instructed the executive secretariat to present to the bureau at its next meeting, a concept note on participation in further events that were not scheduled the prior year.

17. Decided that, in compliance with the principle of rotation adopted by the Assembly of Governors, the 37th Ordinary Meeting of the Assembly of Governors and Governors' symposium will be held in August, 2013 in a Central Bank of the Eastern Africa Sub-region, namely the Bank of Mauritius. The date of that meeting will be determined at the Bureau session of February 2013 ;
18. Elected Mr. Mohammed Laksaci, Governor of Banque d'Algérie and Mr. Rundheersing Bheenick, Governor of Bank of Mauritius, as the new Chairman and Vice-Chairman of the AACB. The Assembly also elected the Governors of the following Central Banks as members of the Bureau:
 - Governor of Central Bank of Sudan, representing the North Africa Sub-region;
 - Governor of Bank of Tanzania, representing the East Africa Sub-region;
 - Governor of Banque Centrale du Congo representing the Central Africa Sub-region;
 - Governor of Central Bank of Nigeria, representing the West Africa Sub-region ;
19. The name of the representative of the Southern Africa Sub-region will be communicated to the Chairman of the AACB later on.
20. On behalf of all the Governors and delegates present, Mr. Sid'Ahmed RAISS, Governor of Banque Centrale de Mauritanie and Mr. Lucas Abaga NCHAMA, Governor of BEAC warmly thanked the President, Government and people of the Democratic People's Republic of Algeria, for the warm hospitality and excellent facilities placed at their disposal which contributed to the success of the meeting.

Done in Algiers on 30th August, 2012



Mr. Mohammed Laksaci
Governor of Banque d'Algérie
Chairman of the AACB